



NORTH DAKOTA  
**BANKERS**  
ASSOCIATION

January 3, 2011

Via Email:  
[comments@fdic.gov](mailto:comments@fdic.gov)

Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street N.W.  
Washington, D.C. 20429-9990

**Re: RIN 3064-AD66, Assessments, Assessment Base and Rates**

The North Dakota Bankers Association ("NDBA") is pleased to have this opportunity to address proposed FIL-47-2010 which set out FDIC supervisory expectations for overdraft payment programs. NDBA is a trade association for 83 North Dakota depository institutions. Our members are state-chartered and national banks and federal thrifts which operate more than 300 offices throughout North Dakota.

Revenue Neutrality: NDBA supports the intent of the proposed regulation to be revenue neutral in the sense that no more should be raised because the assessment base has changed than would have been raised under the current assessment base. We urge FDIC to carefully monitor the DIF balance to ensure this revenue neutrality and also so that it can adjust and reduce premiums if it turns out that the DIF balance is increasing at a rate that necessary for the DIF to reach the 1.35% reserve ratio by September, 2020, as provided by the Dodd-Frank act.

Use of Call Report Data: NDBA agrees that Tier 1 Capital should be used to define tangible equity capital for purposes of the assessment base and support allowing banks under \$ 1 billion to be able to use quarter end Tier 1 capital, rather than being required to calculate average figures. Banks should also be permitted to elect whether to use the average of daily amounts over a quarter or an average of amounts from one day per week over the quarter in order to calculate "average total assets" for the assessment base as permitted currently for Call Report purposes.

Assessment Base Adjustments: We generally concur with the proposed adjustments for assessment base. However, we are aware of concerns regarding potential consequences to the fed funds market if only bankers banks are allowed to deduct the average daily balance of fed funds sold from the assessment base and urge FDIC to allow this deduction for all banks. Beyond this, we urge FDIC to formulate adjustments for unsecured debt, depository institution debt and brokered deposits that are commensurate with the actual risks imposed on the DIF and in a way to encourage safe and sound banking practices.

Sincerely Yours,  
NORTH DAKOTA BANKERS ASSOCIATION

Rick Clayburgh  
President