



October 27, 2009

Via E-Mail at comments@fdic.gov

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, D.C. 20429

RE: RIN 3064-AD49; Proposed Rule related to Prepaid Assessments

Dear Mr. Feldman:

The Wisconsin Bankers Association (WBA) is the largest financial trade association in Wisconsin, representing approximately 300 state and nationally chartered banks, savings and loan associations and savings banks located in communities throughout the state. WBA appreciates the opportunity to comment on the Federal Deposit Insurance Corporation's (FDIC) proposed rule related to prepaid assessments.

WBA understands the difficult position that FDIC is in with regard to the Deposit Insurance Fund's (DIF) projected liquidity needs in the short term and the struggle to determine a strategy to provide the DIF with needed liquidity now, without imposing additional burdens on the banking industry in a time of significant stress. In general, WBA supports FDIC's proposal to amend its assessment regulations to require insured institutions to prepay, on December 30, 2009, their estimated quarterly risk-based assessments for the fourth quarter of 2009, and for all of 2010, 2011 and 2012. WBA believes this approach is the least damaging to institutions compared to other alternatives, such as additional special assessments.

While WBA believes FDIC well understands the significant challenges that the prepaid assessment will have on institutions, WBA stresses the need to retain in the final rule the proposed exemption for certain insured depository institutions. It is critical for an institution with liquidity issues to be able to seek an exemption, on a case-by-case basis, from all or part of the prepayment requirement. The current economy is creating challenges for WBA's member banks and their communities on nearly a daily basis. If the prepayment would significantly impair an institution's liquidity, or create other significant hardships, the institution must be able to seek an exemption. The prepayment requirement, by itself, should not be the cause of an institution's closure. WBA strongly encourages FDIC to retain the proposed exemption language in the final rule.

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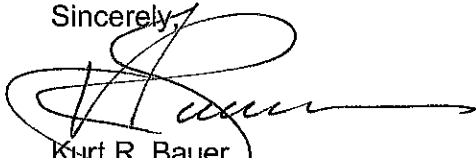
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In addition, WBA requests that FDIC consider amending the proposed rule to lower the estimated 5% annual deposit growth rate. FDIC could either choose an assumed rate that is more consistent with experience over the last few years or allow annual adjustment of an institution's prepaid premium based on actual deposit growth or decline. The latter option would provide for a more accurate reflection of current conditions for institutions.

WBA would also prefer the FDIC to amend the proposed rule to allow annual adjustment of a bank's assessment rate based on then current bank ratings rather than the static position as of September 30, 2009. This too would provide for a more accurate reflection of current conditions, and reward institutions that improve their condition.

In conclusion, WBA generally supports the FDIC's prepaid assessment proposal but encourages the FDIC to consider the amendments offered above prior to finalizing the rule. Thank you very much for your consideration of WBA's comments.

Sincerely,



Kurt R. Bauer
President/CEO