

From: Amy Baker <AmyB@cbsnow.com>
Sent: Monday, July 17, 2023 5:46 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:

Good afternoon and thank you for the opportunity to comment on the proposed special assessment. I am the President and CEO of Citizens State Bank, a \$385M community bank located in Lena, IL with branches in Stockton, Freeport, Elizabeth and Savanna IL. We provide services to the agriculture industry, as well as consumers and small businesses within our communities. We believe that giving back to our communities is extremely important and that is why I am writing to strongly support the FDIC's proposal to exempt community banks with fewer than \$5 billion in assets from paying this special assessment for the large bank failures of SVB and SBNY and I strongly encourage the FDIC to finalize its rule as proposed.

Citizens State Bank, like most other community banks, has a very different risk model than that of SVB and SBNY. The large, riskier banks rely heavily on uninsured deposits as a funding source and continue to do so, therefore, it is appropriate that these riskier business models bear the costs associated with those risks to the deposit insurance fund. If this special assessment is applied to our bank, it would significantly impact the bank's income and our ability to continue to support the needs of our five local communities. These events cause a ripple affect across our industry and community bankers, like myself, spend a significant amount of time helping our customers understand that we operate a much safer and sound business model so that we can continue to redeploy deposits back into the local community as our mission statement says.

Thank you for avoiding a one-size-fits all approach to the special assessment as proposed. When significant events happen in our Country, that are outside of our control, we come together to provide stability. The \$15.8 billion loss to the deposit insurance fund caused by the failures of SVB and SBNY is NOT one of those events that all banks should bear the burden of coming together to fix and I strongly support the FDIC proposal to exempt banks under \$5 billion. Thank you for the opportunity to submit comments on the proposed special assessments.