

From: Andy P. Herro <APHerro@upstatebank.net>
Sent: Monday, July 17, 2023 1:12 PM
To: Comments
Subject: [EXTERNAL MESSAGE] May 22, 2023 - Special Assessments Pursuant to Systemic Risk Determination - Notice of Proposed Rulemaking; Comment Request (RIN 3064-AF93)

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF93
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley – please see our comment letter which was submitted during the comment period(attached). We strongly support the FDIC’s announced position on the special assessment and agree with the FDIC proposed assessments on behalf of the banks in Michigan. Community banks operate responsibly and do not pose an excessive risk to the FDIC insurance fund. The FDIC insurance fund has been harmed by the irresponsible risk taking of a handful of very large banks. The burden of replenishing the fund should fall on those banks that have been deemed “To Big to Fail” due to systemic risk issues. Unfortunately, some of these very large banks are now using the bailout that the large failed banks received by having all deposits effectively insured when they went into receivership with the FDIC against community banks in the marketplace – telling municipal treasurers their deposits will be covered if the mega bank fails while it would be unlikely the deposits would be covered if their community bank fails. This is totally irresponsible on the part of the largest banks, and they should bear the cost of getting a de facto guarantee from federal regulators – especially if they are going to weaponize it against community banks in the marketplace.

We would also strongly support future changes by the FDIC with their review of a potential revision of the deposit insurance coverage standards to move to unlimited amounts for non-interest checking deposits for personal and business accounts – at least for business accounts. These are the transaction accounts for businesses and muni/government entities that hold payroll funds and accounts payable funds and need to be protected to prevent wide spreads defaults in the case of an economic crisis.

Thank you for allowing us to submit our comments on this *critical* banking issue.

Thank you

Andy Herro
Community Bank President – Marquette County

Upper Peninsula State Bank

1016 W Washington St
Marquette, MI 49855

(906) 286-2970 Cell
(906) 205-0000 Phone
(906) 786-2410 Fax



"You're Going to Like it Here!"

