

**SMALL BUSINESS DEVELOPMENT  
CORPORATION OF ORANGE COUNTY**

**TO:** [comments@fdic.gov](mailto:comments@fdic.gov)

**SUBJECT: FDIC Comment Request– RIN 3064-AF99**

Dear Mr. Sheesley,

I am writing on behalf of the Small Business Development Corporation of Orange County (SBDC-OC) to express our opposition to the proposed broker deposit rule currently under consideration. As a quasi-public/private not-for-profit organization dedicated to assisting small businesses in accessing capital, we are particularly concerned about the detrimental effects this rule will have on community banks and, ultimately, the local small businesses that rely on them for funding.

Community banks play a crucial role in the financial ecosystem, especially for small businesses that often struggle to qualify for loans from larger banks. The proposed broker deposit rule is likely to undermine the stability and viability of these vital institutions by restricting their ability to work with modern financial services platforms to attract new depositors, which could result in decreased lending capability. This shift directly threatens the lifeblood of small businesses in our community, many of which are already facing challenges due to economic instability.

Our mission is to foster the growth of small businesses, which are foundational to job creation and local economies. However, if community banks are weakened by this proposed rule, the consequences for our local businesses could be severe. Without proper access to funding, many businesses may struggle to sustain operations or grow, leading to job losses and economic decline in our region.

We urge the FDIC to reconsider the implications of this rule and its potential to exacerbate financial disparities. Preserving the health of community banks supports not just financial stability, but also the communities they serve. The SBDC-OC is committed to ensuring our local businesses thrive, and we believe fostering strong community banks is essential to achieving that goal.

Thank you for considering our perspective.

[Redacted Signature]

Sincerely,  
Michael A. Ocasio, CEO