From: Vic Taglia [mailto:vic@victaglia.com]
Sent: Wednesday, March 04, 2009 4:21 PM
To: Comments
Cc: 'Don Page'; 'Tom Hogan'
Subject: Proposed special assessment

I am a director of Cortez Community Bank in Brooksville, Florida, and I oppose this special assessment for several reasons. First, this additional expense will reduce bank capital when the US Government is spending billions to keep some (large) banks from failing. Since community banks generally have not taken TARP money, increasing the assessment on smaller banks will effectively force us to subsidize the bigger banks who generated and hold the troubled assets. It is bad enough that taxes we pay are subsidizing our competitors, but now we need to bolster the insurance fund to support their unsafe and unsound banking practices.

If the insurance fund needs additional capital, I suggest that the fund apply for some TARP money. At the very least, FDIC should base these special assessments on total assets, not just domestic deposits. The FDIC should also charge this special assessment only on assets in excess of one billion dollars so as not to penalize the smaller community banks.

The FDIC's current special assessment proposal is like bayoneting the wounded.

The FDIC has a line of credit at Treasury. Now is the time to use it.

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