
From: Bill McCully [mailto:fsbj@tds.net]
Sent: Wednesday, April 01, 2009 5:57 PM
To: Comments
Subject: Assessments RIN 3064-AD35

Mr. Feldman,

We appreciate the efforts of the FDIC as it tries to replenish the Deposit Insurance Fund in these difficult economic times. However, a one time assessment of 20 basis points coupled with the increased premium already in place will have a crippling effect on small community banks like this one.

The proposed one time assessment represents 25% of this bank's pre tax earnings last year. The addition of the increased premium will place our cost of deposit insurance coverage at 39% of last years pre tax income. It will force us to cut back or eliminate our support of various local charities, civic organizations, school activities, and community wide events. In our town as in most small towns in America, no Wall Street bank supports anything. Only the locally owned bank will support the community.

It is unfair to saddle small banks and communities with payment at the same rate as the large banks who created the bulk of this economic crisis. In fact many of those entities have already received taxpayer money and can simply pay their assesment with it, allowing them to continue with business as usual (unchecked spending, subprime mortgages and large bonuses).

Therefore, I would ask the FDIC not to go foward with a one time assesment and to look into other methods of recapitalizing the DIF. Perhaps, a long term solution similar to the bonds issued by Resolution Trust a few years ago and certainly a "systmatic risk assesment" for those who have been too important to fail.

The community banks have been the only strong point in this economic climate. Please do not cripple our ability to serve our communities. The best hope for recovery this nation has is the service of community banks coupled with the stability the FDIC brings to the industry. Thank you for your time and efforts.

Sincerely,

Bill McCully, President
First State Bank
Jones, Oklahoma