ICBA News Release

INDEPENDENT COMMUNITY BANKERS of AMERICA

Media Contact
Ann Chen
(202) 821-4346

Media Contact
Aleis Stokes
(202) 821-4457

FOR IMMEDIATE RELEASE

ICBA Victory: Final FDIC Rule Establishes Parity for Main Street Community Banks

Assessment Base Change Keeps Money Where It Belongs—In the Community

Washington, D.C. (February 7, 2011)- The Independent Community Bankers of America (ICBA) lauded the Federal Deposit Insurance Corporation (FDIC) board of governor's decision today to approve a final plan that imposes parity between small and large banks within the deposit-insurance system by basing the assessment base on average consolidated total assets minus average tangible capital instead of domestic deposits. ICBA has long advocated for the change, which was one of the association's key priorities in the Wall Street Reform Act.

"ICBA led the charge throughout the Wall Street reform debate to create fairness within the deposit insurance system so that Main Street community banks, which are the lifeblood that drive economic stability and prosperity in thousands of communities across the nation, can continue to serve their customers and keep money where it belongs-in the community," said James MacPhee, ICBA chairman and CEO of Kalamazoo County State Bank, Schoolcraft, Mich. "ICBA thanks the FDIC for approving this pivotal final rule, which will ultimately benefit the communities we serv7."

Under the current system, banks with less than $10 billion in assets pay approximately 30 percent of total FDIC premiums, even though they only hold 20 percent of total bank assets. Updating the system will lower assessments for 98 percent of these banks, saving community banks roughly $4.5 billion over the next three years, allowing them to reinvest those savings in their communities.

To learn more about this ICBA victory or to speak with an ICBA staff expert, please contact Aleis Stokes at 202-821-4457. For more information, visit http://www.icba.org/.