



March 11, 2009

Robert E. Feldman, Executive Secretary
Attention: Comments, Federal Deposit Insurance Corporation
550 17th Street N.W.
Washington, D.C. 20429

Re: Assessments, RIN 3064-AD35

Mr. Feldman:

I am writing to **oppose** Senator Dodd's special assessment proposal that would permanently raise the FDIC's line of credit limit to \$100 billion, but also temporarily increase the borrowing authority to \$500 billion until December 31, 2010 a proposal that is misguided.

Such an assessment would severely impair our ability to help foster economic recovery in our community and would further exacerbate the current economic downturn.

Community banks didn't participate in the risky practices that led to the economic crisis, yet they are being penalized by having to pay this onerous special assessment on top of regular assessments that are more than double those of last year. The community banking industry is the bright spot in this current economic storm. The vast majority of community banks are well-capitalized, common-sense lenders that have been and want to continue to help in the economic recovery process in cities and towns throughout America. This special assessment will only hinder their ability to do so.

The proposed special assessment should be based on total assets (minus tangible capital), not total domestic deposits, so that banks that caused the problems pay a bigger share. In the case of a 20-basis-point special assessment, ICBA estimates that if the assessment base was broadened to total assets (minus tangible capital), the same amount of revenue could be generated for the Deposit Insurance Fund (i.e., approximately \$15 billion) by assessing every bank approximately 12 cents per \$100 of assets as opposed to 20 cents per \$100 of domestic deposits.

There are many alternatives to funding the DIF in lieu of imposing a special assessment, including using its existing authority to borrow from the Treasury, issuing debt instruments to the public or using its authority to borrow from the banking industry. All of which should be thoroughly examined with community bank input.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dale Klein", is written over the typed name.

Dale Klein, M.D.
Director
Starion Financial