



November 18, 2024

Dear Mr. Sheesley,

I am writing to express my strong opposition to the proposed changes to the rules regarding brokered deposits. As a small business owner in Minnesota, I wear many hats in my community—advocating for local economic development, supporting other small business owners and non-profits, and fostering a vibrant and resilient business environment. Unfortunately, the FDIC’s proposed revisions would dramatically impact the ability of small businesses like mine to access critical financial resources, thereby hurting our broader local economy.

Small businesses already face unique challenges when it comes to securing financing. Access to capital is often limited, and without the ability to tap into a broader network of deposit sources, our ability to grow and create jobs would be significantly constrained. Third-party partnerships are a cost-effective tool for many small banks that serve as the lifeblood of our community. These banks rely on access to a diverse pool of funding to provide loans to local businesses, farmers, and families. Restricting local banks from diversifying their customers would place an undue burden on these institutions and would disproportionately affect the communities they serve.

The proposed changes would also have a chilling effect on the relationships that small businesses have with their financial institutions. In many cases, these local banks act as trusted partners, providing not just capital, but also guidance and support to small business owners. Limiting the ability of these institutions to grow and offer competitive rates will undermine their stability, ultimately putting our local economy’s continued growth and competitiveness at risk.

I believe that the current regulations strike a fair balance between protecting the safety and soundness of the financial system while allowing local banks to serve the needs of their communities. Any changes to these rules should prioritize the continued health of small businesses and the financial institutions that support them, rather than imposing blanket restrictions that could harm the very people they are meant to serve.

I urge the FDIC to reconsider these proposed changes and to ensure that the voices of small business owners and local banks are heard in this important decision.

Thank you for your attention to this matter.

Jill Goldstein  
Goldstein Mediation