

Statement by
Zan Sharp Prince
Chairman of the Board
First Bank Texas
before the
Committee on Small Business
U.S. House of Representatives
February 28, 2023

Good morning, Chairman Williams, Ranking Member Velazquez, and other members of the Committee. I appreciate the opportunity to share our story with you today!

First Bank Texas is a family-owned community bank, the fulfillment of the American dream of Joe Sharp, a man with a strong foundation of hard work and an entrepreneurial spirit from West Texas dry land cotton farmer roots. He was the product of strong faith, family values, and a public education that prepared him to reason, to figure stuff out in business and life. He often said that the impossible just took a little longer.

First Bank Texas' mission statement is "To achieve high performance through our employees who partner with bank customers and our community to make this a better place for our families and businesses while demonstrating a Kingdom purpose." For us, that means that we take God given talents coupled with American opportunities to make a difference. Joe Sharp led our family and a group of investors to Baird Texas in 1982 to acquire a very small community bank. That bank has grown to a billion in assets with 14 locations by taking advantage of the opportunity and privilege to work with employees, customers, and our communities through good and bad times. Our bank is a small business that has grown and prospered despite ever-increasing regulation and requirements to be "fair." In 1982, bank documents were simple. Over time, we've added layers of "consumer protection" that has done little to improve the understanding of accounts or transactions for our customers. Our organization is grounded in providing access to products and services without regard to gender or ethnicity. As I speak to you, please remember that every bank crisis has had adequate laws to hold those that ignore the rules accountable, yet every crisis brings more laws and rules that good people follow, and others still ignore. As you consider "good" ideas for our country, please remember that each idea comes with a cost. Those layers of additional requirements come at a cost to the end user of bank products and the bank's shareholders.

We have been blessed to be able to serve our communities in ways that would never have been considered in 1982. We have an amazing family of employees that are not only committed to our customers and communities but committed to individual growth through bank sponsored education and training. Each employee is important to our ongoing success, and without the talents and abilities they bring to the table, we are less equipped to meet the needs of our customers and communities. Our bank has weathered all kinds of financial conditions since it was chartered in 1880, and through those trials, we worked with people in various levels of crisis to survive the challenge. Some businesses talk about high touch, and we live it. Community banks provided 41.9% of the PPP loans that gave many the funds to weather the pandemic, and our bank was honored to facilitate direct stimulus to both our customers and to folks who weren't our customers yet during COVID. Community banks including ours, serve the financial needs of small businesses who employ almost half of the American workers. Statistics on how small business drives the American economy are impressive, but really it comes down to the people

that make those small businesses work and what they need to maintain their businesses. Small businesses and community banks are the backbone of the community. Our bank serves the same folks that we see at youth ballgames, the grocery store, and church. We work side-by-side with our communities to make sure that the American dream is alive and real for our friends and neighbors. We work with builders, restaurants, retail stores of all kinds, medical practices, all kinds of businesses that make the American economy work. We see their challenges, many that mirror the bank's operational challenges. They need an environment with reasonable regulations, a fair tax code, and access to credit to provide products and services to their customers. Just like banks, regulations and laws governing business activities have been in place to hold those that didn't do the right thing accountable and the additional layers of regulation, just create an additional financial burden on small businesses that trickle down to the ultimate consumer. We've all experienced ups and downs in the economy. Today, many businesses are struggling with the lack of people willing to fill their jobs, with the rising cost of operating expenses including labor, rent, utilities, and supplies. Many businesses continue to struggle with supply chain issues. It's time to bring manufacturing back to the United States to provide for our own needs and protect ourselves from the political whims of countries that don't have our best interests in mind. Energy independence, law and order policies, and a business-friendly environment contribute to success for businesses.

I'd like to introduce you to a couple of small businesses in our community. The first is Something Special, a specialty gift store run by a very creative lady name Sherry Watters in a small location in downtown Weatherford. Sherry's store offers personalized hand painted items in addition to the more traditional gift items. Sherry has not only touched customers in Weatherford, but she sends hand painted gifts all over the country. She may not offer the lowest price, but she's built relationships that support her small business in our hometown. The second small business was run by Debra Smith. She has recently retired after building and servicing pools in our area for decades. She employed as many as 110 people creating opportunities for both the company ownership and her employees. Both ladies have built their businesses on hard work, an entrepreneurial spirits, integrity and excellence that makes our community great. Both ladies have been very involved in support of our non-profits, schools, candidates for elected office, and our elected officials.

Without community banks and small businesses, who fills the gap? Who makes a difference in our community? Who provides that which is unique to who we are today? I encourage you to continue to focus on an environment that creates opportunities for those small businesses and Community Banks. The United States is the best place in the world to live and work. I like you are dedicated to preserving that which makes American great.

Thank you for your service to our country and your time today. I look forward to your questions.