

From: Steve Reese [mailto:sreese@cbanktexas.com]
Sent: Tuesday, March 10, 2009 4:18 PM
To: Comments
Cc: info@icba.org
Subject: Assessments, RIN 3064-AD35

Dear Sir:

The following comments are in response to the announcement by the FDIC of the imposition of a 20 basis point special assessment on all domestic deposits as of June 30, 2009 to help recapitalize the Deposit Insurance Fund.

The Deposit Insurance Fund is extremely important to the banking industry. Each bank should share in the maintenance of the DIF relative to its size. The major culprits in the economic crisis have received TARP funds which could be used to replace the monies used to pay their assessment. Totally and completely unfair to the Community Banks that pose no risk to the DIF.

Community Banks throughout the country are still loaning money and doing business as usual. We have not stopped because of wall Street. We did not participate in any risky practices that the big banks did and will not.

I support a systemic-risk premium for the large "systemically important" banks. The premium should be large enough to pay for the substantial risk of insuring these institutions.

In conjunction with the goal of the administration and Congress to stimulate the economy, this will deal a blow to the Community banks. We have lowered our deposit rates to help us pay the assessment. This translates into less money injected into the economy by our customers. We have made a reduction in our staff to help us pay the assessment.

There will probably be other things we will do to help us pay the assessment that will not have positive effects. We will make whatever adjustments we feel necessary to minimize the impact on the earnings and capital position of our bank. It's a shame some of the large banks did not do this before the crisis.

Sincerely,

Steve Reese
President
Community Bank
Longview, Texas

Lone Star State Bank
Lone Star, Texas

First State Bank
Avinger, Texas