



September 26, 2025

VIA ELECTRONIC DELIVERY

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

Re: RIN 3064 – AG15

Dear Ms. Jones:

The Texas Bankers Association (TBA) appreciates the opportunity to provide comments on the Federal Deposit Insurance Corporation's (FDIC) proposed rule that would adjust and index certain regulatory thresholds. TBA supports this rulemaking because we believe adjusting regulatory thresholds to reflect inflation preserves their intended application in real terms over time and indexing those thresholds ensures they remain aligned with their intended policy objectives.

TBA represents nearly 400 banks and trust companies in the state of Texas, and our members are impacted by each of the regulations the proposed rulemaking amends. However, the proposed changes to 12 CFR Part 363 – Annual Independent Audits and Reporting Requirements – will have the widest impact for the largest percentage of our members, so we focus our comments on Part 363.

With the proposed rule, we are pleased the FDIC has recognized that Part 363's dollar-based thresholds that were first set in 1993 and last amended in 2005 no longer serve their original scope of application, which was to help ensure sound financial management to the institutions posing the greatest potential risk to the Deposit Insurance Fund. RIN 3064-AG15's proposed increase of the general applicability threshold to \$1 billion is a positive step towards ensuring the regulation's application is indeed aimed at those institutions posing the greatest potential risk to the Deposit Insurance Fund.

When first implemented in 1993, the FDIC's use of a \$500 million general applicability threshold captured approximately 1,000 insured depository institutions (IDIs) out of the 14,000 in operation at that time. Raising the general applicability threshold will apply to approximately 1,000 institutions, and the FDIC notes this is in line with the number of banks originally impacted both in 1993 and when the dollar-based threshold was last updated in 2005. Overall, we are pleased with the increase in this dollar-based threshold in Part 363.

We would like to note, however, that unlike in 1993 when Part 363 originally impacted just over 7% of all IDIs (1,000 out of 14,000 IDIs), raising the general applicability threshold to \$1 billion in 2025 extends the reach to 22.6% of all IDIs (1,000 out of 4,421 IDIs). Is it the FDIC's belief that these 1,000 banks pose the greatest risk to the Deposit Insurance Fund? Or, should this \$1 billion threshold be increased in order to keep the proportion of impacted IDIs aligned with the historic trend (e.g., where would the threshold be in dollar terms to limit the general applicability threshold's application to 7% of the 4,421 IDIs?)

Setting this point aside, though, we are supportive of the proposed increase in the general applicability threshold to \$1 billion because we believe this increase will achieve meaningful burden reduction for our smallest members, and we are grateful for this change.

As important as increasing the baseline general applicability threshold is the indexing of these thresholds to ensure they remain aligned with their intended policy objectives. As the FDIC notes in the proposal's introduction, "static dollar-based thresholds without periodic adjustments to reflect inflation do not preserve threshold levels in real terms, leading to unintended policy consequences." We are grateful the agency is taking the step to establish an indexing system for these regulatory thresholds because this will create the type of systemic regulatory certainties bankers are accustomed to and are able to plan for. These scheduled, predictable adjustments will enable bankers to take future adjustments into consideration as they plan for their strategic growth.


Further, the indexing of thresholds is in line with TBA's past advocacy that statutory and regulatory thresholds should be revisited and updated to ensure their intended scope continues relative to inflation. For example, we have long advocated the \$10,000 threshold for the filing of currency transaction reports (CTRs) should be indexed to inflation. Set in 1972, this threshold has remained in place for over 50 years. Per a 2024 report by the Government Accountability Office, the inflation-adjusted threshold for CTRs would have been about \$72,880.¹ And, importantly, using an inflation-adjusted threshold would have reduced the number of CTRs filed by at least 90 percent every year since 2014. Increasing the threshold for CTR filings would ensure Treasury's originally intended scope of applicability for CTRs.

Similarly, since 2010, we have advocated for a cost-of-living adjustment to the Dodd-Frank Act's Durbin Amendment \$10 billion threshold for interchange transaction fees. If indexed to the annual Consumer Price Index, this \$10 billion threshold would amount to close to \$14.5 billion. TBA supports the indexing of regulatory thresholds, and we appreciate the fact that the FDIC views this proposed rulemaking is the first of a multiphase effort to reevaluate all thresholds within the FDIC's regulations.

Thank you for taking this important step to update regulations under the FDIC's jurisdiction to ensure they continue to preserve their intended application in real terms over time and remain aligned with their intended policy objectives. TBA and our members appreciate your recognition that as the economy has grown, these regulations have exceeded their originally intended scope

¹ <https://www.gao.gov/products/gao-25-106500>

of applicability. We view RIN-3064 – AG15 as an important step in not only right-sizing these regulations' applicability but also created a predictable system to ensure they continue to be right-sized in the future.



Celeste Embrey
General Counsel