



STATE BANK OF SOUTHERN UTAH

September 16, 2025

Jennifer M Jones, Deputy Executive Secretary
Attention: Comments—RIN 3064-AG15
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

RE: Notice of proposed Rulemaking and Request for Comments (RIN 3064-AG15)

Dear Ms. Jones,

State Bank of Southern Utah appreciates the opportunity to respond to the FDIC's request for comments on the proposed rulemaking to raise and index various regulatory thresholds.

We are a \$2.6 billion commercial bank with 17 branches located throughout southwestern Utah, serving primarily rural communities. We support the FDIC's proposal to raise the thresholds as outlined, with one important exception.

The proposed increase in the threshold under Part 363.5(b) and Guideline 35(c)—from \$3 billion to \$5 billion—is a step in the right direction. However, we respectfully recommend that this threshold be raised to \$10 billion. The current heading of Part 363.5(b), "Committees of large institutions," establishes the \$3 billion level as the basis for defining a large institution. This section requires audit committees to include members with banking or related financial management expertise.

In practice, identifying qualified audit committee members with this expertise is challenging, particularly for institutions in rural markets. Raising the threshold to \$10 billion would better reflect the scale and complexity of institutions that can reasonably meet this requirement.

We are encouraged by the FDIC's efforts to reduce regulatory burden and modernize outdated thresholds. If possible, we recommend that the final rule be implemented immediately or, at the latest, take effect for the financial statement year ending December 31, 2025.

Having been above the \$1 billion threshold for several years, we are well accustomed to the internal control testing and reporting requirements. The FDIC, along with other federal and state regulators, can be assured that State Bank of Southern Utah will continue to maintain a strong system of internal controls regardless of any changes to the reporting compliance threshold.

Thank you for your consideration and for your continued support of community-focused institutions like ours.

Sincerely,

David Eberhard
Chief Financial Officer



STATE BANK
OF SOUTHERN UTAH

P.O. Box 340
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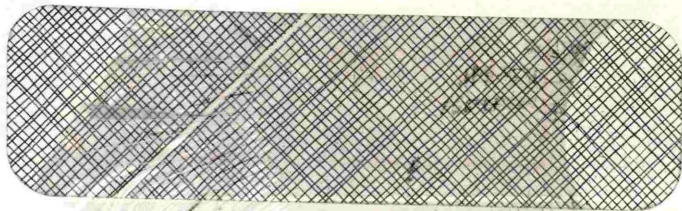
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