

From: [Austin Jones](#)
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] RIN 3064-AG15
Date: Tuesday, September 23, 2025 12:55:17 PM
Attachments: [image004.png](#)
[image006.png](#)

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,

This email is in response to the FDIC's request for public comment regarding the proposed amendments to 12 CFR Part 363. My intent is to express our support for increasing the asset thresholds outlined in the regulation.

I serve as President and Treasurer of Grinnell Bancshares, Inc. (GBI), a \$734 million bank holding company. In addition, am the Chairman of the Board and Chief Financial Officer of Grinnell State Bank (GSB), with \$493 million in assets, and Executive Vice President of Colorado Bank and Trust (CB&T), which holds \$242 million in assets. GBI owns 100% of both GSB, headquartered in Grinnell, Iowa, and CB&T, located in La Junta, Colorado.

GSB is a family-owned institution with a long-standing commitment to community banking. My grandfather acquired controlling interest in the bank in 1954, and five generations of our family have served—and continue to serve—across various roles. I am now in my 45th year of service with both GBI and GSB and remain deeply invested in the stewardship and sustainability of our institutions.

Grinnell State Bank is celebrating its 100th year of service, while Colorado Bank and Trust has been serving its communities for 118 years. Both institutions are community-focused commercial banks, serving predominantly rural agricultural regions, with a presence in

metropolitan areas as well. Our acquisition of CB&T in 2023 brought GBI above the FDICIA threshold, while GSB remains near the \$500 million mark.

As a result of crossing the threshold, we are now subject to external audit requirements for both the holding company and its subsidiary banks. For institutions operating in rural areas, sourcing qualified auditors and personnel to meet FDICIA requirements at a reasonable cost presents a significant challenge. These responsibilities fall to staff who already manage multiple roles, diverting time and attention from core functions and customer service. Many of these same individuals are also tasked with addressing the growing volume of fraud-related activity, which demands increasing time and expertise.

Additionally, we have been actively seeking independent directors qualified to serve on our audit committee for over a year. The limited pool of candidates in our region has made this a particularly difficult endeavor.

It is worth noting that the FDICIA thresholds of \$500 million and \$1 billion were established in 1991 and have remained unchanged for over three decades. According to the U.S. Bureau of Labor Statistics Inflation Calculator, adjusting for inflation alone would suggest revised thresholds of at least \$1.2 billion and \$2.5 billion.

Beyond inflation, the banking landscape has shifted dramatically. In 1991, there were over 11,900 banks, with an average asset size of \$250 million and a median of \$150 million. Today, there are approximately 4,844 banks, with average assets of \$5.3 billion and a median of \$353 million. This evolution means a significantly larger proportion of institutions now fall under thresholds originally designed for a much smaller and more fragmented banking environment.

To illustrate: the original \$1 billion threshold was roughly four times the average bank size in 1991. Applying that same multiple to today's average would suggest a top threshold closer to \$21 billion. While some advocate for a revised level of \$10 billion, which would represent a meaningful and pragmatic starting point, there is a clear case for reevaluating these limits considering both inflation and structural changes in the industry.

The additional regulatory burden has introduced substantial costs and operational strain, without a corresponding improvement in safety or soundness for our communities. Our banks are already subject to oversight by multiple regulators and external auditors. Imposing further requirements under Part 363 does not enhance our ability to serve our customers or safeguard our institutions, it instead diverts resources from critical areas such as fraud prevention and community engagement.

We respectfully urge the FDIC to consider recalibrating the asset thresholds in Part 363 to reflect the current economic and banking environment. Doing so would allow community banks like ours to continue focusing on their mission of serving local customers and maintaining financial integrity.

Thank you for your consideration.

Respectfully submitted,

F. Austin Jones
President & Treasurer, Grinnell Bancshares, Inc.
Chairman & CFO, Grinnell State Bank
EVP, Colorado Bank and Trust

