

[July 2023]

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:

I am writing regarding the FDIC's proposal to exempt community banks under \$5 billion from the special assessments following the systemic risk determination announced after the failures of SVB and SBNY and in response of the FDIC's request for comment. I am [an employee] of First New Mexico Bank of Deming, NM. We are a \$248 million community owned bank located in the southwestern New Mexico rural town of Deming. We primarily provide agricultural, commercial and residential loans.

I strongly support the FDIC's proposal to limit special assessments to the 113 large banking organizations that hold large amounts of uninsured deposits. First New Mexico Bank operates a vastly different model than SVB and SBNY. Both of these banks were heavily reliant on uninsured deposits as a funding source. First New Mexico Bank is not overly concentrated in uninsured deposits and operates a safer and sound business model. Any special assessments, if applied to small community banks, would negatively impact the bank's income, forcing them to pass on the assessment costs to customers or other drastic measures to offset this increased expense.

In a small community, such as Deming, having our bank's deposits remaining available to invest and redeploy into the local community is integral to a thriving economy. By applying the special assessment on small community banks for the bailout for the reckless practices of large banks like SVB and SBNY, would be taking these funds away from the community and limiting the reinvestment we are able to accomplish.

We applaud the FDIC's decision to exempt community banks with fewer than \$5 billion in assets from paying any special assessment for the large bank failures of SVB and SBNY. I encourage the FDIC to finalize its rule as proposed.