



August 16, 2022

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

RE: Comment on FDIC proposed rate increase.

Dear Mr. Sheesley,

I am the President of a \$43,000,000 agricultural bank in southwest North Dakota. Our deposits grew over \$10,000,000 (over 30%) from the US Government's COVID Stimulus package. Many of these funds were allocated to local government and school entities in which we had to pledge assets to cover the deposits. This caused the bank significant additional expenses above the FDIC premiums. The bank cannot invest these funds into longer term assets as the money will be spent in the next year or two by the entities. Our bank along with other businesses incurred higher operating expenses due to the pandemic. The overall deposits in our bank should decrease in the future as these funds are spent. Community banks such as ours are the back bones of many small communities and are becoming fewer and fewer as the regulatory burden, operating costs rise and margins decline. The proposed FDIC premium increase will significantly effect our bank's operating expenses and put another straw on the camel's back for stand alone community banks. I ask that you do not go forward with the premium increase at this time. Thank You.

Sincerely,

John G. Schmid
President