From: Nancy Hohmann <NHohmann@stateexchangebank.com>
Sent: Tuesday, May 26, 2020 10:43 AM
To: Comments
Subject: [EXTERNAL MESSAGE] RIN 3064-AF53

Dear Mr. Feldman,

I am writing on behalf of bank, to respond to the FDIC's Proposal to 'mitigate" the effects of PPP loans on assessments. This proposal does nothing for our bank as we funded about two-thirds ($4 million) of our PPP loans out of our existing liquidity already on our balance sheet. For the remaining one-third, we did not use the Federal Reserve's PPP Liquidity Facility, but used the Federal Home Loan Bank of Topeka's "Covid-19" advance program. In our opinion, it isn't reasonable for our bank to be penalized with a higher assessment for making PPP loans. Overall, our small bank ($65 million in assets as of 3/31/2020), made approximately $7 million in PPP loans (with the majority of the loans under $100,000). In summary, it is our opinion that FDIC assessments should be fully adjusted for all of a bank's quarter-end outstanding balance of PPP loans, in both assessment base and assessment rate.

Thank you for your consideration,

Nancy Hohmann, Executive Vice President
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