

MASSACHUSETTS ACCESS TO JUSTICE COMMISSION

November 10, 2008

Mr. Robert E. Feldman  
Executive Secretary  
Federal Deposit Insurance Corporation  
550 17th Street, N.W.  
Washington, DC 20429

ATTN: Comments RIN #3064-AD37

Dear Mr. Feldman:

The Massachusetts Access to Justice Commission submits these comments on the October 23 Interim Rule establishing the Temporary Liquidity Guarantee Program (TLGP). Specifically, we urge you to ensure that the TLGP, through which the FDIC will guarantee certain noninterest-bearing accounts, also covers Interest on Lawyers Trust Accounts (IOLTA accounts).

The Commission was established by the Massachusetts Supreme Court in 2005 “to provide leadership, vision and coordination to the multitude of organizations and interests involved in assuring access to civil justice for the low-income families and individuals in the Commonwealth.” The IOLTA program in Massachusetts is the largest single source of funds for civil legal assistance to the poor in the Commonwealth. Without IOLTA funding tens of thousands of additional residents of Massachusetts will be denied critically needed legal assistance.

Because IOLTA accounts do pay interest, the TLGP Interim Rule as issued on October 23 could be read not to extend unlimited FDIC insurance to these accounts. The Commission believes, however, that the public benefit generated by IOLTA accounts, and the fact that the interest they pay is dedicated only to third-party non-profit IOLTA programs, rather than to attorney account holders or their clients, merits an extension of unlimited FDIC insurance to IOLTA accounts in the final rule.

We urge the FDIC to include unlimited coverage for funds in IOLTA accounts when it issues the final rule on the TLGP in order to preserve access to civil legal assistance in Massachusetts and nationwide.

Sincerely,

Herbert P. Wilkins  
Chairman

Reply to: wilkinhe@bc.edu