From: Jenna Burke <Jenna.Burke@icba.org>
Sent: Friday, August 19, 2022 11:30 PM
To: Comments
Cc: Jack Coleman
Subject: [EXTERNAL MESSAGE] RIN 3064-AF83 Assessments, Revised Deposit Insurance Assessment Rates
Attachments: Community Bankers Comments - FDIC-2022-0047-0001 - RIN 3064-AF83 - 081922 v4 (002).pdf

Dear Mr. Sheesley,

The ICBA, as an intermediary, is transmitting to you 152 comment letters submitted by the following individuals and banks listed in the table below. A pdf containing copies of these individual comments is attached. Should you have any questions, please do not hesitate to contact me directly.

Connie Richter	Woodsfield, OH
Samuel A. Johnson	The Bank of Vernon
Mrs. Jennifer Precise	Troy Bank & Trust, Troy, AL
Sharon McNulty	Milmont Park, PA
Andrew Hunter	Mount Vernon, WA
Alan Christopher	Groton, NY
Jim Fortner	College Place, WA
Roger G. Kenkel	Farmers Trust & Savings Bank
Bob Cockrell	Springfield, IL
Sidney Smith	Sellersville, PA
Douglas Parrott	State Bank of Toulon
Roger Brestel	Norfolk, NE
Kris Ausborn	Iowa Trust & Savings Bank
Matthew Meynardie	Central State Bank, Maplesville, AL
Shively Verrette	Lake Charles, LA
Connie Meiring	Minster Bank, Minster, OH
Noah Wilcox	Wilcox Bancshares, Inc.
Ryan Anderson	Fountain Trust Company, Covington, IN
Michael Gargaro	Citizens First Bank, Onalaska, WI
Patricia Kreps	La Junta, CO
Thomas Lane	Alden, MI
Jason Johnson	First International Bank & Trust, Bismark, ND
Kevin Heneghan	New Frontier Bank
Nathan Bartlett	Saint Louis, MO
David Mason	First International Bank & Trust, Bismarck, ND
Donald Bennett	Columbia Falls, MT
Kenan Warren	McPherson, KS
James Lampe II	Germantown Trust & Savings Bank, Germantown, IL
Dennis Ammann	Peoples Bank
Justin St. Pierre	Peoples Bank & Trust Co., Troy, MO

Jurgita Arteoggi	Port Richard Savings Bank, Doylestown, PA
Jerry Gross	Burlington, CO
Donna Peterson	Sycamore, OH
Roger Zacharia	Ambler Savings Bank, Ambler, PA
Steve Keuker	North County Savings Bank
Thomas Holt	First Northern Bank of Wyoming, Buffalo, WY
Don P. Meyer	Wentzville, MO
Jo David Cummins	Community First Bank of the Heartland
Paula Diaz	Northview Bank, Finlayson, MN
Curtis Armor	Shamrock Bank N.A., Durant, OK
W. Brett Gray	Hutsonville, IL
William E. Ritenour	PennCrest Bank
Jeremy Byers	Northview Bank, Finlayson, MN
Susan Barber	Community Bank of Parkersburg, Parkersburg, WV
Paul Troskey	Northview Bank, Finlayson, MN
Mark Harrell	CNB Bank, Inc., Berkeley Spring, WV
Kimberly Gray	Hutsonville, IL
Tom Mews	First National Community Bank
Joseph A. Couvillon	Vermilion, Kaplan, LA
Shorty Dorweiler	Hamel, MN
Candice Hanson	Becker, MN
David C. Williams	Upper Penninsula State Bank
Michelle Martinich	Santa Barbara, CA
Seth Watts	ValueBank Texas, Corpus Christi, TX
David Darnell	Paducah, KY
Aaron Castillo	Springfield, MO
Juli Bohmer	Brooten, MN
Alyssa Elliott	Benton, KY
Julie Goll	Blissfield, MI
Chad Hargrove	Classic City Bank
Luke Porisch	Saint Ansgar, IA
Gerald Reiter	Granite Bank, Cold Spring, MN
Corinne Sekula	Falls City National Bank, Falls City, TX
Maryanna Moryl	Benton, KY
Susan Eileen Wagner	Blissfield State Bank, Blissfield MI
Andy Miller	Sundance, WY
Colter Cumin	Deer Lodge, MT
Steve Smith	22nd State Bank, Mobile, AL
R. Guy Davis, Jr.	Marion Community Bank, Marion, AL
Erica Baker	Paducah, KY
Michael Tierney	Community Bankers of Michigan
Travis Wyatt	Oklahoma City, OK
Tony Ryan	Murray, KY
Lesley McCuan	Paducah, KY
Travis Wyatt	Shamrock Bank, N.A., Oklahoma City, OK
Russell Carothers	The Citizens Bank of Winfield, Winfield, AL
Haley Chessor	Smithland, KY
Mr. Derek Stuckenschneider	Mexico, MO

David Durham	Mt. McKinley Bank, Fairbanks, AK
Adrianne Logsden	Unico Bank, Potosi, MO
Kristin Raleigh	Benton, KY
Jae Evans	Isabella Bank, Mt. Pleasant, MI
Nancy Adams	Benton, KY
Carolyn Mills	Deerfield, MI
James A. Boyers	First Exchange Bank, White Hall, WV
Kenyan Fox	Benton, KY
Bill Harrod	First Harrison Bank, Corydon, IN
Heather Gilihan	First International Bank & Trust, Minot, ND
Sam Gold	Calvert City, KY
Nancy Evans	Benton, KY
Wade Derinton	Benton, KY
Teka Glisson	Bentony, KY
James Oeltjenbruns	Rochester, MN
Courtney Stockwell	Benton, KY
Cara Chandler	Benton, KY
Lucy Bryan	Community Services Financial Bank, Kuttawa, KY
Daniel M. Christianson	F & M Community Bank, Preston, MN
Heather Watkins	Benton, KY
Morgan Kerzmann	Fairbanks, AK
Elliott Coleman	Community Financial Services Bank, Wingo, KY
Carmen Randle	Mt. McKinley Bank, Fairbanks, AK
Brian Ury	Buena Vista National Bank, Staunton, IL
Tamsen Leimer	F&M Community Bank, Rochester, MN
Clifton Perryman	Minster Bank, Minster, OH
Megan Kittelman	Mt. McKinley Bank, Fairbanks, AK
Michael Fleming	Litchfield, IL
Jeremy Pletnikoff	Fairbanks, AK
Cindy Cevasco	Fairbanks, AK
Jason Jones	Benton, KY
Christopher Hansen	Currie, MN
A.J. King	Three Rivers Bank, Kalispell, MT
Mark Brase	Points West Community Bank, Windsor, CO
Jennifer Davis	First Exchange Bank, White Hall, WV
Mark Hesser	Pinnacle Bancorp, Inc., Elkhorn, NE
Nate Martindale	First International Bank & Trust, Bismark, ND
Joe Stubbs	Ozona Bank, Wimberley, TX
Eric Gaupp	First National Bank of Absecon, Abescon, NJ
Charles Leyh	Enterprise Bank, Allison Park, PA
Leonard Thomas	Albany, GA
Jennifer Brockner	Tioga State Bank N.A., Spencer, NY
Tim Aiken	Union Bank Inc., Middlebourne, WV
Brianna Luciano	Points West Community Bank, Windsor, CO
Joel Tremain	Points West Community Bank, Lingle, WY
Lyndsay McClung	Points West Community Bank
Jeff Hertzke	Points West Community Bank, Windsor, CO
Tommy Olson	Fort Collins, CO
Lee R. Symcox	First Fidelity Bank, Oklahoma City, OK

Kevin Collison	Commercial Bank, Ithaca, MI
Cole Stenzel	Buena Vista National Bank, Red Bud, IL
William Goettel	First Exchange Bank, White Hall, WV
Caly Cramsey	HOMEBANK, Palmyra, MO
Royce Danford	Points West Community Bank, Fort Collins, CO
Brett Widenfeld	Hartington, NE
Scott Gonsior	Points West Community Bank, Fullerton, NE
Jennifer Eckert	Heartland Bank, Johnstown, OH
John P. Stobie	Three Rivers Bank of Montana, Kalispell, MT
Mike Mahair	State Street Bank, Quincy, IL
Mike Stratton	Better Banks, Peoria, IL
Cyrena "Gail" Moore	First Southern State Bank, Scottsboro, AL
Rebecca Maslonkowski	Northview Bank, Hinckley, MN
Mark Mangano	First Exchange Bank, White Hall, WV
Kenan Luptak	Points West Community Bank, Sidney, NE
A.J. King	Three Rivers Bank of Montana
Scott H. Soderberg	First National Community Bank
Jessie Mulford	F&M Community Bank, Rochester, MN
Richard Katz	Dekalb, IL
Anita Drentlaw	New Market Bank, Prior Lake, MN
Kevin Wilfong	Fairmont, WV
Laura Bailey	Paducah, KY
Michelle Urban	Hawley, PA
Sarah Getzlaff	Bismarck, ND
Thomas Bates	Legends Bank, Clarksville, TN

With kind regards,

Jenna Burke
Senior Vice President, Senior Regulatory Counsel
Independent Community Bankers of America®
p: 202-821-4380 | m: 202-853-0197 | jenna.burke@icba.org
1615 L St. NW, Ste. 900 | Washington, DC 20036 | www.icba.org

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing in regards to the proposed FDIC assessment rate hike. I am a CFO of a small community bank in southeastern Ohio. We service a rural area. We are very community minded. Our employees not only volunteer for festivals and various community projects, but we also provide thousands of dollars to better our communities. We not only work in these communities, but we live here. We work diligently to help our customer base and provide the services they need, while keeping a friendly welcoming presence. With this proposed rate hike it will cut into the funds we have available to help our customers and communities grow. People are hanging onto their money due to rising inflationary costs of goods and services. This impacts us also. In the last quarter alone, our FDIC premium increase $3,000.00. I hope that you reconsider such a rate hike. The effects would be detrimental to communities, customers, and employee growth.

Connie Richter
Woodsfield, OH

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the Chairman, CEO, and CFO of The Bank of Vernon, a $285 million Community Development Financial Institution and community bank serving a rural part of Northwest Alabama and Northeast Mississippi. We operate full service branches in both states with some being the only local bank in the community. From these branches we provide an array of lending and deposit services which have a significant impact to the resiliency of the community that might otherwise go un-provided. Our concern with the FDIC's proposal is the likelihood of a negative impact on our customers in the short and long term. With increased competition from non-bank depositories and the credit unions it will also make it more difficult for smaller financial institutions to compete in the market, along with concerns that regulatory burden will apply costs unevenly to the industry, despite its intent to do so. The Too Big To Fail banks will likely see no significant impact in operational costs, while continuing to grow their deposit share to even more unhealthy and systemically risky levels that dwarf their numbers from before the last few economic events that led to recessions. Meanwhile the overall number of financial institutions continues to dwindle due to growing operational costs from regulatory burden that should be directed at the systemically risky banks. These Too Big To Fail banks are allowed to maintain lower capital ratios as they focus more on growing low cost operational style deposits to gain economies of scale and thus their systemic risk. This is where the additional costs of the insurance premium should be levied. Overall, the costs of this will be pushed to the consumer with fewer choices in where they bank, and lower deposit rates for savers. The impact to rural and underserved areas, like ours, will likely be more punitive in that regard. Most of the excess liquidity seen in the banking system can be attributed to the stimulus pushed during the pandemic. As most CDFI and community banks participated in the PPP program to help their communities, the impact on leverage and deposit ratios was significantly more impactful on small institutions. Despite that impact, most still maintain a leverage ratio of almost double that of the Too Big To Fail institutions. It is unknown if these deposits from stimulus will remain on bank balance sheets as we enter a period of concern for recession. Thus, it is not an ideal time to consider this increase to the assessment until the economy stabilizes. But, if the FDIC determines it is necessary, we would recommend letting the largest, and most systemically risky, institutions bear the cost. Or, find a way to shift the burden to those who indeed carry a more systemic risk in the event of industry wide failures. We hope you will consider our points and find a way to instead provide benefits to the institutions who have helped the economy though a very uncertain pandemic period, while loan losses and bank failures have been minimal industry wide. We appreciate the opportunity to comment on the proposal.

Sincerely,

Samuel A. Johnson Chairman,
CEO, & CFO The Bank of Vernon Vernon,
Alabama

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates. I am the Compliance Officer at Troy Bank & Trust. Troy Bank & Trust has been serving communities for over 115 years. Organized in 1906 as an independent community bank in Southeast Alabama and now with 14 locations, our customers rely on us to serve the financial needs in our communities. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. The higher assessments will directly impact Troy Bank & Trust's income. Based on our projections, the increased assessments will have a negative impact of $264,099 annually for Troy Bank if the proposal is adopted. The bank may be forced to pass on the higher assessment costs to customers or take drastic measures to offset this increased expense. Additionally, in the event of an economic downturn, a dramatically higher assessment rate will be difficult to manage. As a community bank, we are concerned that a one-size-fits-all assessment rate increase will disproportionately burden community banks and negatively impact our customers. Thank you for the opportunity to write this comment letter. We hope you will reconsider the revised rates, as this will create undue burden on community banks. Troy Bank & Trust, along with community banks throughout the nation, strives to work for our customers and serve them well. Knowing that we may be forced to push this excess cost along to them, we must speak out and ask for reconsideration of the revised assessment rates.

Mrs. Jennifer Precise
Troy, AL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Raising Deposit Insurance Assessments at this time would be penalizing our community bank for fully supporting our retail and business customers during the COVID pandemic. We accepted deposits of government stimulus funds and PPP loans while we had no investment options (that fit the bank's risk profile) to put this unprecedented deposit growth. The results were reduced profitability and less favorable capital ratios. An increase of the FDIC assessment would further put a strain on our bank's net interest margin.

Sharon McNulty
Milmont Park, PA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

It is important that the reserve ratio of the DIF s adequate to offset any financial crises. However, the current need to increase the assessment seems premature. While our community bank deposit base has grown over the last couple years due to our support of our community durring the pandemic the expectation is that the level of deposits will begin to decline and in fact that is happening in 2022.

Andrew Hunter
Mount Vernon, WA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The 2bp increase is not needed. The DIF will soon return to the 1.35% as FDIC insured institutions calculate the assessment on the new higher deposit balances. It should accelerate on its own and exceed the 1.35% as inflation eats away at deposits. All without an increase in the formula. Another point to consider is the number of account holders whose deposits have gone above the $250K limit. Premiums are calculated on those balances above $250K, but those amounts are not covered by FDIC insurance. This should also help build up the fund.

Alan Christopher
Groton, NY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to express my opposition to the FDIC's proposed 2-basis point deposit insurance assessment rate increase. I am the Chief Financial Officer for a $560 million asset rural market community bank serving eastern Oregon and southeastern Washington state. Our deposit base grew 40% during the 2-year period ending December 2021 due to economic stimulus policies enacted by the US Government in response to the pandemic. In my opinion the proposed rate increase is an unnecessarily aggressive and arbitrary approach to ensure meeting a previously set pre-pandemic goal for a 1.35% reserve ratio by 2028. It does not consider whether an individual banks overall risk profile has increased simply due to its massive influx of deposits. My bank had a relatively modest loan to deposit ratio pre-pandemic and now with the higher deposit volume that ratio is under 30%. Loan demand will not significantly absorb our excess deposit base anytime soon. Our excess liquidity has been deployed into the investment portfolio that now measures 2.5x our loan portfolio however 41% of our investments are 0% risk weight and 47% are 20% risk weight. I would argue that our risk profile has decreased! Why should my bank pay significantly more when arguably its risk to the deposit fund is less? The FDIC should reevaluate its aggressive if not punitive proposal to increase its deposit insurance assessment rate.

Jim Fortner,
CFO College Place, WA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates. I am the President and CEO of Farmers Trust & Savings Bank, a $135 million community bank located in Earling Iowa. My bank was $98 million pre pandemic. I am concerned that the FDIC's proposal to raise the deposit insurance assessment rate will have a negative impact on both my bank and my customers. The proposed assessment is nearly a 55% increase over what is currently in place. This will affect my bank's income and will also force the bank to take the increase in assessment into account when setting deposit rates and fees. The 2 basis point increase in the short term until the DIF reaches the statutory limit of 1.35 is one thing. But to continue the increase until an arbitrary goal of 2 percent is reached will put a disproportionate long term burden on strong well capitalized community banks that are below the average annual rate of 3.7 basis points. My bank worked hard to meet the needs of our customers during the pandemic by participating in the PPP program. The Deposit growth we have experienced from PPP deposits and stimulus monies is short term. This deposit growth is a direct result of government stimulus not part of the banks strategic plan. As our call report will reflect most of our deposit growth is in DDA transaction accounts, Savings and money market accounts. These accounts are liquid and will eventually decline to close to pre pandemic balances. This will normalize the reserve ratio without the need for deposit assessment increases.

Sincerely,

Roger G Kenkel
President & CEO Farmers Trust & Savings Bank
Earling, IA 51530

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am a banker at a state chartered, non-member bank located in the Midwest with assets totaling $1.5 billion. Your proposal to raise deposit insurance assessment rates by 2 basis points on all insured institutions is ill timed after considering all economic risks present now and in the near future. Fighting out-of- control inflation and avoiding a hard recession will be difficult for the Federal Open Market Committee ("FOMC") to address. It would be best if the FDIC reconsider its proposal or at least delay it until the FOMC believes additional rate hikes are not needed and economic activity shows a reasonable level of stability. While I understand your concern that the Deposit Insurance Fund dropped below 1.35%, it is attributable to the large growth in money supply from economic measures enacted during the COVID pandemic. In time this high level will decline, thereby lowering bank deposits and increasing the ratio. Therefore, the proposed increase in deposit insurance premiums should be weighed carefully in order to not adversely impact the banking industry when it needs all available resources now to assist customers. Again, I appreciate your time and suggest strongly a revisit regarding the timing of your proposal.

Bob Cockrell,
Senior Vice President
Springfield, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates over 50%. Our $100 million dollar mutual bank has been serving the inner city neighborhoods of Philadelphia for 103 years. We are the last of the neighborhood mutual Banks in our neighborhood. I feel we play an important part in keeping the inner city neighborhoods together and vibrant. I am and have been President and CEO of this bank for over 30 years. We do community lending from residential to small business commercial. We played an important part in saving jobs and small businesses with many PPP loans with many to small businesses the big banks didn't want to service. Our bank is able to do this due to the strong capital position we maintain which for a mutual can only come from retaining profits. I am concerned with this proposed increase and what the effects of this would be on profitability and by direct connection capital and our ability to meet customer needs. It seems to me that most if not all of this deposit increase was a direct result of the government programs which is expected to run off (which we are seeing). In conclusion, I submit that this increase would create an increased burden to our bank and its customer and that FDIC should reconsider or have a carve out for small community banks like ours. Thank you for this opportunity to comment.

Sidney Smith
Sellersville, PA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I would very much appreciate the opportunity to address the proposal to increase our FDIC Insurance assessments by .02 effective in 2023 and how it will affect State Bank of Toulon. I think quite simply this is being discussed and attributed to the growth during the pandemic in the banking sector. We ourselves grew over $70 M in assets during those two years. However, due to our growth in deposits, we ARE paying more in assessments just because we are bigger. Im concerned now is not the time to raise the rates again for our banks. Our average quarterly assessment has amounted to a $3,000 per quarter increase just by our new size. Raising the amount via the proposed .02% would be as much as $8,000 per quarter and really affecting bank budgets. I hope you will take the factors into account when deciding this and appreciate the opportunity to comment.

Douglas Parrott,
President State Bank of Toulon
Toulon, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The deposit growth in our bank and probably most other banks is due to an abnormal amount of government handouts going into circulation. Our bank's deposits are up mostly due to funds held in public accounts for the city and school. In my opinion these funds will be spent quite fast. Excess money in a public account will usually burn a hole in their pocket in short order. A small bank like ours is just hanging on and many other banks in small communities are disappearing due to competition from larger aggressive institutions who care little for the people in these smaller communities. We are a small town 10 miles from a larger town with 10 banks in it. Those banks go after our customers, but never donate to our community's fire department, parks, library or school. It is those cannibal banks that should be paying up because that is where I feel the FDIC risk lays. Not from the banks actually serving their small communities.

Roger Brestel
Norfolk, NE

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates. I am CEO of Iowa Trust & Savings Bank, a $460 million community bank located in Iowa. Our market area includes rural and metro branches. We primarily provide agricultural loans, commercial real estate loans, and consumer real estate mortgages, in addition to offering a variety of deposit services. The proposed increase in assessments will force Iowa Trust & Savings Bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. I understand the statutory requirement to achieve a 1.35% DIF reserve ratio by September 2028. However, do FDIC projections indicate an earlier date at which the minimum ratio will be achieved with this proposed increase? Two areas that require further evaluation include: 1) The 2nd quarter of 2022 appears to reflect a decline in bank liquidity (deposits). Various stimulus packages greatly increased deposits at banks. The assumption that banks will retain these higher deposit levels, while consumers and businesses struggle with increased costs from high inflation, is questionable. 2) Increasing the DIF reserve ratio to 2% at the same 2-point increase after reaching the 1.35% statutory minimum appears very aggressive. If the ultimate goal is to obtain a 2% DIF reserve ratio, transparency on why the 2% level is needed is appropriate. FDIC loss histories are well documented. Has the FDIC applied CECL to an analysis of the reserve level required for the DIF? In closing, thank you for the opportunity to submit comments on the proposed assessment increase.

Sincerely,
Kris Ausborn
CEO of Iowa Trust & Savings Bank
Waukee, IA
Branches located in Emmetsburg - Clive - Panora

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates. I am the Compliance Officer of Central State Bank, a $500 million dollar, 5 branch Bank located in Central Alabama. We provide commercial and consumer services to our communities and are proud to have served their needs for more than 100 years. I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. We are already under tremendous competitive and economic pressures that continuously squeeze margins. Further assessment increases would surely trickle down to our customers - who are already battling record inflation numbers to keep their families taken care of. Now is not the time to add to these burdens. Our Bank's balance sheet has seen tremendous deposit growth over the last two years - through little efforts of our own. We strived to meet our customer's needs (and the needs of those who were not current customers) and support the nation's economy through our participation in the PPP program. As a result of this program and other portions of the government's unprecedented $2 trillion pandemic stimulus package - deposits saw tremendous growth. Penalizing community banks for the fallout of government policy decisions simply makes no sense. As these deposit monies begin to normalize nationwide, it is my belief that the reserve ratio will normalize without the need for what amounts to a tax on community banks for serving the needs of their customers. I would like to thank the FDIC for the opportunity to submit comments on the proposed assessment increase

Sincerely,

Matthew Meynardie
Maplesville, AL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The FDIC should avoid penalizing community banks for supporting their communities during the pandemic.

Mrs. Shively Verrette
Lake Charles, LA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the VP of Operations of Minster Bank, a $763 million community bank located in Minster, Ohio. We offer commercial, consumer, mortgage banking to the small communities we are located within in addition to Wealth Management Services. I am very concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term.

Connie Meiring
Minster, OH

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to you today to express my firm opposition to the FDIC's proposal to increase deposit insurance assessment rates. I am a fourth generation community banker from Minnesota and lead a multi-bank holding company Wilcox Bancshares, Inc. which wholly owns Grand Rapids State Bank with approximately $277,000,000 in assets as well as Minnesota Lakes Bank with approximately $150,000,000 in assets. I am there president, CEO and chairman of Wilcox Bancshares, Inc. and Grand Rapids State Bank and CEO and chairman of Minnesota Lakes Bank. Both charters are full service community banks, however they are focused on small business relationships. I am concerned that the FDIC's proposal will negatively impact both my banks and my customers, in the short and the long term. In fact this proposal would force my banks to pay a premium to hold deposits that is nearly double the current assessment rate, and this comes as many community banks have seen deposits surge in the wake of PPP and other pandemic relief programs. To now propose to punish community banks like mine after we saved thousands of small businesses and tens of thousands of jobs during the pandemic is an insult. If this proposal becomes reality, it will have a negative impact on our income and will likely result in the need to pass on higher assessment costs directly to the consumer. Further, FDIC assessments should not be done in a one-size-fits-all approach, and history supports that. I thank you for the opportunity to make my concerns known and hope that you will factor these concerns into your decision making process.

Mr. Noah W. Wilcox
Wilcox Bancshares, Inc.
523 NW 1st Ave
Grand Rapids, MN 55744

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The Fountain Trust Company is headquartered in a small farm town in west central Indiana with a population less than 3,000. We are extremely active in providing funding for nearly every event/activity that occurs in the towns we operate in (we have 16 branches in total). We have been successful in recent years, as the rest of the industry has, in significantly growing our deposit base. This 2-point increase will hit us even harder now that our deposit base is relatively much larger. While we understand the 2-point increase is to get the DIF reserve ratio back to the statutory minimum of 1.35%, it doesn't seem to make much sense that the proposed assessment rate increase will remain in affect until the DIF reserve ratio meets or exceeds 2%. It seems sensical to have a buffer and go slightly over the 1.35%, but leaving the increased assessment in place until a 2% reserve ratio is achieved, or 48% above the statutory minimum, seems an overreach and will significantly and negatively impact community banks and the communities, businesses, sports teams, schools, non-profits, etc. that we serve.

Mr. Ryan Anderson
Covington, IN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing today in regards to the FDIC's proposal to increase deposit insurance assessment rates. I am the CFO of Citizens First Bank, a $295 million community bank charted in Viroqua, WI. We provide home mortgage, commercial and agricultural loans, and have branches in 6 communities is Western Wisconsin. The proposed increase in assessments will force my bank to pay a premium to hold deposits that will more than double (54%) the assessment rate currently in place. With a higher assessment cost, like all other industries, we will end up having to pass this cost on to customers: 1-through higher interest rates on loans; 2-lower deposit rates; 3-increasing the FDIC fee line item on analyzed business accounts This type of "one size fits all" increased rate assessment, will disproportionately burden community banks, especially those that are well-capitalized, whose assessment rates are below the average annual rate of 3.7 basis points. On top of this rate assessment increase provision, it is on the heels of $2 trillion pandemic stimulus money. Balance sheets are inflated (deposit growth at record levels), and you are very well aware of this along with with other pandemic related variances and reporting thresh holds that have been changed or waived. As we have seen deposits start to decline off bank balance sheets, the reserve ratio will normalize without a deposit assessment increase.

Thank you for the opportunity to submit commentary on the proposed assessment increase.

Mr. Michael Gargaro
Onalaska, WI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

An increase in the assessment at this time could very likely be a difficult negative item to overcome, considering all of the other negative areas that we, as community banks, are confronting at this time. The Credit Unions are a HUGE problem and they do NOT pay the taxes that the community banks do pay------and an increase in the assessment at this time would be an enormous problem for us. Please consider our situation before this difficult proposal is enacted.

Very truly yours,

Patricia Kreps
LA Junta, CO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The assessment increase proposed by the FDIC will put an unnecessary burden on community banks serving rural areas. It will penalize banks for supporting their communities during the pandemic.

Thomas Lane
Alden, MI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I write to you today in regards to the FDIC's proposal to increase deposit insurance assessment rates. I am the CFO of First International Bank & Trust, headquartered in Watford City, North Dakota; our institution has over 30 branches spread across North Dakota, South Dakota, Minnesota and Arizona. We are a $4.7 billion dollar family-owned community bank, providing a full suite of banking services to thousands of customers across our footprint. Our institution understands the need for an adequately funded Deposit Insurance Fund; however, I believe the FDIC needs to fully consider how the dilution of the fund took place. While the industry has seen bank failures over the years, most recently, the Federal Government injected an unprecedented $2 trillion into the economy during the COVID-19 pandemic. Throughout this difficult time, in collaboration with the Government, banks went to work administering the Paycheck Protection Program (PPP). Our bank alone funded over 4,200 PPP loans, totaling approximately $475 million. More importantly, bank balance sheets also swelled with cash/deposits due to the stimulus. We believe that banks should not be punished with higher deposit assessment rates due to deposit growth, resulting in Fund dilution, largely created by the Federal Government. I am concerned that the FDIC's proposal will negatively impact our bank, and more importantly, our customers, in both the short and long term. The proposed increase in assessments will force our bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. Like other industries that face increasing costs, banks will need to find a way to overcome rising operating expenses; this likely results in negative impacts to consumers. Every day, we strive to provide the highest level of value and service to our customers in the most cost effective way. The balancing-act that banks also face is driving organizational earnings higher to maintain and grow bank capital. This significant increase in FDIC deposit assessment/expense could negatively impact both. Again, while we understand the need for a strong Deposit Insurance Fund, this proposed plan feels very much one-size-fits-all. We would encourage the FDIC to expand and deepen its study to more accurately assess institutions that directly impact the Fund. I would like to thank the FDIC for the opportunity to submit comments on the proposed assessment increase.

Mr. Jason Johnson
Bismarck, ND

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Good morning. I write to you today to kindly ask you to not increase deposit insurance assessment rates on banks that are amongst the least risky in the country in order for the FDIC's reserve ratio to reach 2%. A little background on our bank. New Frontier Bank was formed in 2000, and is roughly $139MM-asset, community bank located in St. Charles, Missouri. For years after the Great Recession, bank examiners criticized New Frontier Bank's earnings, asset quality, and capital. At the beginning of 2017, I, (a former bank examiner and then current banker) came to New Frontier Bank to lead the bank's turn-around and merger into its current Holding Company, Lincoln County Bancorp, Inc. Our efforts of turning the bank around were successful in that New Frontier Bank is now has the strongest financials (and rating) ever during the bank's history. Now, even at its strongest point (and rating) in the bank's history, New Frontier Bank's earnings are still merely satisfactory in the examiners' eyes. Any significant increase in non-interest expense, such as an increase in the FDIC's insurance assessment (a 50% increase seems significant), will be detrimental to the bank's earnings, but more importantly to New Frontier Bank's community. Our community will be negatively impacted as the bank will need to increase loan interest rates and/or fees charged, and lower deposit interest rates paid to depositors to offset the increase in the FDIC's assessment expense. New Frontier Bank has a simple balance sheet; zero past due loans (no loans over 10 days late), zero ORE, zero non-accrual loans and short watch list; strong management, capital, liquidity and sensitivity to interest rate risk; access to additional capital (holding company and shareholder support); and average and manageable asset and loan growth. Please help me see why our bank (or banks like ours) should have to pay more when there are much larger, more aggressive institutions (growth and loose underwriting of loans) out there right now that should be paying much more than less-risky bank like ours. I believe the nation's riskiest (largest and fastest growing) financial institutions should bear the brunt of replenishing the reserve ratio as they carry the most risk to the reserve and our industry.

Kevin Heneghan
President/CEO
New Frontier Bank
1771 Zumbehl Rd.
St. Charles, MO
63303 636-940-8740

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The proposal to increase the premiums on the DIF growth seems aggressive for smaller institutions like ours. We realize the requirement of the DIF being at a 1.35% minimum, but the growth in deposits were not from normal economic growth. It was funded through the federal government for the COVID-19 panic and now the increase to our small bank will be about 45% more in premiums for their actions. With rate coming off of zero and banks like ours starting to see some benefit, this will take a big chunk of that gain in the margin at the beginning of a recession. Doesn't seem wise to the industry. We have always support a strong FDIC fund and continue to do so; however, the increase is excessive and possibly unwarranted as the deposit increase will come back as inflation and the Federal Reserve continues to pull back on their balance sheets. While an increase is needed, less than the proposed seems more appropriate in the short term until economic conditions improve. I would say a 1basis point would be better with moving up to 2 basis points in 18-24 months to see what is needed in a 5 year window. This large, extra expense will cause harm to borrowers as it will increase their costs when they need the money the most. We hope the FDIC reconsiders their ill advised proposal.

Nathan Bartlett
Saint Louis, MO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I write to you today in regards to the FDIC's proposal to increase deposit insurance assessment rates. I am the Director of Mortgage of First International Bank & Trust, headquartered in Watford City, North Dakota; our institution has over 30 branches spread across North Dakota, South Dakota, Minnesota and Arizona. We are a $4.7 billion dollar family-owned community bank, providing a full suite of banking services to thousands of customers across our footprint. Our institution understands the need for an adequately funded Deposit Insurance Fund; however, I believe the FDIC needs to fully consider how the dilution of the fund took place. While the industry has seen bank failures over the years, most recently, the Federal Government injected an unprecedented $2 trillion into the economy during the COVID-19 pandemic. Throughout this difficult time, in collaboration with the Government, banks went to work administering the Paycheck Protection Program (PPP). Our bank alone funded over 4,200 PPP loans, totaling approximately $475 million. More importantly, bank balance sheets also swelled with cash/deposits due to the stimulus. We believe that banks should not be punished with higher deposit assessment rates due to deposit growth, resulting in Fund dilution, largely created by the Federal Government. I am concerned that the FDIC's proposal will negatively impact our bank, and more importantly, our customers, in both the short and long term. The proposed increase in assessments will force our bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. Like other industries that face increasing costs, banks will need to find a way to overcome rising operating expenses; this likely results in negative impacts to consumers. Every day, we strive to provide the highest level of value and service to our customers in the most cost effective way. The balancing-act that banks also face is driving organizational earnings higher to maintain and grow bank capital. This significant increase in FDIC deposit assessment/expense could negatively impact both. Again, while we understand the need for a strong Deposit Insurance Fund, this proposed plan feels very much one-size-fits-all. We would encourage the FDIC to expand and deepen its study to more accurately assess institutions that directly impact the Fund. I would like to thank the FDIC for the opportunity to submit comments on the proposed assessment increase.

David Mason
Bismarck, ND

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Community banks are already struggling to remain relevant in a highly competitive environment with large banks continuing to get larger, while small banks are disappearing. The number of banks continue to decline, primarily due to excessive regulations that keep piling up at the same time fintech firms continue to grow. Community banks were inundated with deposits resulting from the enormous amount of economic stimulus that has put a huge strain on capital ratios. This is not the fault of the banks, it is a result of the Federal Reserve and Treasury pumping so much liquidity into the monetary system. The FDIC is not giving banks some additional time to increase capital through earnings. Now they want to increase our assessments, which comes out of earnings, which puts more strain on capital ratios. The FDIC needs to control costs and build up their DIF the way they expect banks to increase capital. Then to assess banks well beyond the required DIF ratio of 1.35% uncalled for. No need to kick us in the teeth!

Donald Bennett
Columbia Falls, MT

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

This would put a greater squeeze on community bank than what we are already facing. This would make it harder for the smallest institutions across the country to continue to grow and thrive and compete with the nation's largest banks. Please vote no against this increase.

Thank you,

Kenan Warren
McPherson, KS

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Thank you for the opportunity to comment on this proposal and to consider the concerns of Germantown Trust & Savings Bank regarding FDIC Assessments and Revised Deposit Insurance Assessment Rates. We are now a $475M community bank located in Southern Illinois. We serve the central part of Clinton County, surrounded by agriculture and a bedroom community to Scott Air Force Base and St. Louis MO. The unfortunate irony to provoke me submitting a comment is that our bank, as many other community banks in our State, did such an excellent job assisting the government in the distribution of COVID-19 relief, like the Paycheck Protection Program (PPP), but they are going to pay the price for rescuing small businesses and consumers with increased insured deposit assessments. We have experienced a $50+million increase in deposits above our 5-year trend since the beginning of the pandemic, a 26% increase over the pre-pandemic amount. The Deposit Insurance Fund ratio has declined during the pandemic due to the increase in bank deposits caused by the government's unprecedented COVID-19 relief programs - not because of planned or imprudent growth in deposits or bank failures. The proposed two-basis point increase in our assessment rate will add an additional $20+thousand expense to the bank at a time when we are being charged more from our vendors due to our artificial increase in deposits. At a time when the yield curve has been "policy-ed" to an inverted shape to squeeze our interest margin, and at a time when our mortgage business has dried up to only new borrowers who can't wait on the sidelines. Most of our potential borrowers are not entering the market due to increases in rates and building costs. Thank you for considering my brief comments and serious concerns of the FDIC's proposal to increase the deposit insurance assessments effective in the first quarter of 2023. It is my hope that the agency will consider the uninvited effect this will have on small community banks who responded to the government's call to action to help the local economy overcome the challenges of the pandemic.

James Lampe II
Germantown, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to provide comments regarding the FDIC's propsal to increase deposit insurance assessment rates. Thank you for the opportunity to provide comments on this important matter. I am the CEO of Peoples Bank, a $430 million community bank located in central Mississippi. We are a certified Community Development Financial Institution (CDFI) who's mission is to serve low and moderate income communities and individuals. I am concerned that this proposal will negatively impact my bank and our customers. Increased depsoit assessment costs will lead to lower interest paid on deposits and fewer services that we, as a CDFI, can offer to our community. The government intervention in the pandemic has led to massive increases in depsoits throughout the banking system, and now the FDIC plans to penalize banks for the growth that the government caused. Prior to the pandemic, Peoples Bank was a $340 million bank. I belive the FDIC should be wait to see how the deposit base of the banking industry fares as government intervention works its way out of the system. Once this has happened, then the FDIC can know how the deposit insurance fund truly stands.

Thank you for the opportunity to express my opinion.

Dennis Ammann,
CEO Peoples Bank
Mendenhall, MS

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Good afternoon. I am writing regarding the proposed deposit insurance increase and the concern I have over the cost of this increase for both community banks and our customers. My name is Justin St. Pierre, and I am President of Peoples Bank & Trust Co., a $750,000,000 community bank in Troy, MO. We have 10 locations spread across three counties. The proposed 2 basis point increase in the DIF will negatively impact bank's incomes. Deposits are still at very artificially high levels from the pandemic, and community banks were the backbone of PPP lending, supporting our customers. Should this increase occur, some of this burdensome cost may have to be passed on to our customers, which community banks do not want to do. Further, pandemic increased deposits may not be the norm going forward, yet banks will have to bear the increased FDIC insurance cost regardless for a time period. Finally, many economic experts predict a rough 2023 and forward. An increase of this magnitude will do nothing but make the waters tougher to navigate as we potentially deal with increased credit quality issues.

Thank you for your time and consideration.

Justin St. Pierre
Troy, MO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates over 50%. Port Richmond Savings Bank is based in the Port Richmond section of the city of Philadelphia, Pennsylvania. I have worked at the Bank since 2003 starting with teller position and currently holding CFO position. Port Richmond is a small community bank with Assets of just a little bit over $100 thousand and has only one office. The bank was established in 1919 and is over a hundred years old. Port Richmond Savings reaches customers not only in Philadelphia but also in surrounding counties of Bucks and Montgomery with lending as well as higher rate savings. The Bank is the last community bank in the neighborhood of Port Richmond. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. PRS Bank played an important part in saving jobs and small businesses with many PPP loans with many to small businesses the big banks didn't want to service. Our bank is able to do this due to the strong capital position we maintain which for a mutual can only come from retaining profits. Such a drastic increase in the assessment would affect Bank's Income and this expense would have to be passed on to our community customers. Increase in assessment is especially damaging considering current economical situation of uncertainty of rising inflation and possible recession. In addition, it would be a long term hardship on the Bank and potentially customers while it is not mandated by the Congress. It seems to me that most if not all of this deposit increase was a direct result of the government programs which is expected to run off (which we are seeing). In conclusion, I submit that this increase would create an increased burden to our bank and its customer and that FDIC should reconsider or have a carve out for small community banks like ours.

Thank you for this opportunity to comment.

Jurgita Arteoggi
Doylestown, PA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am opposed to the FDIC proposal to hike assessments. I am opposed to the proposed assessment rate increase that will begin in 2023 and remain in effect unless and until the reserve ratio meets or exceeds a 2% goal. First of all, the banks have not failed, so the FDIC has not paid out insurance on the insured institutions. The amount they assess is on total deposits not just on what is insured. Also, there are fewer banks to be examined. The FDIC just wants to expand their power and shut out community banks.

Jerry Gross,
President
Burlington, CO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

We understand the great importance of the FDIC and we support maintaining the 1.35% reserve ratio minimum, but we oppose the proposal to increase our assessments to reach a 2% minimum. Our bank is the backbone of each of the small communities we serve; we have helped our customers and small businesses navigate the pandemic and all of the other obstacles they face. While we will continue to support our communities, the proposed increase to our assessment could negatively affect our ability to help our community in many ways, especially through donations to non-profit organizations in our area. I also have concern that larger banks that are uber-focused on profits may push deposit customers away to decrease their assessment liability and could create additional burden on the unbanked and underbanked.

Thank you,

Donna Peterson
Sycamore, OH

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comments on the proposed increase to the FDIC Assessment Rates. I am the President and Chief Executive Officer of Ambler Savings Bank, a Pennsylvania thrift mutually organized in 1874 operating mainly in the Philadelphia metropolitan area. We are headquartered in Ambler Borough in Montgomery County and maintain four full-service branch offices and four limited-service branch offices within continuing care retirement communities. We offer mortgage loans, checking and savings accounts, and small business loans to a diverse customer base including consumers, small businesses, non-profit and charitable organizations, public and private schools, and municipalities. During the Covid-19 pandemic, we greatly stepped up our efforts to help hundreds of small business owners disenfranchised by their larger banks' apathy. Lastly, we donate 7% of our after-tax profits annually to organizations committed to enhancing the quality of life and supporting education, youth development, and affordable housing within the communities we serve. I am greatly concerned that the increase in deposit insurance premiums will negatively affect my bank's ability to operate successfully. As a mutual thrift, we have no shareholders to please; all of our efforts are targeted to benefit our employees, our customers, and the greater communities we serve. An increased deposit insurance premium will hurt all three of those stakeholders. Specifically, greater premiums will negatively impact our ability to compensate our employees, invest in technology and facilities to remain relevant and competitive, offer innovative and attractive products to our depositors, lend to consumers and small business owners, and donate money to charitable endeavors that improve our communities. Ambler Savings Bank does not represent a real risk to the Deposit Insurance Fund nor have we represented a real risk in our history. Like many community banks, we are a very well capitalized institution with limited and well-managed exposures to the significant banking risks including liquidity and credit. The proposed increase to deposit insurance premiums would disproportionately and unfairly target well-run community banks. Please consider exempting community banks that offer no real risk to the Deposit Insurance Fund from the proposed increase in assessment premiums.

Roger Zacharia
Ambler, PA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Thank you for the opportunity to comment on this proposal. North County Savings Bank had deposits in the amount of $50,000,000 in February of 2020, or right before the pandemic. As of July 31, 2022 we have deposits of $63,500,000 or an increase of 26%. I firmly believe this increase was due to the COVID-19 relief programs. We have had no CD specials or anything different with our deposits during this time frame. We have done everything possible for the community during this time frame and I feel that things are finally starting to get back to normal here at the bank as assets have stabilized and we are starting to get back to the profit we were making before the pandemic. I realize we are just a small bank and my words probably will not be heard but the two basis point increase in our assessment will be a big hit for a bank our size. My calculation is that our assessment would triple. I worked to get our Tier 1 Capital to 9.00%, which we reached in February of 2020, we have dropped since then, due to the increase of our deposits. If this assessment is approved, I can see where this would again affect our Tier 1 Capital and I will see a decrease in our profit, in which, I may have to reduce our staff, which would be very unfortunate. Please consider a smaller increase and I wish to thank FDIC for considering my observations and recommendations.

Steve Kueker CEO,
North County Savings Bank
Red Bud, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing in response to the proposed FDIC increase in the deposit insurance assessment rates. I am the President / CEO of the First Northern Bank of Wyoming which happens to be the oldest chartered bank still operating in the State of Wyoming (1885). We are active in a very diverse market including agriculture, hospitality, energy, commercial, and consumer related activities. The proposed increase in the assessment will have a negative impact on bank capital at the very time when capital may be needed. From our perspective, this proposal is arbitrary and completely baseless. It appears that the FDIC is being reactionary based upon reading the tea leaves that we are headed towards the deepest recession in recent history. Thus the new interagency guidance on CRE detailing appraisals, cap rates, workouts, grading, etc. As you are well aware, no two banks in this country are the same as far as geography, demographics, concentrations, local economies, etc. To blanket a uniform increase in assessment (which by the way is not even statutorily required) across all banks makes no sense given the differing risks associated among the sector. Along those same lines, shouldn't a bank's Allowance for Loss levels be such that when, and if, credit quality and asset valuations fall, be sufficient to cover these potential losses? Was not the new CECL loss calculation requirement intended to look into the future and potential future risks as the primary factor in calculating reserve levels (and no longer use historical data as the primary determinant)? I believe I recently read that bank capital ratios were as strong as ever and given the changes in bank regulatory requirements coming out of the 2008 downturn that the level of bank failures the country saw at that time would never repeat itself. Community banks in this country carried the ball during the pandemic and were leaders in the PPP program. The data tell the story. Community bank deposits have increased as a direct result of stepping up and assisting our customers and the government administer a program when it was most needed. Community bank deposits are already stabilizing and will continue to decline as customer liquidity is used elsewhere. This proposal is arbitrary, not needed, not statutorily dictated, negatively impacts bank capital, and unfairly assessed. We strongly oppose and sincerely hope that any changes will be well thought out.

Thomas Holt
Buffalo, WY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to you regarding the proposed FDIC increase in deposit insurance assessment rates by 2 basis points which is over a 50% increase of the current assessment rate. As a small, local community bank with just over $500 Million in assets, we have many of our locations located in small communities. This increase is unfairly punishing community banks who have done the right thing - we have stepped forward and assisted our clients and communities via strong involvement in providing the PPP program to those clients and communities that we serve. The side effect of the PPP program and all of the economic stimulus measures that have been implemented is that our deposit growth has outpaced the Deposit Insurance Fund (DIF) growth. As this deposit growth was largely a result of these economic stimulus actions, I am asking you to take a measured approach and that you propose a more modest increase in assessment rates significantly below the proposed 50% increase. My recommendation is a 15% increase in the current assessment rate along with a re-evaluation in 18 months once we are able to determine what effects the current rising rate environment will have on current deposit balances, which I anticipate will reduce deposit balances held at FDIC insured institutions. I greatly appreciate your consideration.

Sincerely,

Don P. Meyer
Wentzville, MO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

We appreciate the opportunity to comment on the FDIC proposal to increase the deposit insurance assessment by 2 bps. Community First Bank of the Heartland is a $250 million dollar bank located in Mt. Vernon, IL. Our bank participated in assisting our small business customers in receiving $46.2 million in PPP funds to ensure the the stability and survival of our local economy during the COVID pandemic. However, these funds and other government stimulus payments have flooded the banking system. Our deposits have swelled from $174,561,000 as of March 31, 20202 to $229,588,000 at June 30, 2022. This is just over $55 million dollars and a 31.5% increase in deposit liquidity without a growing local economy that supports lending. Our county and our community has a shrinking population base and a deposit base that is traditionally flat to declining year over year. This 2 bps increase would equate to increased expense of over $47,000 for our bank based on its most recent assessment. This would negatively impact our ability to offsite higher labor cost, IT Security Cost, increased regulatory costs or new product develop in the future if implemented. Additionally, the inflated assets of our bank have contributed minimal amounts to earnings as the majority of these funds have been held in highly liquid deposits due to the uncertainty of how long these funds would remain as deposits of the bank. Of course you know that liquid assets have little value with the amount of liquidity injected by the government during the pandemic. Another negative of this excess liquidity is that many of our borrowers have paid off loans from these governments payments and government loans. Commercial and retail loans are the life blood of our industries earnings which create capital for future growth and the bank's ability to build capital to support economic growth. Finally, the additional $55 million increase in deposits, which we believe is temporary in nature, has resulted in a 2.4% decline in our Tier One Leverage ration, which also has a significant and detrimental impact on our FDIC assessment. I would strongly urge that any increase in the FDIC assessment should be delayed for the above reasons due to the economic uncertainty and challenges facing our bank and other community banks around the country.

Thank you for the opportunity to voice my concerns and our opposition to this proposed increase in our FDIC assessment.

Community First Bank of the Heartland
Jo David Cummins,
President
Mount Vernon, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the President and CEO of Northview Bank, a $430 million community bank located in Finlayson, MN. We have 12 locations in small rural communities in east central and northern Minnesota. We primarily provide home and vacation property loans. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. Higher assessments will affect my bank's income and we may be forced to pass on higher assessment costs to customers or take other drastic measures to offset this increased expense. The dramatically higher assessment rate will be difficult to manage if/when there is an economic downturn that could last well beyond 2028 (or any earlier date in which the DIF reaches a 1.35 percent reserve ratio). The proposed one-size-fits-all assessment rate increase will disproportionately burden community banks like Northview Bank and particularly well capitalized community banks whose rates are below the average annual rate of 3.7 basis points. Because of the government's unprecedented $2 trillion pandemic stimulus package, our bank balance sheet swelled, as did all community banks, without any intentional efforts by banks to grow deposits. I believe small community banks should not be punished with higher deposit assessments from the FDIC for deposit growth created by the government. Northview Bank went above and beyond to meet our customer's needs and support the nation's economy through our participation in the PPP program. Our staff worked exhaustedly to help our small business customers and non-customers stay open during this time. Many of these small business and communities depend on Community Banks like Northview, and we stepped up to help them through the PPP loan process. We have seen stimulus deposit run-off in the last 6 months so I believe pandemic era deposit growth is not persistent, and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases

Thank you for the opportunity to submit comments on the proposed assessment increase.

Paula Diaz
Finlayson, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

My name is Curtis Armor and I am a Sr. Vice President and Director with Shamrock Bank, NA. We are an 87% ESOP owned community bank located across Southern Oklahoma. We have have historically served small rural communities that are low to moderate income. I appreciate the opportunity to address some concerns we have I am writing today in regard to the proposed 2 basis point increase in FDIC deposit insurance assessment. As I'm sure you are aware, this will have a significant impact to our small community bank. Please be aware that this is coming at what appears to be a terrible time for our industry. Here are a few bullet points that concern our management and board. *By definition, we have or are entering a recession. Our earnings are critical to enhance capital and fund loan loss reserves. *Bank earnings are already under stress and being attacked each day by government regulation. The CFPB's attack on overdraft / NSF fees will have a negative effect on bank earnings, now compounded by un needed additional FDIC assessments. *The drop in the reserve ratio has been caused by the governments response to the pandemic. These deposits have plateaued and many banks are seeing a drop in deposits. The Fed is currently trying to reduce liquidity in the system to fight inflation. *The reserve minimum is 1.35%. Why has the FDIC decided on a 2% threshold? This seems arbitrary and unnecessary. *We are a small, rural community bank. Much of our resources are directly plowed back into the communities we serve. This will take additional bank resources out of lending to customers and will take resources that we directly give back to our communities. We fully understand that the DIF is required to reach 1.35% by statue, but fully disagree with the plan to raise the fund to 2%. This will be detrimental to our bank and the communities we serve.

Respectfully,

Curtis Armor
Durant, OK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates. I am the Vice President of a small $53 million community bank located in rural Southern Illinois. We are the only bank located in town and primarily provide 1-4 single family housing loans as well as serve our agricultural community. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. The proposed increase in assessments will force my bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. Extraordinary growth in insured deposits during the first and second quarters of 2020 caused the DIF to decline below the statutory minimum, but I do not think that the pandemic era deposit growth will continue and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases. These proposed higher assessments will impact our bank's income and we will be forced to pass on higher assessment costs to customers which will negatively impact the community to offset this increased expense. A one-size-fits-all assessment rate increase will disproportionately burden community banks particularly well capitalized community banks whose rates are below the average annual rate of 3.7 basis points. As a result of the government's unprecedented $2 trillion pandemic stimulus package, bank balance sheets swelled without any intentional efforts by banks to grow deposits primary due to PPP deposits and CARES Act stimulus monies. Our bank was happy to participate in the PPP program for our small business and agriculture customers and made every effort to meet our customer's needs and support the nation's economy through participation in the PPP program. But I do not believe banks should be punished with higher deposit assessments from the FDIC for deposit growth created by the government. Your consideration of my comments and other community bankers is most appreciated.

W. Brett Gray
Hutsonville, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comments on the proposed increase to the FDIC Assessment Rates. I am the President and Chief Executive Officer of PennCrest BANK, a Pennsylvania mutual savings bank headquartered in Altoona, with seven locations serving Blair and Cambria Counties. We offer mortgage loans, checking and savings accounts, and small business loans to a diverse customer base including consumers, small businesses, non-profit and charitable organizations, and municipalities. During the Covid-19 pandemic, we stepped up to help many small business owners, disenfranchised by their big banks placing large borrowers first. I am greatly concerned that the increase in deposit insurance premiums will negatively affect my Bank's ability to operate successfully. As a mutual thrift, we have no shareholders to please; all of our efforts are targeted to benefit our employees, our customers, and the greater communities we serve. An increased deposit insurance premium will hurt all three of those stakeholders. Specifically, greater premiums will negatively impact our ability to compensate our employees, invest in technology and facilities to remain relevant and competitive, offer innovative and attractive products to our depositors, lend to consumers and small business owners, and donate money to charitable endeavors that improve our communities. PennCrest BANK does not represent a real risk to the Deposit Insurance Fund nor do we constitute a real risk to our history. Like many community banks, we are a very well capitalized institution with limited, well-managed exposures to the significant banking risks including liquidity and credit. The proposed increase to deposit insurance premiums would disproportionately and unfairly target well-run community banks. Please consider exempting community banks that offer no real risk to the Deposit Insurance Fund from the proposed increase in assessment premiums.

Mr. William E. Ritenour
President & CEO
PennCrest BANK
Altoona, PA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Mr. James P. Sheesley Assistant Executive Secretary Attention: Comments--RIN 3064-AF83 Federal Deposit Insurance Corporation 550 17th Street NW Washington, DC 20429 Dear Mr. Sheesley: I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the President and CEO of Northview Bank, a $430 million community bank located in Finlayson, MN. We have 12 locations in small rural communities in east central and northern Minnesota. We primarily provide home and vacation property loans. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. Higher assessments will affect my bank's income and we may be forced to pass on higher assessment costs to customers or take other drastic measures to offset this increased expense. The dramatically higher assessment rate will be difficult to manage if/when there is an economic downturn that could last well beyond 2028 (or any earlier date in which the DIF reaches a 1.35 percent reserve ratio). The proposed one-size-fits-all assessment rate increase will disproportionately burden community banks like Northview Bank and particularly well capitalized community banks whose rates are below the average annual rate of 3.7 basis points. Because of the government's unprecedented $2 trillion pandemic stimulus package, our bank balance sheet swelled, as did all community banks, without any intentional efforts by banks to grow deposits. I believe small community banks should not be punished with higher deposit assessments from the FDIC for deposit growth created by the government. Northview Bank went above and beyond to meet our customer's needs and support the nation's economy through our participation in the PPP program. Our staff worked exhaustedly to help our small business customers and non-customers stay open during this time. Many of these small business and communities depend on Community Banks like Northview, and we stepped up to help them through the PPP loan process. We have seen stimulus deposit run-off in the last 6 months so I believe pandemic era deposit growth is not persistent, and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases

Thank you for the opportunity to submit comments on the proposed assessment increase.

Jeremy Byers
Finlayson, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

As President and CEO of Community Bank of Parkersburg, I'm writing in regards to the proposed increase of the deposit insurance assessment rate by a uniform 2 basis points industry wide. This increase in deposit insurance by the FDIC will increase our Bank's rate by 66% effective next calendar year. Like most financial institutions, our Bank did see an increase in deposits over the course of the pandemic due to increased cash injected into the economy by governmental programs. However, over the last two quarters with the decline in COVID infection rates and increased inflation rates we are seeing COVID surge deposits leave our financial institution. We expect a continued decline in those COVID surge monies. The economy is in, or is nearing a recession, and the FDIC's proposed increase to deposit assessments will restrict bank capital and hinder the ability of community banks to serve their communities particularly if there is a severe economic downturn. I ask that you reconsider a blanket 2 basis point increase to the deposit insurance assessment.

Susan Barber
Parkersburg, WV

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the Vice President/Market Manager of Northview Bank, a $430 million community bank located in Finlayson, MN. We have 12 locations in small rural communities in east central and northern Minnesota. We primarily provide home and vacation property loans. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. Higher assessments will affect my bank's income and we may be forced to pass on higher assessment costs to customers or take other drastic measures to offset this increased expense. The dramatically higher assessment rate will be difficult to manage if/when there is an economic downturn that could last well beyond 2028 (or any earlier date in which the DIF reaches a 1.35 percent reserve ratio). The proposed one-size-fits-all assessment rate increase will disproportionately burden community banks like Northview Bank and particularly well capitalized community banks whose rates are below the average annual rate of 3.7 basis points. Because of the government's unprecedented $2 trillion pandemic stimulus package, our bank balance sheet swelled, as did all community banks, without any intentional efforts by banks to grow deposits. I believe small community banks should not be punished with higher deposit assessments from the FDIC for deposit growth created by the government. Northview Bank went above and beyond to meet our customer's needs and support the nation's economy through our participation in the PPP program. Our staff worked exhaustedly to help our small business customers and non-customers stay open during this time. Many of these small business and communities depend on Community Banks like Northview, and we stepped up to help them through the PPP loan process. We have seen stimulus deposit run-off in the last 6 months so I believe pandemic era deposit growth is not persistent, and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases

Thank you for the opportunity to submit comments on the proposed assessment increase.

Paul Troskey
Finlayson, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter to express my deep concern regarding the FDIC Assessments and Revised Deposit Insurance Assessment Rates. As the President and CEO of CNB Bank, Inc, headquartered in Berkeley Springs, WV, I have a tremendous amount of pride leading a bank that has been providing sound financial services to our communities since 1934. We are a relatively small community bank serving, and representing, many small businesses as well as solid, hardworking consumers. The Bank has endured countless economic cycles over these many decades; however we continue to remain strong stewards of our shareholder's investment. The landscape of the (community) banking industry continues to evolve. I have been serving banking clients for 35 years, and every day seems to present another set of challenges to provide safe and sound banking services. From the ongoing expansion of Credit Union powers, the exceptionally thin margins, the arduous task of expanding non-interest income to a global pandemic, which disproportionately impacted small town America, community banks have met the challenges. If not for community banks, many of our small communities would not have a source of which to seek. Now we are faced with yet another barrier, coming to us from within. CNB Bank's Board and senior leadership team are advocates of a strong regulatory authority. We pride ourselves in honoring, and embracing, the responsibilities bestowed upon us. I am concerned, however, that the FDIC's proposal will negatively impact CNB Bank and our many clients now and well into the future. We will be faced with seeking a way in which to cover this extraordinary cost, which could include additional fees to our clients and/or a reduction of financial resources we distribute to many non-profits and service clubs providing valuable services to the less fortunate in our community. Providing our time, talent and financial resources is a source of great pride to us, and in many cases, critical to the ongoing efforts of many. Please reconsider the methodology in which to accomplish your goal and avoid a one-size-fits -all assessment rate, thus lessoning the burden on our community focused, community banks.

Warmest regards-

Mark Harrell
Berkeley Springs, WV

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rates. I am the President of a small $53 million community bank located in rural Southern Illinois. We are the only bank located in town and primarily provide 1-4 single family housing loans as well as serve our agricultural community. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. The proposed increase in assessments will force my bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. Extraordinary growth in insured deposits during the first and second quarters of 2020 caused the DIF to decline below the statutory minimum, but I do not think that the pandemic era deposit growth will continue and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases. These proposed higher assessments will impact our bank's income and we will be forced to pass on higher assessment costs to customers which will negatively impact the community to offset this increased expense. A one-size-fits-all assessment rate increase will disproportionately burden community banks particularly well capitalized community banks whose rates are below the average annual rate of 3.7 basis points. As a result of the government's unprecedented $2 trillion pandemic stimulus package, bank balance sheets swelled without any intentional efforts by banks to grow deposits primary due to PPP deposits and CARES Act stimulus monies. Our bank was happy to participate in the PPP program for our small business and agriculture customers and made every effort to meet our customer's needs and support the nation's economy through participation in the PPP program. But I do not believe banks should be punished with higher deposit assessments from the FDIC for deposit growth created by the government. Your consideration of my comments and other community bankers is most appreciated.

Kimberly Gray
Hutsonville, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing in regards to the FDIC's proposal in increase deposit insurance assessment rates on community bank like ours. Our $300,000,000 bank has been rooted in Western Wisconsin since 1919 and have had steady growth until the pandemic. At that time, our bank observed deposit growth of over $80,000,000 which was unplanned to say the least. Due to this deposit growth in a short period of time, additional FDIC premiums will directly affect our ability to donate to local charities, increase rates to our consumers and impact our ability to stay competitive with the credit union industry who is not experiencing this same insurance rate increase. We have begun to see the decline of these deposits over the last 6 months and anticipate over the next 36 - 48 months we will have normalized the position, thus improving the overall position of the FDIC Insurance pool.

Thank you for the opportunity to submit comments on the proposed assessment increase.

Tom Mews
President
First National Community Bank
New Richmond, WI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Vermilion Bank is a small Community Bank which thinks imposing a prolonged 2-basis-point assessment increase in deposit insurance will have a negative impact on community banks which supported their communities during the pandemic

Joseph A. Couvillon
Kaplan, LA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I wish to comment on the proposed increase in the FDIC assessment increase. It is extremely both ill-advised and unnecessary. The ratio has dropped by the excess deposits fueled by the drastic influx of stimulus money and people being locked down with no place to go spend that money. This is "parked" money and will be drained off, bringing the ratio back in line on its own. Please hold off on any increases whatsoever until such time as this deposit run-off takes place. At the least, do not increase the rate on small/community banks as they will be harmed the most.

Shorty Dorweiler
Hamel, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Community banks have been the life-blood of local commerce, which has been increasingly evident during the COVID-19 pandemic. While deposit growth has been outpacing the DIF growth, it is the work of community banks that has to led to stability in local communities. It was community banks who stepped up and ensured that critical pandemic-related funds were distributed quickly and efficiently. Because of this, I ask that you consider the negative impact a 2-basis-point assessment increase would have on community banks and not impose this change. This change will singinifcanly impact community banks and effectively penalize us for our efforts during the pandemic.

Sincerely,

Candice Hanson
Becker, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to you regarding the FDIC proposal to increase the initial base deposit insurance assessment rates by 2 basis points until the Deposit Insurance Fund (DIF) reaches a designated reserve ratio of 2 percent of insured deposits. I object strongly to this proposal for several reasons that I will outline in bullet point style below. * The current congressional mandate is that the FDIC maintain a reserve ratio of 1.35 percent - not 2 percent. Why is the FDIC arbitrarily proposing to raise it at all, let alone to such a high level? * The DIF is strong and healthy, and the reserve ratio only dropped below 1.35 percent because of the government's economic stimulus plans in response to the pandemic. It remains to be seen if these artificially high deposit levels will remain where they currently are, so it is premature to act at this time - much less to act with such drastic measures. At many banks, these deposit levels have already begun to decline. * The proposed increase places significant increases to premiums community banks are already paying. In many cases, it represents a 65% to 70% increase without any valid reason. * Community banks did not create this situation, the Government did. * Economically, due to the current high possibility of a recession and pressure on bank capital levels, this increase will further restrict community banks abilities to meet the important credit needs of their respective communities. * Why would any increase be proposed without a corresponding risk related tiering? A uniform, across the board assessment of 2 basis points is a departure from the very core insurance premium principles. * No community banks represent a systemic risk to the DIF. Large, too big to fail banks should be responsible for funding the DIF.

Thank you for your time and for considering these important points.

Sincerely

David C. Williams
President and CEO
Upper Peninsula State Bank

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

We are a small community bank in California (approx $1.4 billion in assets). Our customers and community love us and when the government flooded the market with cash, we saw a huge increase in our deposits. In fact we have experienced over 30% annual deposit growth over the last 2 years! This is great, except now the FDIC wants to charge the banks to insure the funds that the government flooded us with. It seems to me that the FDIC needs to re-evaluate the statutory minimum before you 'simply' charge the banks more. In 2021, my bank paid almost $1 million in FDIC fees. This represents over 6% of our pretax net income!

Michelle Martinich
Santa Barbara, CA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am the CFO of ValueBank Texas, a $330 million community bank in Corous Christi, TX. We community banks have suffered through low net interest margins couple with an extraordinary growth in expenses if all kinds. Nearly every expense we have is going up, with few areas to cut any more if we want to continue to adequately serve our customers. Increasing the reserve ratio to an arbitrary amount like 2% at such a time as this put an undo burden on community banks. Most community banks will see their annual assessment increase by 50%. I urge you to reconsider increasing the reserve ratio to 2%, and instead maintain a plan to increase it to only the required 1.35% by 2028.

Seth Watts
Corpus Christi, TX

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

This will be a hardship on Community Banks so I oppose this increase in FDIC insurance premiums.

David Darnell
Paducah, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Considering the current economic status of our country, I am asking: Please Don't Raise Deposit Insurance Assessments! This will insurance hike will only hurt the banks that keep you open. The short term gains will have long term consequences that will take years to resolve, if ever.

Thank you
Aaron Castillo
Springfield, MO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

As a result of stimulus money (checks to individuals, PPP and EIDL), deposit growth has increased substantially as a result of Covid while loan growth has stagnated and/or decreased as a result of many re-financing on the secondary market at 2%-3% interest rates. As a result, community banks are overly liquid/overly deposited while loan volume/growth could take many years to recover & get back to pre-pandemic loan volume (dollars out). Penalizing community banks with a 2-bassis point assessment not only hurts the banks, it hurts the individuals within the community. Banks will have to turn away depositors to keep deposit levels where they, lower deposits in order to remain profitable. or increase interest rates above a competitive level to cover the associated cost. Community banks stepped up during the Pandemic to save our communities and lost much business as a result of low interest government financing. Community banks helped the government by helping individuals and small businesses within our communities. Now, it's time for the FDIC & Government to acknowledge the positive role of community banks and do the right thing. Please do not penalize banks for doing the right thing at the request of the government during the pandemic.

Thanks you for your consideration.

Sincerely,

Juli Bohmer
Brooten, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Please consider the impact of a prolonged 2-basis-point increase will have on all community banks during a time when we are all personally or professionally being impacted by the economic decisions being made. If passed it will affect all communities in this country. Community banks will have to give up something in order to fulfill the FDIC expectations. Please remember there are already existing guidance in place to help the FDIC reach their 2% reserve goal by 2028. It will happen with time. Don't rush it at the expense of the entire country who is already under pressure in all aspects of life.

Alyssa Elliott
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

If the FDIC assessment increase is approved our community bank of $120M in assets serving approximately 7500 customers would be increased by approximately $15,000 per year. This in an already inflation squeezed economy demanding more and more conveniences from our bank. I speak on behalf of all community bankers like Blissfield State Bank. We continue to protect, secure and provide services to small communities and townships while competing with large banks and credit unions. More regulation and fees will drive community banks out of business. While the FDIC funds are important, serving rural and small-town customers is just as important. Adding another $15,000 to our expenses will not help our employees, nor customers. Shareholders also will be impacted. Your attention to this matter is of utmost importance to our bank and our customers in the Blissfield Michigan area.

Thank you for your consideration.

Julie Goll,
Blissfield MI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I oppose the FDIC proposal to raise deposit insurance rates by 2 basis points. The reduction in the DIF is simply due to excess liquidity in banking system caused by the United States government stimulus initiatives over the past year. Risk profiles are lower compared to prior recessionary periods consequently resulting in lower exposure to the DIF.

Sincerely,

Chad Hargrove
Classic City Bank
COO/CFO
Athens, GA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Please consider a more progressive approach to this important safety net for our industry. From a rural bank perspective, this type of even handed action has an unequal result for a community bank. Banks like our pose little to no risk to the broader financial industry, especially in a state with two failures in the past 20 years. Consider risk-weighting by markets served, public funds, adjusting DIF needs based on aggregate public fund balances/calculated stimulus impact, or adjusting risk management scenarios to set new targets. Another option would be to exempt certain institutions, similar to Rural Health Clinic designation in the regulated health care industry. Equal application of measures like this have a track record of forcing consolidation, creating limited banking options in rural areas and concentrating risk in large institutions.

Mr. Luke Porisch
Saint Ansgar, IA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Our bank "Granite Bank" embraced the stimulus efforts from the start of the pandemic writing nearly $50 million in PPP loans which for a $150MM bank was quite a feat. As you know a good amount of the PPP loan dollars stayed in our bank and now appear to be driving an increase in our assessment payment. We more than did our part in helping our communities survive the economic challenges of the pandemic and it seems extremely unfair that we should be penalized for those efforts. I urge you to reconsider your plans to implement such an egregious increase to our assessment.

Thank you

Gerald Reiter
Granite Bank
Cold Spring, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Falls City National Bank is a locally owned bank since 1907. We strive to keep our expenses down and with the increasing supply chain shortages and overall economic conditions it has become quite burdensome. We participated as a lender in the PPP and provided needed support to our community during the pandemic while weathering historically low interest rates. The bank received no support from any of the programs that were available to other businesses. With gas prices at all time highs and the cost of living increasing we recently gave our employees a much needed boost in pay just to make sure that we could retain our staff. A 2-basis-point assessment increase assessment increase is not something that we should have to endure. We actively played a major role in the community during the pandemic helping those who needed the most help and did not employ additional staffing to do so. A 2-basis-point assessment increase could hinder our ability to continue our efforts in the community. We play a major role in our community and offer support when things need to get done like the local scoreboard for the baseball field. We contribute to all charitable functions in the community. The regulatory burdens facing community banks have also been quite a financial burden. More and more outside services are needed and quite expensive to employ to adhere to more and more regulations. The push to eliminate fee income is growing and banks cannot operate with limited sources of income. We do not need more expenses....

Corinne Sekula
Executive Vice President
Falls City National Bank
Falls City, TX

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. The proposed increase in assessments will force my community bank to pay a substantially higher premium to hold deposits, and will, in turn, have a significant negative impact on my bank and our clients. This "one-size-fits-all" approach is an unfair burden to community banks like ours - especially if we will have to pass on those costs to our clients. I don't think banks should be punished with an increase in an effort to offset deposit growth created by the government. As things continue to level out post-pandemic, I think the deposit growth that has been seen will not remain constant; and a decline would then normalize the reserve ratio without the need for assessment increases.

Maryanna Moryl
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Please do not raise the assessment rates for FDIC insurance for community banks. I work for a one-branch bank in a small, farming community. Needless to say, this bank has a very small asset size. The farmers in this community organized the bank back in the 1800's because they couldn't access credit to finance the purchase of seed and equipment. All of that money needs to be paid out up front, and the return on that investment doesn't pan out until the crops come in. Sometimes there is minimal or no return on the investment due to drought or storm damage. A lot of banks don't provide agricultural loans for this reason, or they don't want to wait until the crops are sold for the loan to be paid. This area is a banking desert; there aren't many financial institutions around here. Even if there were more financial institutions--not all banks/credit unions specialize in agricultural lending. The farmers need us, and we want to be here for them. Unfortunately, in order for us to be here, we have to watch our bottom line. That assessment rate increase will cost us an extra $15,000 per year. It's enough that everything costs more. Our vendors raise the cost of services because they have to pay more for everything, including wages to attract employees. They pass that cost on to us. We have to pay more to attract employees, and we have to compete with larger banks and other businesses that can pay higher wages. People are having a harder time paying their loans, and that affects our bottom line too. Everything is hard enough right now--please don't add to the difficulties by increasing the assessment fee.

Sincerely,
Susan Eileen Wagner, JD, CRCM, CAMS
Blissfield State Bank
Blissfield, MI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

During the recent pandemic, Community Banks stepped up in a huge way to support the Government's efforts to stimulate the economy. The time and effort spend on this was significant. Unfortunately, in my opinion, the stimulus was poorly designed and ultimately resulted in pushing too much liquidity into the market for many people who did not need it. Banks were flooded with deposits, with little investment opportunities at the time. The tide has now began to turn and Americans are now paying the price for these mistakes through high inflation. Many banks expect to and have started to see some of these deposits revert to lower levels as consumers/business are spending through accumulated savings due to the inflation we are experiencing today. I do not believe that now is the time to increase the assessment on banks. To me, it would make more sense to allow additional time to determine how the run up in deposits in 2020 and 2021 will play out. This assessment will almost double the cost of FDIC insurance for community banks. As you know, most banks will be forced to pass this expense on to consumers/business, which are currently strained due to the inflationary conditions that exist. It is my recommendation that you postpone the increase 2-3 years to determine whether the deposit increase is permanent or not or you consider lowering the increase amount so that it does not increase deposit insurance to any institution by more than 20%. I hope you will consider these comments in finalizing your decision.

Sincerely,

Andy Miller
Sundance, WY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Regarding the FDIC's proposal to increase deposit insurance assessment rates, I believe this increase will have a deleterious effect on my community bank by adversely impacting earnings in a time of an economic slowdown and likely recession. In addition, a DIF reserve ratio of 1.35 percent appears to be fully adequate at this time. My community bank like other community banks is in the process of building capital to protect against an economic slowdown and reduce overall balance sheet risk. Increasing the deposit insurance assessment rates will significantly hamper this effort of building capital levels at community banks. A one-size-fits-all DIF assessment rate increase will disproportionately burden community banks. My community bank is $80 Million in total assets and located in Deer Lodge, Montana. I serve as the CEO of this community bank.

Thank you for the opportunity to submit comments on the proposed assessment increase.

Colter Cumin
Deer Lodge, MT

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the President and CEO of 22nd State Bank, a $197 million community bank located in Mobile County, AL with additional offices Barbour, Escambia, and Geneva counties. We primarily provide traditional financial services with the majority of our locations serving the poorest counties in the state of Alabama. My concern is that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. The proposed increase in assessments will force my bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. Not to mention that a significant portion of our deposit growth is a direct result of the government flooding our markets with stimulus money. This will punish our banks and our customers for something the government provided that wasn't necessarily asked for or needed. As I'm sure you are aware, one size does not fit all in the banking sector. Small community bank's like mine are unable to swallow the increased fees at the same level larger institutions are able. We will be forced to pay lower deposit rates, charge higher interest rates on loans, and increase fees across all product lines in order to keep up with these costs. The ultimate result is that our customers will seek financial services elsewhere, forcing us to close our doors. This will drive further consolidation in the community bank space, drastically eroding our customers ability to manage their finances with a trusted provider. Please be patient with this process. I believe we will see continued decreases in deposit balances as the stimulus money bleeds out of the system. The continued erosion of these balances will bring your reserve ratios back in line without the short-term pain and fallout these increased fees will have on our community bank institutions.

Steve Smith
President & CEO
22nd State Bank
Mobile, AL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's request for comment on the FDIC Assessments and Revised Deposit Insurance Rates proposal. I am the President and CEO of Marion Community Bank, a $310 million community bank headquartered in Marion, Alabama, a rural, blackbelt town often referred to as the "Bethlehem of the Civil Rights Movement." We have served Marion and the surrounding community since 1934 with roots that date back to 1902. Ours is one of only two banking offices in the town. Over the years, we have expanded into Selma, in neighboring Dallas County, as well as Chilton County, each of which have significant low to moderate income and minority populations. Our bank is a critical source of credit, deposit, and other banking services for consumers, small businesses and farmers in these underserved and economically challenged communities. Should it come to fruition, the proposed increase in deposit assessment rates will impact our ability to serve these communities. It will exacerbate what is already a tremendously burdensome regulatory framework. A framework that has decimated the community banking industry in this country and that is an existential threat to what remains of it. I am concerned that this increase will have to be passed along to our customer base, who can least afford to absorb it. Additionally, a "one-size-fits-all" approach has proven time and again to be an inappropriate way to regulate this industry. This increase places a disproportionate and unnecessary burden on small community banks that have fewer sources of revenue to support higher operating costs, such those this proposal will create. I think we can all agree that the extraordinary growth in deposit balances due to government stimulus is a temporary phenomenon. When balances return to normal historical levels, or possibly drop further due to our current recession, the FDIC will be more than adequately reserved without this increase. I am asking the FDIC to please reconsider this proposal and reverse course.

R. Guy Davis, Jr.
President & CEO
Marion Community Bank
Marion, AL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Respectfully asking for the 2 point increase not take place.

Erica Baker
Paducah, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The CBM represents the interests of Michigan community banks. We represent nearly every bank with their headquarters in Michigan. We are commenting on behalf of the banks we represent. The FDIC insurance fund is a critical piece of the banking foundation in the USA. Our deposit customers are assured their money is safe in their bank up to the insured limit so it is critical there is confidence in the fund. All US bank depositors were made whole in the last recession even though there were bank failures so the fund showed its value to all bank clients. Our concerns are with the level of the proposed increase in the assessments. We have the following concerns and comments: The FDIC is only required to get the fund back to the required 1.35% level. The 2% target is excessive and will put too much burden on the industry at a time when the country is likely moving toward a recession. There is no basis in law for the 2% target - it is an arbitrary goal set by the FDIC. We would suggest using the 1.35 % required level as the target for 2028 or something just above that like 1.4%. The FDIC is unlikely to sustain significant losses to the fund if there is a recession in 2023-24. The nation's banks are in much stronger financial shape with higher capital and loan loss reserve ratio's than prior to the last recession. The industry has also demonstrated better risk management and lending practices than in the past - all of which will lead to far fewer bank failures should there be a recession. The nation's largest banks are put through extensive stress testing annually by regulators again lowering the systemic risk to the fund from a major bank failure. Bank deposits are at historic high levels due to the excess stimulus from federal pandemic related spending. Banks would have significantly less deposits if not for excessive federal spending. The money supply in the US was artificially inflated due to federal policies that were well intended to rescue US businesses and consumers during he pandemic - but the spending was excessive and created the largest surpluses in modern times in deposits of individuals, corporations, and most importantly government entities at the state and municipal level. Banks handle the vast majority of the funds for state and local governments so our industry was the most impacted by the surpluses. This excess spending has also caused excessive inflation rates of over 8.5% which is leading to the Federal Reserve have to raise rates to slow down demand in the economy. As rates rise money will flow out of the banking system and deposits will move to more historic norms which will restore the fund reserves back to the 1.35% rate. Disintermediation has taken place in every economic cycle where interest rates increase - especially when driven by Federal Reserve action. It is the natural flow of money and it will happen again in 2022 and 2023. It is already impacting a number of banks in our state who have gone from selling funds to borrowing funds in 2022 and this trend will accelerate across the country as interest rates rise. Liquidity becomes more of a concern for regulators in recessions as funding always begins to dry up and this will play out again in 2023 and 2024 which again will lead to less insured deposits at commercial banks and therefore a higher reserve ratio - perhaps well above the 1.35% requirement. The CBM favors a more deliberate approach by the FDIC. We recommend a 1 basis point increase now. The FDIC should then do a reassessment a year from now to determine if any additional modifications are necessary. The Deposit Insurance Fund (DIF) reached 1.40% in June of 2019 before any of the impact of COVID relief spending moved through the US financial system. The fund was fine - and it still is when adjusted for federal stimulus spending. Banks should not bear the load for government policy which overstimulated the economy and led to 40 year high inflation rates and excess liquidity in the system which created excessive demand versus available supplies of goods and services. Any increase should be modest at this point - 1 basis point maximum and should be reconsidered in one year. The Federal Reserve will be both raising rates and shrinking their balance sheets - both actions will have a significant impact on reducing the level of bank deposits nationally over the next 12 months. The FDIC should withhold their proposed increase until we see where things go with Federal Reserve action. It appears the two agencies may not be coordinating their future plans or sharing forecasts which we strongly encourage them to do. We appreciate the opportunity to comment. We do understand the importance of maintaining the DIF at the proper level. The FDIC should be looking forward and factoring in multiple inputs to set the plan for the fund. We do understand that a recession could lead to some fund losses and we know the FDIC does not want to hit banks with an even higher assessment increase in one or two years if they wait and do nothing and deposits remain in the system. For all of these reasons we suggest a 1 basis point increase versus 2 for 2023. The FDIC can then do another assessment next year to determine if any future increases are warranted.

Thank you for your consideration.

Michael Tierney
President and CEO
Community Bankers of Michigan
East Lansing , MI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The fund is under requirement due to liquidity created by stimulus and pandemic funding. This takes money out of earnings at the time it appears we are entering recession and lowers funds available to fund loan loss reserves. Earnings are already under attack by government agencies thru CFPB trying to eliminate overdraft / NSF fees, increasing losses due to Reg E and increases in overhead costs.

Travis Wyatt
Oklahoma City, OK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Increasing the deposit insurance rate will directly harm the individual customers. It will either decrease the interest income they receive from their deposit accounts or it will increase the interest expense they pay on their loans or a combination of the two. Community Banks must maintain profitability to support communities and the individual customers. Increasing the deposit insurance rate will have a direct negative impact on our customers. Banks cannot continue to absorb additional fees without passing them along to the customers. This increase will be no different. It WILL harm individuals at a time when every dollar in their pocket matters most.

Tony Ryan
Murray, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Please decline this proposal.

Lesley McCuan
Paducah, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The FDIC's insurance fund is under requirement due to liquidity created by govt stimulus and pandemic funding. This increase to our ins premiums takes money out of earnings at the time it appears we are entering recession. This expense increase reduces our funds available to allocate for loan loss reserves. Earnings are already under attack by government agencies thru CFPB trying to eliminate overdraft / NSF fees, increasing losses due to Reg E and increases in overhead costs, please don't add insult to injury by increasing insurance rate calculation at this time.

Travis Wyatt
Shamrock Bank, N.A.
Oklahoma City, OK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting my letter in response to FDIC's request for comment on FDIC Assessment and Revised Deposit Insurance Assessment rate for our bank. Our bank is a small community bank in rural Alabama, The Citizens Bank of Winfield FDIC Certificate #52. The town of Winfield has a population of 4,700. There are two other community banks and a credit union in our small town. I joined Citizens Bank, which was started by by grandfather, right out of college. I am starting my 60th year, having served as Chairman and CEO for 30 years before turning it over to my son. I am the largest stock holder and am on the board as well as being over the bank's investments. I have worked hard getting the best employees, training them to work hard to give the best service to our customers, to be involved in our community, working with the park for children athletics, with the Chamber of Commerce, on school board, on hospital board. I have served 12 years on the Federal Home Loan Bank of Atlanta. I have also served 12 years on the First National Bankers Bank Board which includes Louisiana, Arkansas, Mississippi, Alabama and Florida banks. We have often been complimented on how well our bank is run. A major concern stems from competing with a credit union Lister Hill, one of the largest in Alabama, who DOESN'T HAVE TO PAY TAXES, and who have started paying more on various saving rates and can do any loan, etc. that we make BUT DON'T PAY TAXES. We don't have a level paying field. So, we are now paying FDIC $75,000 but with your proposed tax it would add $50,000 a year with a total of $125,000. This just adds to the problems with the unlevel playing field with the credit unions and Edward Jones. When I entered community banking there were over 19,000 community banks in America. Today there are less than 5000 and we are losing more every year. Our Superintendent of banks also says we are losing every year in Alabama. It makes me wonder what our future is. I have worked hard to have the best bank, worked to build our community, and treat our customer's right. However, UNFAIR COMPETION hurts! What about letting the larger banks that are not having the same problems pay more and small community banks pay less, particularly when well capitalized?

Thank you for allowing us to comment,

Regards,

Russell Carothers
Winfield, AL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I strongly oppose this.

Haley Chessor
Smithland, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The amount that we do for our communities and locals continues to rise. The number of failing banks are down and FDIC rates have been going up. We as a community bank that really does embody what a community bank does. I left a bank that was acquired because of the loss in community connection, please don't increase assessments as it will be more expensive to our bank and others.

Mr. Derek Stuckenschneider
Mexico, MO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

To Whom It May Concern: I am not in favor of increasing the assessment for community banks due to deposit growth outpacing the DIF. Community banks were a safe-haven for local depositors during the pandemic. The current economic environment and the erratic markets have kept deposits in the bank that were anticipated to leave months ago. We believe that once market stability return, depositor will move their funds to other investments, returning the DIF to its required minimum or better. Please don't penalize the Community banks who stepped up to support the American people during the pandemic by increasing our assessments.

Sincerely,

David Durham,
EVP
Mt. McKinley Bank
Fairbanks, AK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I understand that there was a period of time where deposit growth was outpacing the Deposit Insurance Fund as a result of the economic stimulus measures. However, I believe you will find that a huge portion of these excess funds are no longer in the market. Call Reports for 2020, 2021, and early 2022 reflect this excess but I believe that you will find a decrease beginning with the June 2022 call report and continuing to decrease when the September call reports numbers are reported. Most community banks went from having large amounts of excess funds in early 2022 to being in borrowings 3rd quarter. I can tell you in our market area there is now a huge demand for deposits as these excess funds have been removed. I think the increased assessments are behind how the market is actually working and will be detrimental to community banks. If you have any questions please feel to reach out to me at 573-438-5421.

Thank you,

Adrianne Logsden
CFO
Unico Bank
Potosi, MO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I strongly oppose this.

Kristin Raleigh
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment rates. I am the CEO of Isabella Bank, a $2.1 billion community bank headquartered in Mt. Pleasant, Michigan. We operate a total of 29 branch offices in a seven county footprint across the central part of Michigan's lower peninsula. Like many of our nation's community bank's, Isabella Bank provides a full line of banking products and services to the individuals and businesses in the markets we serve. I am concerned that the FDIC's proposal regarding a revision of future FDIC assessments will negatively impact my bank, my customers, and my shareholders. Not only will it have a short term negative impact to our organization, but potentially a long term impact as well. The impact in 2023 of the FDIC's proposed two basis point assessment increase for Isabella Bank is projected to result in a 72% increase, or $400,000 in additional premium over the amount we anticipate paying in 2022. A $400,000 increase in assessment fees equates to a significant decline in my bank's net income, and subsequently a .05 hit to our earnings per share. All bank's have been operating in a low rate environment for several years which has negatively impacted the industry's interest margins. While recent rate increases are having some positive influence on margins, we continue to be challenged by thin margins, which is where the majority of our net income is generated. Taxing all financial institutions with an unnecessary FDIC increase at the proposed level, on top of the thin margins we are operating under today may force us to pass on the higher assessment costs to customers or take other measures to offset this increased expense. Further, I am concerned that the proposed increase of reaching a fund goal of 2% is well outside of the 1.35% mandate by Congress, and assessments of this size could potentially extend will beyond the targeted date of 2028. If this were the case, the impact on my bank, and to all other financial institutions, would be very detrimental. The artificial growth in deposits created by the unprecedented $2 trillion pandemic stimulus package, will not result in a continuation of deposit growth in our financial institutions. Over time, deposit growth will normalize, and along with it the reserve ratio, without the need for deposit assessment increases. In closing, I would like to thank the FDIC for the opportunity to submit comments on the proposed assessment increase.

Respectfully,

Jae Evans
Mt. Pleasant, MI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The impact of an increase on FDIC insurance premiums would have a negative impact on community banks. Throughout the pandemic, community banks were the back bone of our rural areas. This increase would take away crucial funding and profit resources for these banks. Banks that clients rely on to help them with their small businesses, everyday needs and financial future. Let us keep our premiums at our current standard where we can continue supporting these needs. Please reconsider this increase to community banks.

Nancy Adams
Chief Operations Officer
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Our small farming community needs its local independent bank. Raising the assessment will harm not only the financial institution, but our community businesses and citizens.

Mrs. Carolyn Mills
Deerfield, MI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rate by 2 basis points on the first quarterly assessment period of 2023. We are a $320 million community bank located in White Hall, WV which primarily provides lending to small businesses and residential real estate customers, while also providing a variety of deposit products for consumers and businesses. We are concerned that the FDIC's proposal will negatively impact our bank and customer base in both the short and long term. A 2 basis point assessment increase to our annual assessment would increase our assessment by approximately 33%. Along with record levels of inflation and increasing deposit rates needed to stay competitive with our peers, this 2 basis point increase would be detrimental to our profitability and our ability to stay well-capitalized. During the prior two years, our deposits grew at an accelerated rate due in part to PPP Deposits and CARES Act stimulus monies and changes in the market. It is my belief that banks should not be punished with higher deposit assessments due primarily to deposit growth created by policies enacted by the federal government. Additionally, I believe that the increase in deposits experienced in the prior two years will only be temporary, and the Deposit Insurance Fund will soon normalize without the need for increases to deposit assessments as market conditions change.

Thank you for the opportunity to submit comments on this proposed assessment increase.

James A. Boyers
Chairman of the Board
First Exchange Bank
White Hall, WV 26554

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I strongly oppose this.

Kenyan Fox
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Our FDIC insurance premium will go from approximately $27,500 per month to $39,000 per month. Pre pandemic it was approximately $21,000 per month. I am sure you are very aware that this rapid growth in deposits was not the result of new market share but increase cash holdings of many long term accounts, especially public fund accounts. The cash grew from all of the stimulus money given out by the Federal Government, PPP money, stimulus checks, county funds, school corporations and others. Funds are being spent, but as a community bank, funds may just move from one customer to another. We worked long hours to make sure our customers got their PPP money. We made sure that customers had accounts in good order to receive stimulus money. Now as a result of all our hard work we have the pleasure of paying an additional $12,000 a month to the FDIC insurance fund. This is a significant amount of money annually. We will have to make adjustments in our balance sheet or income statement to recover most of the expense. Please reconsider this decision and consider the surge in deposits as outside the normal growth that companies usually experience. We were growing deposits 3% - 5% prior to the pandemic and all of the stimulus handed out.

Thank you for your consideration

First Harrison Bank
Bill Harrod
Corydon, IN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I write to you today in regards to the FDIC's proposal to increase deposit insurance assessment rates. I am the SVP - Director of Risk Management at First International Bank & Trust, headquartered in Watford City, North Dakota; our institution has over 30 branches spread across North Dakota, South Dakota, Minnesota and Arizona. We are a $4.7 billion dollar family-owned community bank, providing a full suite of banking services to thousands of customers across our footprint. Our institution understands the need for an adequately funded Deposit Insurance Fund; however, I believe the FDIC needs to fully consider how the dilution of the fund took place. While the industry has seen bank failures over the years, most recently, the Federal Government injected an unprecedented $2 trillion into the economy during the COVID-19 pandemic. Throughout this difficult time, in collaboration with the Government, banks went to work administering the Paycheck Protection Program (PPP). Our bank alone funded over 4,200 PPP loans, totaling approximately $475 million. More importantly, bank balance sheets also swelled with cash/deposits due to the stimulus. We believe that banks should not be punished with higher deposit assessment rates due to deposit growth, resulting in Fund dilution, largely created by the Federal Government. I am concerned that the FDIC's proposal will negatively impact our bank, and more importantly, our customers, in both the short and long term. The proposed increase in assessments will force our bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. Like other industries that face increasing costs, banks will need to find a way to overcome rising operating expenses; this likely results in negative impacts to consumers. Every day, we strive to provide the highest level of value and service to our customers in the most cost effective way. The balancing-act that banks also face is driving organizational earnings higher to maintain and grow bank capital. This significant increase in FDIC deposit assessment/expense could negatively impact both. Again, while we understand the need for a strong Deposit Insurance Fund, this proposed plan feels very much one-size-fits-all. We would encourage the FDIC to expand and deepen its study to more accurately assess institutions that directly impact the Fund.

I would like to thank the FDIC for the opportunity to submit comments on the proposed assessment increase.

Ms. Heather Gillihan
Minot, ND

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Please reconsider the proposal to raise deposit insurance assessment rates by 2 basis points on all insured institutions. This would not be beneficial to the smaller banks

Sam Gold
Calvert City, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am opposed to this assessment this is an increase Banks should not have to absorb. The fees they are already paying should be sufficient to cover any liability on personal accounts.

Nancy Evans
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I think raising the rate for FDIC insurance premium would have a negative effect on employees pay at banks across the nation, especially small market local banks. Banks having to shell out more in premiums will make it harder for banks to keep the same hourly pay rates and limit raises. An outcome not fair to bank employees that work hard for their bank daily.

Wade Derington
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Raising the rate on the FDIC insurance would affect the banks ability to obtain employees due this affecting all areas of the bank financially, especially the pay of employees. At this time it is hard for companies to keep up with the pay increases that are needed to help their employees feed their families and have the gas money to get to work.

Teka Glisson
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rate. I am the senior lender of a $190MM community bank in SE MN serving ag and small business's. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. Higher assessement will ultimately raise the cost of banking for our customers. Among other things i am concered this increase, which could last well beyond 2028 (or any earlier date in which the DIF reaches a 1.35 percent reserve ratio) is not mandated by Congress. Our bank was an active participant in the ppp loan program which resulted in increased deposit balances. We should not be penalized for deposit growth created by the government.

Thank you,

James Oeltjenbruns
Rochester, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I vote against this.

Courtney Stockwell
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I oppose this increase.

Cara Chandler
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. I am a relationship banker working at Community Services Financial Bank(CFSB), a $1.4 Billion community focused bank. I am concerned that this proposal will negatively affect both the bank and our clients short term and long term. CFSB is a smaller, community bank and these rates will disproportionately affect us. Thank you for the opportunity to submit these comments.

Lucy Bryan
Kuttawa, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

This letter is being provided in response to the proposed increase in deposit insurance fund assessment rate. We understand that the fund is currently below the statutory minimum. But the largest reason for that is that deposits have increased dramatically due to the economic stimulus funds provided primarily by the federal government. Our deposits have grown primarily for that reason. But our loans have not grown on such a relative basis, and it is the loans that create the risk for the deposit fund. Accordingly, it may be more prudent for the FDIC to consider looking at the 1.35% statutory minimum and determining if that is the correct level in today's environment. Given that deposit growth has far outpaced loan growth, 1.35% seems to be an excessively high level to consider attaining by 2028. And a 2% goal certainly is excessive. In addition, for community banks like ours that helped the government distribute the funds causing this unprecedented growth in deposits to now suffer such a huge expense over the indeterminable future seems unfair. Community banks such as ours do not need additional fees assessed on them while we work with our borrowers to navigate the expected economic slowdown caused by increasing interest rates.

Thank you for giving this your consideration.

Daniel M. Christianson
CEO
F & M Community Bank
Preston, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

As a community bank, the proposal to raise deposit insurance could negatively impact our organization. This could substantially increase our premium, thus drastically making a difference in our bottom line. We take pride in being a community bank and serving our clients well. Please do not raise deposit insurance assessments.

Thank you for your consideration,

Heather Watkins
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

This will increase our assessment costs to over $45,000 or more a year. Increasing this fee will negatively affect our bank and the community we serve.

Morgan Kertzmann
Fairbanks, AK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to you regarding the FDIC's proposal to increase deposit insurance assessment rates. I am a team member of Community Financial Services Bank in Benton, Ky. We are roughly a $1.5 billion community bank in Western KY located in four counties. We focus on providing excellent client service and offering the best client experience to create value for our region. I am concerned that the FDIC's proposal will negatively impact my bank and our clients both in the short term and long term. The proposed increase in assessments will force my bank to pay a premium to hold deposits that is nearly double the current assessment rate. Our clients are already experiencing a rise in cost of living in most every sector of their lives. This higher assessment would likely cause our institution to have to pass some of this burden onto our clients or result in other drastic measures for our team in order to compensate the increased costs. Our goal is to be a help to our community and this would be a great detriment to us. This higher assessment rate would cause an already tight budget to be even further strained to the point that is unreasonable. This could have a long lasting impact upon our bank as well as the clients we serve. We are already seeing a decline in the pandemic era deposit growth and that this decline will help normalize the reserve ratio without the need for a deposit assessment increase, and especially a one-size-fits-all approach.

Thank you for your time and your care in this matter,

Elliott Coleman,
Electronic Funds Specialist at CFSB
Wingo, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Please do not increase the FDIC Assessment Fee. Mt. McKinley Bank prides itself on the services we provide our customers and community. Inflation is greatly affecting the Fairbanks and Interior Alaska and everyone is feeling the strain to purchase the essential items to keep their households together. Increasing the FDIC Assessment fee will increase the strain felt by our customers and impact the services we provide to the community.

Respectfully,

Ms. Carmen Randle
Fairbanks, AK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

My name is Brian Ury, President and CEO of Buena Vista National Bank (BVNB) in Chester, Illinois. BVNB is a $260 million community bank with with approximately $225 million in deposits. We employ approximately 60 individuals. During the pandemic our deposits increased by approximately $50 million. This rapid inflow of deposits severely impacted our earnings as our loan demand did not keep up. Meanwhile, we were forced to dramatically increase our labor rates to retain and attract adequate staffing, and we have had to spread out work loads in order to minimize expenses. The increase in the deposit assessment will increase my expenses by another $45,000, at a time when we are having to tighten our belts in so many other areas. This cost increase is more than what we pay most of our staff, so it would limit our ability to add needed staff. Please take these affects into consideration as you address increasing the Deposit Assessment.

Thank you very much

Mr. Brian Ury
Staunton, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Today I write to you regarding the FDIC's proposal to nearly double the deposit insurance assessment rates. I have been a Community Banker for nearly 20 years, and am currently the Vice President of Business Banking at F & M Community Bank in Rochester, MN. I primarily work with small business customers with their deposit, loan and cash management needs. The proposed increase will negatively impact my bank and my customers both now and in the long term. If my bank is forced to pay a premium to hold deposits, this will negatively affect the bank and the customers. The bank will have to take measures to offset the increased expense. Which of course will in turn negatively impact our customers through increased fees, lower deposit rates and/or higher interest rates. The banks will have to offset this increase in expenses somehow. The excess cash that have banks have on deposit is a result of the government programs, including the Paycheck Protection Program and the Economic Injury Disaster Loans. The government relied on community banks to get these funds in the hands of small business owners, which we did, and now we are being negatively impacted.

Sincerely,

Tamsen Leimer
VP of Business Banking
Rochester, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to the FDIC in regards to the proposal to increase deposit insurance assessment rates. I am the CFO of Minster Bank, a $760 million community bank headquartered in Minster Ohio with 8 branches throughout Midwest Ohio. We primarily provide commercial and agricultural loans as well as some consumer loans and home mortgages. I am concerned that the FDIC's new proposal to raise rates will negatively impact our bank and customers due to increased assessments forcing us to pay a premium to hold deposits that is nearly double the assessment rate currently in place.

Based on my research, the FDIC implemented a plan in September 2020, to address the shortfall to the DIF reserve, yet hasn't allowed time to see the results. The new proposal to increase the base deposit assessment by 2 basis points would mean an annual assessment rate of 5.7 basis points, which is more than a 50% increase! This increase will significantly impact our and other Community Banks' earnings, beyond what has already been experienced. As a result of the historically large stimulus programs put into place by the Federal Government, our FDIC costs have already increased significantly. Since 2019, we have experienced an increase to our premium of $146,378 a 210% increase!

The proposed insurance increase along with other pressures from the government to reduce our customer fees will have a significant effect on smaller Community Banks, and the customers we serve. Furthermore, the proposed assessment does not take into account a proportional approach between large and small banks, and attempts to use a one-size-fits-all methodology. I am extremely concerned that the increase, which could last well beyond 2028, is not mandated by Congress. This proposal pushes the burden of the government stimulus programs down to the banks, when this issue is a direct result of government actions. Community Banks, like Minster Bank, have consistently met the needs of our customers and have supported our local, state, and national economies for years, especially during this most recent pandemic.

In time, the excess stimulus deposits that have caused this problem will be used to actually stimulate the economy. I have concern that when these deposits run out, our customers will have less need to come to us for loans, which is our primary driver for income. Finally, there is concern of an economic downturn in late 2022 through 2023, and the impact of this downturn is uncertain. There are a lot of factors in play with this decision, and I feel that punishing the banking system for actions taken by the Federal Government is an inappropriate response. Thank you for the opportunity to submit comments on the proposed assessment increase. I hope you review and evaluate my concerns regarding this matter.

Clifton Perryman,
CFO Minster Bank
Minster, OH

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

My name is Megan Kittelman and I currently work at a small community bank in Fairbanks, Alaska named Mt. McKinley Bank. We are the only mutual bank left in the State of Alaska. We are 100% owned by the community. Our profits go directly to operation expense, employee wages and community donations. Continuing to increase the cost year after year from various federal regulations has not benefitted the employees of the bank or the community we serve. Increasing the FDIC Assessment Rate of 2 basis points negatively affects our bank and the community we serve. This hike could potentially increase our FDIC assessment costs by $45,000 or more a year. That is $45,000 in potential pay increases to employees, $45,000 in potential money that could go back into our community. I ask that you reconsider this decision and I hope you keep small banks and small communities in mind while finalizing on your decision.

Best Regards,

Megan Kittelman
Assistant Vice President,
Mt. McKinley Bank
Executive Board Director & Treasurer for the United Way of the Tanana Valley
Fairbanks, AK 99701

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I would like to share my disappointment in the 2bp assessment increase proposal for the DIF. The last thing we need is a "tax" on the growth we had due to government stimulus. We are already paying for that in the form of inflation and wage increases. Community banks are under pressure from margin compression, any increase in our operating cost will be passed on to our customers or will cause us to make other expense cuts that harm the overall economy. Given the 2028 deadline, I am sure that the fund will grow to the required 1.35%. You may want to consider an "entrance" fee for new comers to the fund.

Michael Fleming
Litchfield, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

As a community bank located in the Interior of Alaska we strive to provide financial services in our communities at the lowest possible cost to the customer. We are the only mutual bank in Alaska and one of five located on the West Coast. I am sure that you are aware that our customers are experiencing cost increases at every turn in their business. We too have seen cost increases with many of our vendors that we obtain services from. It is not the time to increase the assessment we pay to the FDIC and the bank's expenses.

Jeremy Pletnikoff
Fairbanks, AK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

This is going to hurt the smaller banks! It was the community bank that helped the small businesses stay afloat during the pandemic.

Cindy Cevasco
Fairbanks, AK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am requesting that there not be the proposed increase to FDIC premiums. This could have a devastating effect on our bank. The increase seems unreasonable and a knee jerk reaction to the current issue. As economic conditions have already started to improve, an increase at this level is not warranted. The proposed premiums would inhibit us from being able to serve our communities in ways that makes us a community bank.

Thank you for your time!

Jason Jones
Benton, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

My issues with the proposed assessment increase is why "punish" banks when federal policy/stimilus decisons have played major factors in the insurance ratio to decline. Also why must it stay in effect until it reaches 2?

Christopher Hansen
Currie, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

We at Three Rivers Bank of Montana are very concerned with the proposed increase in our deposit insurance assessment. We are a $285 million dollar community bank with a capital ratio of under 9.0%. Prior to COVID, we were a significant smaller bank with capital ratio was well over 10%. For the first time in at least 20 years, our state regulator gave us a reduced rating on capital because our capital ratio decreased. In the last two years, our assets out grew our capital and this is the cause of the lower capital ratio. Now, from what we are calculating, the additional cost for our FDIC insurance assessment will be over $67,000. Heading into a recession, higher FDIC premiums, banks facing the great resignation (high turnover costs) and many other stains on earnings, and keeping safety and soundness in mind, how does the FDIC see community banks generating additional ways to raise capital? Please do not raise the FDIC insurance on highly rated community banks. We are not a risk to the deposit insurance fund.

Sincerely yours,

A. J. King
Kalispell, MT

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customer's needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historically levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment. Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Regards,

Mark Brase
President
Windsor, CO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rate by 2 basis points on the first quarterly assessment period of 2023. We are a $320 million community bank located in White Hall, WV which primarily provides lending to small businesses and residential real estate customers, while also providing a variety of deposit products for consumers and businesses. We are concerned that the FDIC's proposal will negatively impact our bank and customer base in both the short and long term. A 2 basis point assessment increase to our annual assessment would increase our assessment by approximately 33%. Along with record levels of inflation and increasing deposit rates needed to stay competitive with our peers, this 2 basis point increase would be detrimental to our profitability and our ability to stay well-capitalized. During the prior two years, our deposits grew at an accelerated rate due in part to PPP Deposits and CARES Act stimulus monies and changes in the market. It is my belief that banks should not be punished with higher deposit assessments due primarily to deposit growth created by policies enacted by the federal government. Additionally, I believe that the increase in deposits experienced in the prior two years will only be temporary, and the Deposit Insurance Fund will soon normalize without the need for increases to deposit assessments as market conditions change. Thank you for the opportunity to submit comments on this proposed assessment increase.

Jennifer Davis
CFO/Vice President
First Exchange Bank
White Hall, WV

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing to comment on the proposed increase in the deposit insurance assessment. I understand the need to increase the assessment to get the reserve to the required 1.35% level. I am however in disagreement with leaving the higher assessment level in place after the fund reaches the 1.35% level. Rather, I believe when the fund reaches 1.35%, the deposit growth rate should be evaluated and a new determination of the required assessment level should be made.

Thanks for your consideration

Mark Hesser
President Pinnacle
Bancorp, Inc.
Elkhorn, NE

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

First International Bank & Trust ("FIBT") appreciates the opportunity to provide comment on the Federal Deposit Insurance Corporation's ("FDIC") July 1, 2022 Notice of Proposed Rulemaking on FDIC Assessments and Revised Deposit Insurance Assessment Rates. FIBT is a $4.7 billion, family-owned community bank headquartered in Watford City, North Dakota with 30 branches serving customers on Main Streets spanning four states. For the reasons outlined below, FIBT respectfully requests your reconsideration of the proposed rulemaking. A Consistent Assessment Approach FDIC must consider in its rulemaking the inconsistent and disproportionate impact an across-the-board, 2 basis point increase in Deposit Insurance Fund ("DIF") assessments has on large banks and community banks. We contend a uniform 2-basis point increase is anything but uniform. At FIBT, the proposed assessment increase will result in an assessment premium nearly double the rate paid to-date. In these uncertain economic times, we are wary of such a dramatic premium increase and its likelihood of driving up costs for products and services paid by our customers and small businesses. If it ultimately must take corrective action, we encourage the FDIC to consider how its current assessment formulas and tranches - arguably assessing small institutions and large, complex institutions based on risk-profile, deposit volume, and ultimately how they impact the DIF - to develop a similarly tiered, tailored assessment formula to meet its statutory reserve ratio obligation without placing an unnecessary increased burden on community banks. Government's Role in Recent Deposit Growth Community banks' balance sheets swelled because of unprecedented U.S. government pandemic relief programs, causing a superficial dip in the FDIC's deposit reserve ratio. Those historic relief programs, including the Paycheck Protection Program, saw community banks leading the way in their implementation. Across our footprint, FIBT supported over 4,200 small businesses in nearly $475 Million in PPP loans. Lockdowns and other government-mandated constraints left customers sitting on their deposits. But in this post-pandemic economy, from rural North Dakota to suburban Arizona, FIBT has already begun to see inflated deposit balances normalize across our markets. We believe this trend of declining deposit growth will stabilize and sufficiently grow the deposit reserve ratio without the need for a deposit assessment rate increase.

On behalf of First International Bank & Trust, thank you for the opportunity to provide input on proposed deposit insurance fund assessments; we welcome any further requests for comment on the issue.

Nate Martindale
Corporate Counsel, External Affairs
First International Bank & Trust
Bismarck, ND

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Ozona Bank was established in 1905 and serves the needs of our communities in West and Central Texas. We take pride in being a top community supporter in all the markets we serve. Like other banks, we have seen a significant increase in deposits during the pandemic and feel that the proposed increase would have a substantial impact on the bank's earnings and ability to continue the level of service we have provided our customers for 117 years. We are a small community bank and have struggled through the pandemic and fortunately have been able to weather the storm but this proposed increase would pose a financial hardship we most likely will not be able to overcome.

Respectfully,

Joe Stubbs,
Executive Vice President & CFO
Wimberley, TX

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the President and CEO of the First National Bank of Absecon, a $185.7 million community bank located in Absecon, NJ where we provide consumer and business loans in the Southern New Jersey market. The proposed increase in assessments will force my ban to pay a premium to hold deposits that is nearly double the assessment rate currently in place. The proposed higher assessments will negatively impact our bank's income which will likely result in the higher assessment costs being passed along to customers. A dramatically higher assessment rate will place an additional burden on the bank if and when there is an economic downturn. It is also concerning this increase, which could last beyond 2028, or an earlier date in which the DIF reaches a 1. 35 percent reserve ratio is not mandated by Congress. A one-size-fits-all assessment rate increase will disproportionately burden community banks particularly well capitalized community banks who were the bedrock during the pandemic and whose rates are below the average annual rate of 37 basis points. Our bank responded quickly (before many larger banks) to meet customer's need and support the nations' economy through participation in the PPP program. As a result of these extraordinary efforts, our as well as other community bank deposits grew unintentionally with government stimulus money. Deposit growth created by the government should not result in the FDIC punishing banks with higher assessments. At this point in time, economic conditions created by the unprecedented pandemic stimulus package and current inflation levels, stimulus monies are beginning to bleed off the balance sheet and deposit growth is not persistent. Declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases. Asset quality remains in good condition throughout the industry reducing the cause for concern of losses.

Best Regards,

Eric Gaupp
President & CEO
First National Bank of Absecon
106 New Jersey Ave.
Absecon, NJ 08201

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Enterprise Bank is a small community bank which focuses on assisting small businesses. It concentrates on assisting start-up business and small business in distress. It operates in the western Pennsylvania area. We are concerned that the FDIC proposal to increase the present FDIC insurance premium and to increase the Congress mandated base level of the reserve will be harmful to the economy and the industry. One can argue whether the present economy is in a recession or not. However, there is no argument that the FED is attempting to slow the economy down to reduce consumer demand and tame inflation. Certainly, the economy is slowing down and needs to slow down more to calm inflation. This will put stress on the small business community. Community banks will need to be there to assist small business through this hardship so the economy does not weaken too much. The FDIC increasing community bank insurance expense thereby reducing bank capital will diminish the industry's ability to loan to small business when they need it the most. This seems ill advised to us and extremely short sighted. We believe the current reduction in the reserve ratio is a temporary phenomenon resulting from the government aid put into the market place to cushion the negative effects of COVID. The resulting excess cash that went onto the bank balance sheets will roll off as the current economic recession cycle continues. This will increase the reserve ratio as the cash moves off the bank balance sheets. Congress gave the industry time to allow the reserve to replentish and as a result, we have time to see if this occurs versus reducing bank capital in the middle of an economic slow down. We believe the current interest rate cycle will have a strong positive effect on the reserve ratio. The increase in market interest rates will allow the reserve fund investment to grow and assist in restoring the reserve ratio. This is another reason why we should wait to see how this economic cycle positively effects the reserve before we weaken bank capital in this recession cycle when business will need assistance. Industry capital has been increased dramatically since the 2008 recession. This creates a stronger layer of protection before the reserve would be utilized. This should give the FDIC confidence that the time Congress allows the reserve to be replentished is reasonable and should be utilized before industry capital is reduced. Again, reducing capital in a recession period is counter productive to supporting the economy.

We appreciate the opportunity to comment upon the proposal.

Charles Leyh
Allison Park, PA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Since the larger banks, like Goldman Sachs, created the situation we are in, with their obvious disregard of prudent banking practices, I believe the bulk of any DIF shortfall should fall much more on their shoulders than the community banks. While the community banks may have had losses, it was primarily due to the easy money subprime loan situations created by the banks like Goldman Sachs.

Leonard Thomas
Albany, GA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the Chief Financial Officer of Tioga State Bank N.A., a $540 million community bank headquartered in Spencer, NY. We serve the communities located within Tioga, Broome, and Tompkins Counties in the Southern Tier region of New York State. I am concerned that the proposed increase in assessment will force my bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. As a strong, well-capitalized, local community bank, a one-size-fits-all assessment rate increase of 2 basis points will disproportionately burden our bank, and community banks in general, whose rate is consistently below the average annual rate of 3.7 basis points. The proposed assessment would increase our expense by 67%. This increase in costs will ultimately be passed along to our customers, in the form of lower deposit rates and higher loan rates, in order to offset some of the increase. As a result of the government's unprecedented $2 trillion pandemic stimulus package, and to meet our customer's needs and support our local economy, we participated in the PPP program and saw our balance sheet swell 18% in one years' time. We estimate that we helped save approximately 10,000 local jobs due to our participation in the PPP program. While we proudly did our part to support the nation's economy, we do not feel we, or ultimately, our customers, should be penalized with a prolonged higher deposit assessment rate from the FDIC, which could last well beyond 2028, for deposit growth fueled by government assistance programs.

Thank you for the opportunity to submit comments on the proposed assessment increase.

Jennifer Brockner
Spencer, NY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the President / CEO of Union Bank, Inc., a $370 million community bank located in Middlebourne, WV. We serve a very rural 4- county area in a very rural state. The proposed increase in assessments would force my bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place for my bank. Like many banks, Union Bank has seen a surge in deposits associated with Federal government stimulus programs such as the CARES Act. The deposit surge at Union Bank was particularly dramatic, due to the fact that we hold the vast majority of the municipal and public school monies in the areas we serve. These entities are challenged with how to spend these stimulus funds due to the many restrictions attached. Most of these deposits exceed the FDIC insurance limits, and we pledge securities to secure the funds over and above the insurance limit. I believe that banks should not be punished with higher FDIC assessments due to deposit growth that was created by the Federal government. I am further concerned that a one-size-fits all approach will place a disproportionate burden on community banks, especially considering that the arbitrary 2% "Designated Reserve Ratio" is not mandated by Congress. There is already a plan in place to restore the DIF to the mandated 1.35% level. I appreciate the opportunity to comment on this proposal.

Sincerely,

Tim Aiken
Union Bank Inc.
Middlebourne, WV

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customer's needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historical levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Regards,

Brianna Luciano,
Internal Auditor
Points West Community Bank,
Windsor, CO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customer's needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historical levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Regards,

Joel Tremain
Branch President
Lingle, WY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customers' needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historical levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Lyndsay McClung
Chief Experience Officer

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customer's needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historically levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Regards,

Jeff Hertzke
Sr. Vice President
Windsor, CO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. I am concerned that the FDIC's proposal will negatively impact community banks & their customers in both the short and long term. The proposed increase in assessments will force small banks to pay the FDIC a premium to hold deposits that is nearly double the assessment rate currently in place. This cost will almost surely be passed onto customers. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Community banks took the lead in our markets in supporting customer's needs by participating in the Paycheck Protection Program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historical levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Tommy Olson
Fort Collins, CO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing in response to the FDIC's proposal to raise the assessment until the fund reaches a 2% goal. First Fidelity Bank is an Oklahoma based $2.8 billion community bank and I am concerned about the impact that this decision would have on our competitiveness and the ability to serve our customers. Federal law requires that the FDIC maintain a DIF ratio of 1.35%. The banking industry has never shied away from assisting in maintaining an adequate fund and despite the unusual circumstances that have caused an extraordinary increase in recent deposit balances, I believe a plan to reach the statutorily man dated ratio of 1.35% would certainly be met with acceptance. This 2% "Designated Reserve Ratio" is arbitrary and without justification. The currently mandated minimum of 1.35% was determined by Congress to be adequate and for the FDIC to establish this significantly higher goal will require our premiums increase in excess of 50%. The banking industry is at historically high levels of capitalization and risk has been reduced through other regulatory requirements. This additional FDIC premium represents an unauthorized tax on the industry.

Thank you for your consideration.

Mr. Lee R. Symcox,
CEO First Fidelity Bank
Oklahoma City, OK

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Thank you for the opportunity to submit comments on the proposed FDIC increases to the FDIC insurance assessment rates for banks.

Public and industry comments are a vital part of decision-making processes for industry regulators. Commercial Bank is one of many community banks within Michigan. We would like to comment on our behalf of the community banks in Michigan. The FDIC insurance fund is a critical piece of the banking foundation in the USA. Our deposit customers are assured their money is safe in their bank up to the insured limit, so it is critical there is confidence in the fund. All US bank depositors were made whole in the last recession even though there were bank failures, so the fund showed its value to all bank clients. Our concerns are with the level of the proposed increase in the assessments. We have the following concerns and comments: The FDIC is only required to get the fund back to the required 1.35% level. The 2% target is excessive and will put too much burden on the industry at a time when the country is likely moving toward a recession. There is no basis in law for the 2% target - it is an arbitrary goal set by the FDIC. We would suggest using the 1.35 % required level as the target for 2028 or something just above that like 1.4%. The FDIC is unlikely to sustain significant losses to the fund if there is a recession in 2023-24. The nation's banks are in much stronger financial shape with higher capital and loan loss reserve ratio's than prior to the last recession. The industry has also demonstrated better risk management and lending practices than in the past - all of which will lead to far fewer bank failures should there be a recession. The nation's largest banks are put through extensive stress testing annually by regulators again lowering the systemic risk to the fund from a major bank failure. Bank deposits are at historic high levels due to the excess stimulus from federal pandemic related spending. Banks would have significantly less deposits if not for excessive federal spending. The money supply in the US was artificially inflated due to federal policies that were well intended to rescue US businesses and consumers during the pandemic - but the spending was excessive and created the largest surpluses in modern times in deposits of individuals, corporations, and most importantly government entities at the state and municipal level. Banks handle the vast majority of the funds for state and local governments, so our industry was the most impacted by the surpluses. This excess spending has also caused excessive inflation rates of over 8.5% which is leading to the Federal Reserve have to raise rates to slow down demand in the economy. As rates rise money will flow out of the banking system and deposits will move to more historic norms which will restore the fund reserves back to the 1.35% rate. Disintermediation has taken place in every economic cycle where interest rates increase - especially when driven by Federal Reserve action. It is the natural flow of money, and it will happen again in 2022 and 2023. It is already impacting a number of banks in our state who have gone from selling funds to borrowing funds in 2022 and this trend will accelerate across the country as interest rates rise. Liquidity becomes more of a concern for regulators in recessions as funding always begins to dry up and this will play out again in 2023 and 2024 which again will lead to less insured deposits at commercial banks and therefore a higher reserve ratio - perhaps well above the 1.35% requirement. Commercial Bank favors a more deliberate approach by the FDIC. We recommend a 1 basis point increase now. The FDIC should then do a reassessment a year from now to determine if any additional modifications are necessary. The Deposit Insurance Fund (DIF) reached 1.40% in June of 2019 before any of the impact of COVID relief spending moved through the US financial system. The fund was fine - and it still is when adjusted for federal stimulus spending. Banks should not bear the load for government policy which overstimulated the economy and led to 40-year high inflation rates and excess liquidity in the system which created excessive demand versus available supplies of goods and services. Any increase should be modest at this point - 1 basis point maximum and should be reconsidered in one year. The Federal Reserve will be both raising rates and shrinking their balance sheets - both actions will have a significant impact on reducing the level of bank deposits nationally over the next 12 months. The FDIC should withhold their proposed increase until we see where things go with Federal Reserve action. It appears the two agencies may not be coordinating their future plans or sharing forecasts which we strongly encourage them to do. We appreciate the opportunity to comment. We do understand the importance of maintaining the DIF at the proper level. The FDIC should be looking forward and factoring in multiple inputs to set the plan for the fund. We do understand that a recession could lead to some fund losses, and we know the FDIC does not want to hit banks with an even higher assessment increase in one or two years if they wait and do nothing and deposits remain in the system. For all of these reasons we suggest a 1 basis point increase versus 2 for 2023. The FDIC can then do another assessment next year to determine if any future increases are warranted.

Thank you for your consideration.

Kevin Collison
President and CEO
Commercial Bank
Ithaca, MI

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The FDIC insurance fund shrank in relation to deposits due to the pandemic stimulus money that was flooded into the banking system. In an attempt the increase the fund, the FDIC is proposing to increase the Deposit Assessment by 2 basis points. While this may not seem like a large increase, it would cost BVNB approximately $45,000. This approximately equates to the all in cost of FTE earning about $16.00. I would rather spend the money on a FTE.

Cole Stenzel
Senior Vice President
Buena Vista National Bank
1320 West Market Street
Red Bud, IL 62278

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

We are writing regarding the FDIC's proposal to increase deposit insurance assessment rate by 2 basis points on the first quarterly assessment period of 2023. We are a $320 million community bank located in White Hall, WV which primarily provides lending to small businesses and residential real estate customers, while also providing a variety of deposit products for consumers and businesses. We are concerned that the FDIC's proposal will negatively impact our bank and customer base in both the short and long term. A 2 basis point assessment increase to our annual assessment would increase our assessment by approximately 33%. Along with record levels of inflation and increasing deposit rates needed to stay competitive with our peers, this 2 basis point increase would be detrimental to our profitability and our ability to stay well-capitalized with the costs ultimately being passed onto our small business and retail customers. During the prior two years, our deposits grew at an accelerated rate due in part to PPP Deposits and CARES Act stimulus monies and changes in the market. It is my belief that banks should not be punished with higher deposit assessments due primarily to deposit growth created by policies enacted by the federal government. Additionally, I believe that the increase in deposits experienced in the prior two years will only be temporary, and the Deposit Insurance Fund will soon normalize without the need for increases to deposit assessments as market conditions change.

Thank you for the opportunity to submit comments on this proposed assessment increase.

William Goettel,
CEO/President
First Exchange Bank
White Hall, WV

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Dear Mr. Sheesley: I am writing today to ask for consideration in delaying or reducing this assessment until the true erosion of temporary pandemic deposits is realized. During this time we will continue to use the money saved to invest in keeping our branch system open to serve or customers. The additional $90,000 in FDIC expense (based on our 6/30/2022 asset size), takes funds out of our community and is detrimental to our ability to serve the public. I appreciate the time you took to review our concerns.

Thank you,

Caly Cramsey
CFO,
HOMEBANK
Palmyra, MO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customer's needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historically levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Regards,

Royce Danford
Vice President
Fort Collins, CO

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

The main issue with the FDIC proposal is that it uses community bank income to protect against systemic risk caused by 20 to 50 of the largest banks. It is well known that these largest banks have an implied guarantee from the US government cemented during the great recession from 2007-2009 which causes them to take the most inherent balance sheet risk exponentially increasing their threat to the FDIC reserves. Of the four banks that failed in 2020 (none in 2021), none posed any risk to the market. With the drastic oversight they take on community bank institutions and continuous new proposed rules such as CECL, the FDIC is making broad based attempts at controlling the risk from these huge banks on the shoulders of community banks. In this case, the additional risk posed to the FDIC due to deposit increases was directly caused by the federal government's stimulus policies, which are likely to diminish quickly due to the high level of inflation. But ultimately regulators have proven time and time again whether it is Wells Fargo fake accounts, U.S Bank money laundering, or HSBC banking drug cartels, that they are unwilling or unable to control the actions of these large systems through new regulation. The FDIC is now essentially placing additional burden on community banks, who are the only ones that can be successfully examined into following the regulations currently in force, and who pose no systemic risk to the bank system or economy as a whole. If the FDIC is concerned about the potential for large reserve losses in the near term, they need to work to limit the size and influence of these national banks. Furthermore, Congress has not enacted any legislation to require a reserve ratio higher than their current level of 1.35%, which is their current reserve ratio, making this rule change even more unnecessary and excessive to be applied to community banks. Community banks have historically been, and continue to be, the main driver of economic prosperity and growth in the American economy and pose no threat to the well-being of the FDIC. This proposed increase hinders our ability to grow our communities and help our customers thrive.

Brett Wiedenfeld
Hartington, NE

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customer's needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historically levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Regards,

Scott Gonsior
Branch President
Points West Community Bank - Fullerton, NE

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the Senior Vice President and Chief Risk Officer for Heartland Bank, a $1.5 billion community bank located in central Ohio and northern Kentucky. We are a commercial bank serving small and middle market businesses and mortgage banking services in the communities we serve. I am concerned that the FDIC's proposal will negatively impact my bank and my customer in both the short and long term because the proposed increase will force my bank to pay a premium to hold deposits that is nearly double the assessment rate currently in place. The proposed increase would increase our FDIC assessment by 67% from current levels. Because we are a well-capitalized bank, we already pay a higher percentage than our calculated assessment rate. An increase in the base assessment rate will further penalize banks that have strong capital levels. As a result of this increase, we may be forced to pass on the increased cost to our customers at a time when inflation is at a historical high, and consumers are already feeling financial stress. Furthermore, the inflow of deposits that resulted from the government stimulus during the pandemic is expected to be temporary. With current inflation levels and the expectation of an impending recession, deposit levels are likely to decrease over the next couple of years. Increasing the DIF to 2% which is not called for by Congress, would cause undue hardship to the banking industry, particularly community banks, as well as businesses and consumers through higher fees. We feel it is unfair to community banks to be burdened with higher assessment rates due to the action of the government which resulted in increased deposit levels.

Thank you for the opportunity to submit our comments.

Jennifer Eckert
Johnstown, OH

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Greetings: I am submitting this letter in response to the FDIC's request for comment on the Revised Deposit Insurance Assessment Rates proposal. Three Rivers Bank of Montana in Kalispell Montana is a rapidly growing small community bank, which has served this community since 1974. We are currently 288 million in Assets. My responsibility within the Bank is to administer the Compliance Management System and to continually assess risks, which the Bank could or does face. I'm concerned about the negative impact the proposed two basis point increase in the FDIC's quarterly assessment rate will have on our Bank. While I realize the need to meet statutory mandates of the insurance fund are paramount, we also have to remember the same thing has happened to community banks as has happened to the fund. Sudden growth in bank deposits that need insured caused by the PPP loan program and other stimulus programs during the COVID pandemic has put strain on the fund's requirements. Likewise, sudden asset growth in individual banks have put strain on capital ratios. While most banks like ours remain healthy with strong earnings, we would certainly like to build up capital to "catch up" to that asset growth. The quarterly increase in the assessment rate by the FDIC would make the process of increasing capital much slower than it would otherwise take. While I think an increase is warranted, I think two full basis points is too aggressive and would deter recapitalization in community banks. Can the amount of the increase be re-assessed in order that the fund can meet statute, and then be re-addressed later? We appreciate the FDIC's efforts in taking into consideration the PPP loan portfolios in community banks to offset current assessment rates. In proportion to its size, our Bank was a major provider of PPP funding in our community.

In conclusion, I thank the FDIC for offering the comment period.

Sincerely,
John P. Stobie
VP of Compliance and ERM Manager
Kalispell, MT

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I would like to thank the FDIC for the opportunity to comment on the proposal with regard to FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the President of State Street Bank, with four branches in Quincy and Payson, Il. We are an employee-owned, $300 million community bank. We are a full-service bank providing mortgage, consumer, commercial loans, and deposit products for consumers and businesses. We also offer Trust and Investment services. The proposed assessment increase will force my bank to pay a premium to hold deposits nearly double the current assessment rate. Increasing the assessments will impact our income, causing us to pass on higher assessment costs to customers. We also may have to make other drastic measures to offset this increased expense, such as eliminating jobs which will negatively impact local employment and the economy. A dramatically higher assessment rate will be difficult to manage if/when there is an economic downturn. A one-size-fits-all assessment rate increase will disproportionately burden community banks like us, particularly well-capitalized community banks whose rates are below the average annual rate of 3.7 basis points. As a result of the government's unprecedented $2 trillion pandemic stimulus package, bank balance sheets swelled without any intentional efforts by banks to grow deposits. When PPP passed as part of the CARES Act, we went to work to help the small businesses in our community get the help they needed to keep their doors open--securing over $6.4 million in PPP loans for over 230 local businesses. We believe pandemic-era deposit growth is not persistent, and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases. Banks, specifically community banks, should not be punished with higher deposit assessments from the FDIC for deposit growth created by the government.

Respectfully,

Mike Mahair
Quincy, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I would like to thank the FDIC for the opportunity to comment on the proposal with regard to FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the President of Better Banks, with ten branches in central Illinois. We are an employee-owned, $400 million community bank. We are a full-service bank providing mortgage, consumer, commercial loans, and deposit products for consumers and businesses. The proposed assessment increase will force my bank to pay a premium to hold deposits nearly double the current assessment rate. Increasing the assessments will impact our income, causing us to pass on higher assessment costs to customers. We also may have to make other drastic measures to offset this increased expense, such as eliminating jobs which will negatively impact local employment and the economy. A dramatically higher assessment rate will be difficult to manage if/when there is an economic downturn. A one-size-fits-all assessment rate increase will disproportionately burden community banks like us, particularly well-capitalized community banks whose rates are below the average annual rate of 3.7 basis points. As a result of the government's unprecedented $2 trillion pandemic stimulus package, bank balance sheets swelled without any intentional efforts by banks to grow deposits. When PPP passed as part of the CARES Act, we went to work to help the small businesses in our community get the help they needed to keep their doors open--securing over $7.6 million in PPP loans. We believe pandemic-era deposit growth is not persistent, and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases. Banks, specifically community banks, should not be punished with higher deposit assessments from the FDIC for deposit growth created by the government.

Respectfully,

Mike Stratton
Peoria, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. As Vice President / Loan Officer at First Southern State Bank, a $745 million state-chartered community bank that has been serving individuals, small-to-medium-sized businesses, and small farms in rural Northeast Alabama since 1910, I know that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term! During extremely challenging times in 2020, our team at First Southern State Bank quickly funded over $31.9 million in Paycheck Protection Loans to 584 small businesses in Northeast Alabama. Keeping small businesses open, saving jobs, and making sure those employees could continue to provide for their families is why we exist as a community bank. It was our duty and our pleasure to assist in those efforts to support our economy. While most banks on Main Street in the US did see a boost in their deposits during the pandemic, those stimulus monies are now quickly leaving our balance sheets. My over 30 years experience in the banking industry tells me that declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases. Please reconsider the proposed higher assessments which will negatively impact our bank's income and may ultimately result in higher assessment costs to our customers.

Thank you for the opportunity to submit comments on the proposed assessment increase. Your thoughtful consideration of the negative effects of this increase on my community bank and the American consumer is greatly appreciated.

Cyrena "Gail" Moore
Scottsboro, AL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am the Chief Compliance Officer of Northview Bank, a $430 million community bank located in Finlayson, MN. We have 12 locations in small rural communities in east central and northern Minnesota. We primarily provide home and vacation property loans. I am concerned that the FDIC's proposal will negatively impact my bank and my customers in both the short and long term. Higher assessments will affect my bank's income and we may be forced to pass on higher assessment costs to customers or take other drastic measures to offset this increased expense. The dramatically higher assessment rate will be difficult to manage if/when there is an economic downturn that could last well beyond 2028 (or any earlier date in which the DIF reaches a 1.35 percent reserve ratio). The proposed one-size-fits-all assessment rate increase will disproportionately burden community banks like Northview Bank and particularly well capitalized community banks whose rates are below the average annual rate of 3.7 basis points. Because of the government's unprecedented $2 trillion pandemic stimulus package, our bank balance sheet swelled, as did all community banks, without any intentional efforts by banks to grow deposits. I believe small community banks should not be punished with higher deposit assessments from the FDIC for deposit growth created by the government. Northview Bank went above and beyond to meet our customer's needs and support the nation's economy through our participation in the PPP program. Our staff worked exhaustedly to help our small business customers and non-customers stay open during this time. Many of these small business and communities depend on Community Banks like Northview, and we stepped up to help them through the PPP loan process. We have seen stimulus deposit run-off in the last 6 months so I believe pandemic era deposit growth is not persistent, and declining deposit growth will normalize the reserve ratio without the need for deposit assessment increases.

Thank you for the opportunity to submit comments on the proposed assessment increase.

Rebecca Maslonkowski
Hinckley, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing regarding the FDIC's proposal to increase deposit insurance assessment rate by 2 basis points on the first quarterly assessment period of 2023. We are a $320 million community bank located in White Hall, WV which primarily provides lending to small businesses and residential real estate customers, while also providing a variety of deposit products for consumers and businesses. We are concerned that the FDIC's proposal will negatively impact our bank and customer base in both the short and long term. A 2 basis point assessment increase to our annual assessment would increase our assessment by approximately 33%. Along with record levels of inflation and increasing deposit rates needed to stay competitive with our peers, this 2 basis point increase would be detrimental to our profitability and our ability to stay well-capitalized. During the prior two years, our deposits grew at an accelerated rate due in part to PPP Deposits and CARES Act stimulus monies and changes in the market. It is my belief that banks should not be punished with higher deposit assessments due primarily to deposit growth created by policies enacted by the federal government. Additionally, I believe that the increase in deposits experienced in the prior two years will only be temporary, and the Deposit Insurance Fund will soon normalize without the need for increases to deposit assessments as market conditions change.

Thank you for the opportunity to submit comments on this proposed assessment increase.

Mark Mangano
Director
First Exchange Bank
White Hall, WV

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this letter in response to the FDIC's proposal to increase deposit insurance assessment rates. Points West Community Bank is a $824 million community bank chartered in Windsor, Colorado with 20 locations covering Nebraska, Wyoming and Colorado. I am concerned that the FDIC's proposal will negatively impact our bank and our customers in both the short and long term. The proposed increase in assessments will force our bank to pay a FDIC premium to hold deposits that is nearly double the assessment rate currently in place. Our bank will be forced to pass on higher assessment costs to consumers to offset this increased expense. This dramatic increased rate will become increasingly difficult to manage as we face an economic downturn between now and 2028. Points West Community Bank took the lead in our markets in supporting customer's needs by participating in the PPP program. This and other government spending programs have caused significant deposit growth across US banking system. Banks should not be punished for this government stimulus with higher deposit assessments from the FDIC. These deposit levels have been decreasing over the past few months and we believe this decline will continue. Deposits will soon be back in line with historically levels. This continued decline in deposits will normalize the reserve ratio without the need for increased FDIC deposit assessment.

Thank you for the opportunity to submit my opposition to the proposed assessment increase. I appreciate your consideration to hold the FDIC premiums at the current levels.

Regards,

Kenan Luptak
Sidney, NE

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on the Revised Deposit Insurance Assessment Rates proposal. My responsibility as CEO of Three Rivers Bank of Montana among other things is to ensure the safety and soundness of the Bank. This includes ensuring the Bank has strong Capital. We at Three Rivers Bank of Montana are very concerned with the proposed increase in our deposit insurance assessment. We are a $288 million dollar community bank with a capital ratio of 9.4%. We continue to have strong earnings however prior to COVID, we were under $200 million in total assets and our capital ratio was well over 10%. Now, from what we are calculating, the additional cost for our FDIC insurance assessment will be over $67,000.00 on an annual basis. Our Bank would like to concentrate on raising our capital ratio to catch up with the higher than normal asset growth. We feel this increase in the assessment rate, when combined with other factors, will inhibit our Bank's ability to repair that ratio. The other factors include; a recessionary economy, slowing loan demand, high turnover costs due to the employment market and great resignation, ever increasing IT and Cybersecurity costs, and high levels of competition just to name a few. With the increase in the rate, how does the FDIC see community banks repairing their capital ratios? Please do not raise the FDIC insurance quarterly rate or at least consider a more stepped increase approach. We believe strong community banks with strong earnings are less of a risk to the insurance fund.

In conclusion, I thank the FDIC for offering the comment period.

Sincerely yours,

A.J. King
CEO and Chairman

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

As a small Western Wisconsin bank, First National Community Bank (FNC Bank) plays a vital part in not only the economic health of our communities, but also as a fundamental participant in contributing to and volunteering for organizations that address community needs. This was especially true during the more than 2 years that COVID wreaked havoc on families and the local economy. By now, there can be no dispute that community banks answered the call and came through in expertly providing and administering PPP loans and other assistance to businesses and stepped-up efforts to help all local citizens in need. At the same time, the governmental assistance packages caused never-before-seen issues, including the artificially high deposit levels at banks. The proposed 2 basis point increase assessment increase would raise our assessment by roughly 50%, or an increase of about $80,000. This would be money that by necessity would have a negative impact on our ability to donate to local charities, sponsor much-needed fundraising events, and would also significantly reduce our ability to provide wages/raises/bonuses to the very employees who were on the front lines making sure the bank continued to serve our customers during those dangerous and uncertain times. Penalizing community banks who have been supportive of their communities by increasing the assessment as proposed, in my opinion, is patently unfair. This is particularly true as a) the current assessment proceeds should have adequately risen in proportion to the massive increase in deposits caused by the pandemic aid programs; and b) the NCUA is not increasing assessments on credit unions, which would add to the already unfair tax advantage they enjoy over community banks. It seems the best way to address this would be to consider any potential changes once deposit levels normalize. Absent evidence of increasing or higher rates of bank failures, raising the assessment now disproportionately impairs community banks.

Thank you in advance for your consideration.

Sincerely,

Scott H. Soderberg
CEO,
FNC Bank

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's proposal to nearly double the deposit insurance assessment rates. I have been in community banking for 15 years and am currently the Chief Financial Officer at F & M Community Bank in Preston, MN. We are a $190 million community bank and are the only bank with a physical branch presence in Preston, MN. The FDIC's proposal will negatively affect our bank and customers. If the bank is required to pay this 2% increase, we will be forced to pass on these higher costs to customers. I am concerned that this higher assessment rate will be difficult to manage when there is an economic downturn. I believe the reserve ratio will normalize with the decline in deposit growth. Banks have experienced excess deposit growth as direct result of the government stimulus programs during the pandemic. This deposit growth is not expected to continue and should normalize the reserve ratio without increasing the fees. Thank you for opportunity to submit comments on the proposed increase.

Sincerely,

Jessie Mulford
Rochester, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

We oppose the proposed increase in deposit insurance assessments. Bank deposits have expanded at an unprecedented level due to the Fed's pandemic-related expansionistic monetary policy. The "innocent" community banks are being punished with decreased capital levels due to government policy, and are being punished with a the proposed increased assessment. Government monetary policy should not be a catalyst for extracting more premiums from an industry that needs retained earnings to supplement capital. Inflation caused by too many dollars chasing too few goods (Milton Friedman) is a terrible price to pay for the government's policy. Do not exacerbate the problem by imposing higher insurance assessments.

Richard Katz
Dekalb, IL

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing this comment letter in regards to the FDIC's proposal to increase deposit insurance assessment rates. New Market Bank is a small community bank with assets of approximately $190MM (prior to the pandemic we were only approximately $135MM in assets). We have three locations in Elko New Market, Lakeville and Prior Lake which are suburbs of the southern Minneapolis/St. Paul, MN metro area. We have 40 people on our team in total which includes everyone from tellers at all our locations to me who is CEO, President and CFO of our small organization. Most of the loans we make are to small businesses that help either finance larger purchases such as buildings/equipment or smaller operating lines of credit. We also have a 2nd market mortgage department which consists of 7 of those 40 team members. The main reason that I am submitting a comment letter is because I am concerned the FDIC's proposal will negatively impact my bank and ultimately my customers both in the short and long term. The proposed increase in assessment will force my bank to pay a premium to hold deposits which is nearly double from the assessment rate currently in place. Prior to the pandemic, our bank experienced modest growth of 5-7% a year. As the pandemic evolved, more and more funds were placed into our community through government funded stimulus through various checks to consumers and the PPP loan program for small businesses. Although some of those funds were needed by our customers and communities to survive, many also found a way into our bank through increased deposits. Many customers began saving more partially due to shutdowns forcing people to stay home but also because they wanted to be cautious going into unknown economic times. This deposit increase caused our bank to grow approximately 40% in a year and a half's time which brought some challenges, but also gave us pride to help our communities by providing a safe place to save their funds. Although some of these deposits have started to diminish in recent months, we have gained several new customers because of the way we helped them during the pandemic when their larger banks wouldn't. Although I realize the FDIC is required to have a reserve ratio of 1.35%, assessing a 2-bps increase across the board is going to be a large burden on smaller banks that were there to help their communities during difficult times. Although our deposit base grew, our loan balances didn't keep up as there was less demand for credit other than the PPP loan program. Therefore, our loan to deposit ratio has dropped which makes earning income more challenging. A 2-bps increase to our deposit assessment rate equates to approximately $40,000 additional expense which is significant to a small bank such as ours and may force us to pass those extra costs onto customers through additional fees. I urge you to explore other ways to fund the reserve ratio, one of which may be to allow banks balance sheets to shrink as more stimulus money is bled off organically through this next economic cycle. In conclusion, I sincerely hope the information provided in this comment letter helps you to understand the challenges community banks would face in having such a significant increase to the deposit insurance assessment rate. The increased expense is going to burden smaller community banks whose deposits grew exponentially due to serving their communities during the pandemic. I appreciate the opportunity to share my comments and concerns. If there is any additional information that I could provide that would help you understand the impact this proposed increased rate could have on a community bank, I am happy to be a resource. Thank you. Anita Drentlaw, Prior Lake, MN

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Your attention to this very important issue will have long lasting effects on the banking industry.

Kevin Wilfong
Fairmont, WV

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Please don't raise deposit insurance assessments. CFSB is a community bank and the raising of the deposit insurance rate will not be cost effective for the bank.

Laura Bailey
Paducah, KY

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on FDIC Assessments and Revised Deposit Insurance Assessment Rates. I am a Vice President of a $950 million community bank located in Honesdale, Pa that is in existence for over 100 hundred years. The bank supports our community in many ways including participating in both rounds of the Paycheck Protection Program (PPP) by originating almost $135 million in loans. As a result of this program along with government stimulus, our deposit base surged. This growth was not created internally, but rather as part of the government's response to help the economy during the pandemic. As inflation remains elevated and interest rate continue to rise, these deposit balances will continue to recede thereby normalizing the reserve ratio without the need for increases. I am concerned that the FDIC's proposal will have a negative impact on my bank and customers. The higher assessment rate will reduce our income which is already being impacted by inflation pressures such as increased payroll and operations along with an uptick in cost of funds due to multiple Fed rate hikes. If there is a recession on the horizon as many economists believe, this proposed assessment only burdens bank even more. We might not have a choice but to pass along some of this added expense to our customers or even worse have to reduce our employees. Please consider my above comments and thank you for the opportunity to submit my concerns on the proposal.

Michelle Urban
Hawley, PA

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am incredibly concerned with the FDIC's proposal to increase deposit insurance assessment rates. When COVID turned everyone's world upside down in early 2020, the United States government took unprecedented steps to ensure small businesses and consumers could stay afloat. We were happy to help customers and non-customers alike gain access to PPP funds and various other government payments, as we too, wanted everyone to survive the pandemic without financial ruin. And, we did so by working around the clock and meeting customers whenever and wherever. In fact, community banks like mine made over 60% of the PPP loans, which is pretty amazing when you compare it to our much smaller market share. And, we would do it all over again, as I do believe PPP was successful, especially in our area and gave small business owners, farmers and individuals a huge sense of peace during very uncertain times. While we didn't know how things would go after PPP, I think we could all agree that the unforeseen outcome was a massive influx of deposits into community banks like mine that are still here. We, like many others, assumed this influx of deposits from government relief programs would flow out almost as quickly as it came in; but that has not been the case. Our $240 million bank invests its excess deposits into Fed Funds, as we typically do not have a lot of excess deposits since our goal is to lend as much money out into the communities we serve as possible. After PPP and other economic payments arrived, our Fed Funds continued to grow until they hit around $55 million. We started buying bonds to put some of this money into something with a better return, but in a rising interest rate environment, buying bonds wasn't a great option, so we limited our purchases. Even after buying $20 million in bonds and growing our loans by 8% this year, our Fed Funds continued to hover just over $50 million as money continues to flow in (ag economic relief payments are currently a huge factor) and our customers are borrowing significantly less from us. Part of the reason customers haven't had to borrow as much was and is still due to inventory shortages (they can sell inventory as fast as they get it in), but the majority of the reason credit lines haven't been drawn on to this day, is due to government relief payments, especially in the Ag sector. I do realize that the Deposit Insurance Fund serves an incredibly important purpose. And, I realize it needs to be restored to 1.35%. But, I don't understand why it needs to grow to 2.0% when the growth we have experienced isn't normal growth, but growth due to government. With interest rates held down for so long, especially through the pandemic, along with a decrease in loan demand and excess deposits, our bank will be half as profitable in 2022 as compared to prior years. A 50% increase in deposit assessments will only make things worse and banks will have no choice but to pass along additional costs to its customers. An increase this significant honestly feels like a punishment for doing the right thing during unprecedented times. I am urging you to consider restoring the fund to 1.35% and not to 2.0%.

Sincerely,

Sarah Getzlaff
Bismarck, ND

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF83
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

Legends Bank is an $823 million dollar financial institution located in Clarksville, TN. We have 9 branches across 4 counties in middle TN. Clarksville is the 5th largest city in TN and home to the 101st airborne division at Ft. Campbell. Like most of middle TN our bank has experience good loan and deposit growth over the past several years. However, the past two years have been primarily fueled by the government's response to Covid. The proposal to increase the FDIC premium will have an approximate 50% increase to our deposit insurance premium over the current level. The DIF was above statutory minimums prior to the pandemic and the industry can get back to an acceptable level is given time as we are already seeing deposits slow to more normal levels. The level of government stimulus created an influx of deposits which lowered our loan to deposit ratio from 86% to 65% even while we had record loan growth over the same time-period. It is our belief that a more measured approach including a more moderate increase paired with some risk-based analysis would be more reasonable. As the economy begins to slow, we are focused on growing capital in case there is more than a mild recession. Making a hard push to get to 2% will have unintended consequences for our industry. Thank you for taking time to review our comments.

Thomas Bates
Clarksville, TN