January 22, 2012

Elizabeth M. Murphy, Secretary

Securities and Exchange Commission

100 F Street NE.

Washington, DC 20549-1090.

Madam Secretary,

I believe in the Dodd-Frank Act on reform of the financial industry, and an extension of this act for another year can only add to the beneficial health of the community banks. Let's not forget about the little people, after all it is they who bear the brunt of the costs involved in instituting this act. You must listen to our voice and ensure protection of our already guarded economy. I have dug up a few facts to support my position, and enlist you to urge this rule approval based on these facts.

While it has only been one year after the passage of Dodd-Frank, community banks are healthier. By convention, any bank with assets of less than $1 billion is a community bank. According to the latest report from the Federal Deposit Insurance Corporation, for that group of banks, a key measure of profitability, return on assets, has doubled in the past year, growing from 0.26 percent a year ago to 0.57 percent in the second quarter of 2011.

Return on assets has been higher this year than in any quarter going back to the start of 2008 before the great meltdown. I'm sure Dodd-Frank does not bear the full credit for that improvement (the improving economy is probably a factor), neither is it accurate to credit the law with the demise of the industry when the reports of that demise are premature.

The law has made inroads in supervising the mega-banks and putting non-bank financial firms, which can range from insurance companies to hedge funds, under more of a regulatory microscope.

Some think tank politician's state that community banks "are being destroyed by Dodd-Frank." As a whole they are healthier than a year ago. No doubt the improvement in the economy has helped, but community banks also have benefited from a reduction in fees paid to the FDIC as a result of Dodd-Frank.

From the point of view of community banks, Dodd-Frank has exempted community banks from many new regulations. That said, the shape of the rules to come will make a big difference in its final impact on them. The industry is not being destroyed by Dodd-Frank and is unlikely to be destroyed in the future if regulators continue to respond to the concerns of small banks.

Please extend this Act as proposed.

Sincerely,

Jeffery M. Brunello