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Sent: Wednesday, September 14, 2005 4:06 PM  
To: regs.comments@federalreserve.gov; comments@fdic.gov;  
regs.comments@occ.treas.gov; Comments, Regs  
Subject: EGRPRA

In response to the issue of regulatory reduction:

I am the President of Hicksville Building, Loan and Savings Bank, a \$71 million, 115 year-old state-chartered mutual savings bank located in rural NW Ohio.

I have read the EGRPRA "Summary of Top Ten Issues - Derived from Banker Outreach Meetings" and "Issues to Consider." I must say I wholeheartedly concur with the regs identified and the corresponding "Banker Suggestions." In my 19 year tenure here at the bank, I have witnessed an explosion of regulatory requirements, particularly over the past five years (post 9-1-1 and Enron). It is hard for me to imagine another industry so highly regulated as banking and on behalf of all the "small" institutions (those \$150 million and less) I can unequivocally say that the burden created both in terms of time and expense are particularly taxing. Everyone at a small institution wears multiple "hats" as we do not have the staffing or resources for specialized departments. Consequently, I believe staff at small banks spend a lot of time shifting their attention from one area to another and are forced to be "generalists." The compliance function by its very nature requires a good deal of specialization, thus the rub. As a result, I believe small banks are forced to outsource various elements of the compliance function to third party vendors and incur corresponding costs. I would estimate that our bank is spending an additional \$50K annually as a result of third party services we have put in place to address compliance and regulatory initiatives. In addition, it seems that industry is subject to a continual "raising of the bar" with no real end in sight.

Reduction of regulatory burden would assist banks of all sizes in re-focusing on their core mission: meeting the financial needs of the public while providing value to stakeholders at all levels.

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