

From: [April Tappe](#)
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] RIN 3064-AG15
Date: Thursday, September 25, 2025 2:23:29 PM

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

Dear Ms. Jones,

As part of an \$800MM community bank that has been around since 1902 - we support the FDIC's proposed rule to raise the audit and internal control reporting thresholds under Part 363. The current thresholds—\$500 million for annual audits and \$1 billion for internal control assessments—have not been adjusted in decades and no longer reflect the economic realities or inflationary pressures facing community and mid-sized banks.

Raising the audit threshold to \$1 billion and the internal control threshold to \$5 billion is a prudent and data-driven adjustment that aligns regulatory burden with institutional complexity and risk. These changes will:

- Reduce unnecessary compliance costs for smaller institutions that do not pose systemic risk.
- Free up capital for community banks to reinvest in local lending, technology, and customer service.
- Preserve the original intent of Part 363 by maintaining its scope in real terms, as it was when first implemented.

We also strongly support the proposal to index these thresholds to inflation using the CPI-W, with biennial reviews and interim adjustments if inflation exceeds 8%. This will prevent regulatory drift and ensure that compliance obligations remain appropriately scaled over time.

This proposal represents a thoughtful modernization of outdated rules and will help ensure that regulatory oversight remains risk-focused, efficient, and equitable.

Thank you kindly,

April Tappe

First National Bank North

