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March 7, 2016

Mr. Robert E. Feldman, Executive Secretary
Attn: Comments
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Re: RIN 3064-AE37

Dear Mr. Feldman:

I write on behalf of the Nebraska Bankers Association (NBA) to respond to the revised Notice of Proposed Rulemaking (NPR) and Request for Comment published in the Federal Register on Feb. 4, 2016, by the Federal Deposit Insurance Corporation (FDIC). The NPR contains revisions to the original NPR published on July 13, 2015, relating to the deposit insurance assessment systems for established small banks. The NBA is a trade association representing 186 of the 192 commercial banks and eight of the nine savings institutions in the state of Nebraska.

While we are appreciative of continuing efforts by the FDIC to refine the risk-based deposit insurance assessment system for established small banks, we have concerns regarding the assessment rate's increased sensitivity to brokered deposit funding concentrations for institutions that have not experienced recent rapid asset growth (measured by either one-year or four-year cumulative growth rates). While evidence would suggest that institutions with **both** brokered deposit funding concentrations and high asset growth rates are at greater risk, the NPR unfairly penalizes institutions that may have a concentration of brokered deposits, but do not have rapid asset growth.

In closing, we would recommend that the NPR be amended to "recouple" the factors of brokered deposit concentration and rapid asset growth rates. Evaluating each factor independently as proposed will penalize a significant number of institutions that would not have been affected under the original NPR.

We appreciate the opportunity to comment on the NPR and would request that you give strong consideration to the amendment requested by the NBA.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Baier", is written over a light blue horizontal line.

Richard J. Baier
NBA President and CEO
richard.baier@nebankers.org