
From: Josh Johnson [mailto:fsbdarwin_josh@mchsi.com]
Sent: Wednesday, March 04, 2009 6:03 PM
To: Comments
Cc: president@whitehouse.gov
Subject: Assessments, RIN 3064-AD35

Just add me to the list of bankers that are disgusted with the way that the FDIC is making community banks subsidize the incompetence of larger financial institutions.

Community banks have been voicing their concerns about over consolidation for years, with nothing worthwhile coming from it. Now we are asked to bear the financial burden of their excess.

So here we sit, paying for their insurance through our assessment, paying for their losses through our taxes, paying for their incompetence through bad PR, and what is our thanks... the President continues to blast "banks" as a whole for being irresponsible and greedy. With hardly a whisper of the fact that the majority of the banks, especially community banks, were responsible lenders and continue to serve their community well. So who was really irresponsible and greedy? How about the members of congress who not only condoned but encouraged reckless lending, as they pandered to unqualified borrowers (for votes), large banks (for contributions) and wall street (again, contributions). How about the regulators who sat by and let over consolidation place the entire financial system at risk (I really could not even tell you why they let that happen, political pressure is about the only thing I can think of).

So what will happen now? Well, if anyone reads this at all, besides ICBA on the cc, it will be dismissed to some file with thousands just like it. The FDIC will go forward with their special assessment and increased premiums, resulting in the largest bailout yet... healthy community banks bailing out the rest of the industry. I only hope we have learned that when a bank becomes too large to fail (not to mention regulate), then it becomes too large of a threat to the industry (not to mention the economy and the country). Special systemic risk assessments should be placed on these institutions down the road. And for goodness sakes... let them fail!!!! Break them up into a hundred pieces and go from there. The system would be that much better because of it and it might just save the tax payers a few trillion here and there.

So once again community banks, one of the few groups with real possibility to expedite an economic recovery, gets slapped in the face by our government. We step forward and raise our hands when the call for help goes out. What happens? We get shot in the wrist.

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