From: Gary Weirauch [mailto:garyw@csbloyal.com]
Sent: Wednesday, April 01, 2009 12:06 PM
To: Comments
Cc: info@icba.org
Subject: Assessments - Interim Rule - RIN 3064-AD35

Dear Ms. Bair,

As a Banker who both lived through the oil patch crisis, the agricultural crisis and the savings and loan crisis, I am greatly concerned about the legacy payment we are creating to adequately return the FDIC insurance fund to full health. How many years (7-10?) will I be required to reserve 12-14 basis points of deposits to cure a fund which I had little to do with decimating? This will be in addition to the current special assessment of either 10 or 20 basis points and may or may not include the FICO bond interest we still paying from the early nineties. This disproportionately taxes my borrowers, depositors, employees and stockholders when we impose little risk to the fund due our capital and risk profile.

I do appreciate the FDIC premium credit that we received the last two years but now ask that the premium for new entrants to the fund be closely examined. My bank initially provided the money to capitalize the fund at 1.25% while GMAC and the new banks converting from investment banks provided nothing. Yet their deposits are suddenly guaranteed and are now another drag on the ratio that is currently much lower than the law allows without a massive charge to recapitalize. Why is there not an entrance fee for conversion? Why are not denovo banks charged a higher initial fee? What about a differential fee for prior deposits versus new growth?

The remaining issue is how to charge banks that are too big to fail? Should these banks even be part of the fund? Perhaps these institutions should have a separate fund or the current fund should be segmented between banks of a certain size that pose different types of risk, have large off-balance sheet components to their business, and regularly operate with minimum required tier one capital ratios. The charge to the fund to regulate and examine these banks is going to grow exponentially in relation to smaller community banks and this needs to be addressed.

I know my comments do not simply address the 20 basis point special assessment but I feel encompass items that are germane to the long term viability of the fund. A quick fix it and forget it is not what we should be addressing today. We need a long term study as to how we are going to capitalize this fund going forward that is more equitable than the current approach in light of the current economic situation.

Thank you for allowing me to express my concerns.

Gary Weirauch, CEO
Citizens State Bank of Loyal