
From: Mark Gatzki [mailto:MGatzki@citybanktexas.com]
Sent: Monday, March 09, 2009 3:20 PM
To: Comments
Subject: FDIC Special Assessment on all banks

To Whom It May Concern:

I have been a community banker for most of my 31 years, with the exception of the the first 4 years where I served with the Office of the Comptroller of the Currency. All of my banking experience has been with community banks located in the Southwest and more specifically in Texas. During the tumultuous 1980's, I witnessed the FDIC's closure of numerous community banks in the Southwest, many of which were mismanaged, along with many that were a victims of rapidly declining oil prices which resulted in depressed real estate values coupled with an over-zealous media and an over-reaching regulatory environment. As the problems of the Southwest started to manifest itself in the Northeast, congressional pressures allowed New England banks to forgo immediate write-down's against their depressed real estate portfolios enabling these banks to weather the recession and remain solvent.

Today, large Wall Street Banks and unscrupulous mortgage lenders are again being propped up by Washington under the guise of "too big to fail". Worst of all, community banks that are the backbone of their respective communities are being being asked to pay for these sins through special assessment from 10 bp to 20 bp on all insured deposits. Many of my community bank colleagues tell me an assessment of this magnitude could cut up to 50% of their budgeted earnings for 2009, right at a time when our communities appear to need us the most.

I strongly urge you to reconsider this one-time assessment. At a minimum, please give consideration to allowing banks to amortize this assessment over multiple years to help minimize the impact on our balance sheets including depletions to capital, liquidity and lendable funds.

Respectfully submitted,
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