



March 31, 2006

Nancy M. Morris
Federal Advisory Committee Management Officer
Securities and Exchange Commission
100 F Street, NE
Washington DC 20549-1090

RE: File No. 265-23

To: Members of the Securities and Exchange Commission:

This letter is in response for the request of comments relative to the final report of the SEC Advisory Committee on Smaller Public Companies. As an independent director of Intermountain Community Bancorp, and Chair of the IMCB Corporate Governance and Nominating Committee, I applaud their work and the concluding recommendations you will consider next week.

As you are well aware, the banking industry is heavily burdened with regulation among those from the Federal Reserve, FDIC, SEC and Sarbanes-Oxley, especially Section 404. In their deliberations, I'm certain the Committee concluded the expense of Section 404 has significantly impacted both micro and small cap companies. I can attest, this has been a very taxing experience for our executive management, staff and members of the board. The time committed to SOX 404 compliance is so heavily burdensome, it causes our time, energies, and resources to be somewhat turned away from our primary focus of serving our existing customer base and increasing our market share of business development.

The cost of SOX 404, is roughly the same, regardless of the size of the organization. Our significantly increased cost of audit requirements, coupled with the additional expense for SOX 404 compliance, is similar, I'm certain, for other community banks. Please make it worthy of consideration in your review of the Committee's recommendations, as it impacts our shareholder value along with the opportunity for the customer service values we hold dearly. It also impedes our ability to expend those financial resources in marketing efforts necessary in today's competitive financial marketplace.

The high standards set forth by our executive management team for regulatory compliance with existing laws and regulations governed by the agencies mentioned above, along with, in our case, the state of Idaho Department of Finance, are applauded by our board of directors. We want to continue to be among the most highly rated banks in the nation. SOX 404, however, in many cases is redundant to the regulatory oversight and requirements already in place, therefore the additional cost and burden has not proven to bring the value and benefit assumed by Congressional supporters during their considerations.

Thank you for your time and attention to our comment. We look forward to the Commission adopting the Committee's recommendations.

Kind regards,


Barbara Strickfaden, Director
Panhandle State Bank