



March 20, 2009

Robert Feldman  
Executive Secretary FDIC  
550 17<sup>TH</sup> Street, NW  
Washington D.C. 20429

Dear Mr. Feldman,

I would like to thank you for the opportunity to comment on the FDIC's interim rule that imposes a special assessment of 20 basis points on all banks in the second quarter of 2009.


I fully agree that U.S. banks must be strong, representing the unquestionable financial strength as the leader of free markets in the world. There must be confidence by depositors that their money is safe. The question that arises however, is a blanket assessment fair?

My employer, Home Federal Bank, is an organization that stuck to the basics of lending. We did not make sub-prime loans, we did not ask for or receive TARP money, and we continue to make sound loans in the communities we serve. Home Federal Bank did this at the expense of turning a quick high risk profit. It is for this reason that paying a special assessment seems to penalize our institution for not participating in risky investments.

My bank is being asked to reduce profits, pay an assessment, and help cure a problem that was created by banks that made high risk choices.

A more appropriate choice would be to collect fees from the tarp participants, or to weight the assessment based upon a risk rating, like CAMEL, to charge more to banks with higher risk.

Thank you,

  
Greg Newberry  
Commercial Relationship Manager  
Home Federal Bank