

**Congress of the United States**  
**Washington, DC 20515**

December 7, 2006

The Honorable Sheila Bair  
Chairman  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Dear Chairman Bair:

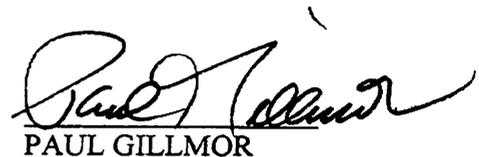
We urge you to extend for at least an additional six months, the moratorium on deposit insurance applications for new industrial loan companies (ILCs) and on changes in control of ILCs by commercial firms, which is scheduled to expire on January 31, 2007. This extension is necessary to allow the 110th Congress, which will take office on January 3, 2007, an opportunity to act on this important public policy issue.

An extension of the moratorium on applications by commercial firms will allow Congress to provide the FDIC with direction on the extent to which commercial firms should be allowed to enter the banking business through ownership of ILCs. Since it is applications for deposit insurance by commercial firms that raise the issue of the mixing of banking and commerce we urge that the moratorium be extended for those pending and future applications. Applications that involve ownership by financial firms do not raise these issues and we do not object to lifting the moratorium on those applications.

As you know, Rep. Gillmor and Rep. Frank have introduced legislation this Congress, H.R. 5746, to address the issues raised by the rapid expansion of the ILC charter. We expect that similar legislation will be introduced early in the next Congress, and that it may be considered early in the session, but clearly there will not be time for the Congress to act before the current FDIC moratorium expires.

Sincerely,

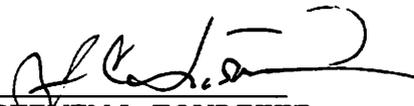
  
BARNEY FRANK

  
PAUL GILLMOR

  
TIM JOHNSON

  
WILLIAM PASCRELL

  
RUBEN HINOJOSA

  
STEVEN LaTOURETTE

  
SANFORD BISHOP

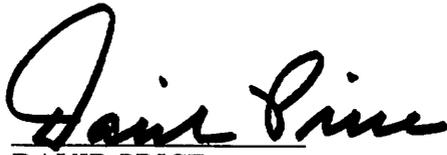
  
TOM LANTOS

  
JANE HARMAN

  
MAXINE WATERS

  
CHET EDWARDS

  
LYNN WOOLSEY

  
DAVID PRICE

  
HILDA SOLIS

  
BOB ETHERIDGE

  
DANNY DAVIS

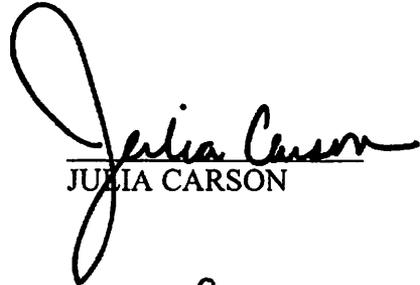
  
COLLIN PETERSON

  
PETER DeFAZIO

  
BRAD MILLER

  
LOIS CAPPS

  
STEVAN PEARCE

  
JULIA CARSON

  
JOHN SALAZAR

  
AL GREEN

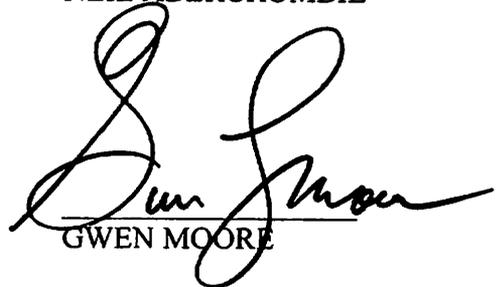
  
DIANA DeGETTE

  
VIRGI GOODE

  
JEFF FORTENBERRY

  
NEIL ABERCROMBIE

  
EARL POMEROY

  
GWEN MOORE

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DAVID OBEY

*Gene Taylor*  
GENE TAYLOR

*Doris O. Matsui*  
DORIS MATSUI

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MELVIN WATT

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ELIJAH CUMMINGS

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HOWARD BERMAN

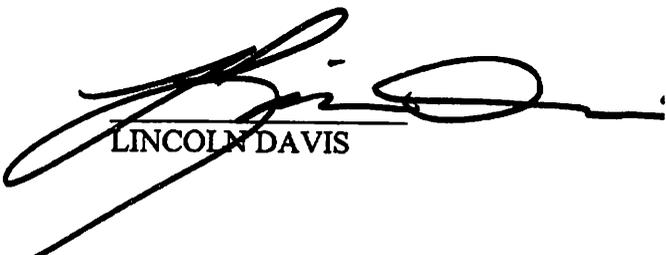
*Ike Skelton*  
IKE SKELTON

*George Miller*  
GEORGE MILLER

*Henry A. Waxman*  
HENRY WAXMAN

*Paul E. Kanjorski*  
PAUL KANJORSKI

  
G.K. BUTTERFIELD

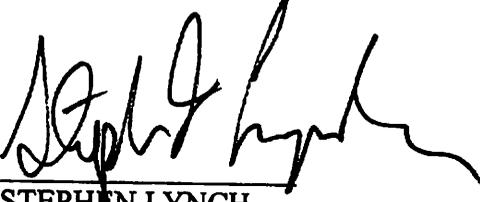
  
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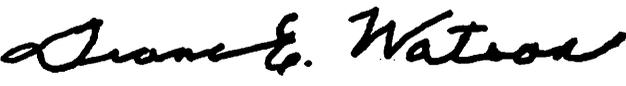
  
HEATHER WILSON

  
FRANK WOLF

  
MARK UDALL

  
ANNA ESHOO

  
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DIANE WATSON

  
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MARILYN MUSGRAVE

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RAY LAHOOD

Brian Baird  
BRIAN BAIRD

Loretta Sanchez  
LORETTA SANCHEZ

Tom Allen  
TOM ALLEN

Rush Holt  
RUSH HOLT

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MICHAEL MICHAUD

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PATRICK KENNEDY

Adam Smith  
ADAM SMITH

John Barrow  
JOHN BARROW

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ROBERT BRADY

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ALCEE HASTINGS

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THELMA DRAKE

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BARBARA CUBIN

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BRAD SHERMAN

*Betty McCollum*  
BETTY McCOLLUM

*Tammy Baldwin*  
TAMMY BALDWIN

*Stephanie Tubbs Jones*  
STEPHANIE TUBBS JONES

*Linda Sanchez*  
LINDA SANCHEZ

*Jim Marshall*  
JIM MARSHALL

*Louie Gohmert*  
LOUIE GOHMERT

*Albert Wynn*  
ALBERT WYNN

*James McGovern*  
JAMES McGOVERN

*Allyson Schwartz*  
ALLYSON SCHWARTZ

*Ginny Brown-Waite*  
GINNY BROWN-WAITE

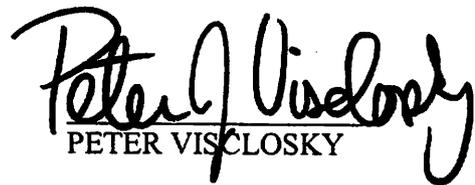
  
EMANUEL CLEAVER

  
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ROBERT ANDREWS

  
DAN BOREN

  
BARBARA LEE

  
PETER VISCLOSKY

  
TOM UDALL