



July 18, 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:

Thank you for the opportunity to comment on this important matter. Upper Peninsula State Bank strongly supports 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 "Too Big to Fail" due to systemic risk issues. The largest banks 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.

Sincerely,

Glenn Johnson
Compliance Officer
Upper Peninsula State Bank

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