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July 10, 2008

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Re: RIN 3064-AD28

Dear Mr. Feldman:

I am writing on behalf of Woodstock Institute, a Chicago-based community reinvestment research and policy development organization, in support of the FDIC's Interim Final Rule to permit state non-member banks to participate or assist in financial education programs conducted on school premises, including the receipt of deposits, payment of checks, or lending of money.

State non-member banks should not be required to submit a branch application in order to conduct these activities, so long as they are carried out as part of a school-based financial education program. By waiving this requirement, it is our opinion that a significant regulatory hurdle would be eliminated. This would encourage local financial institutions to provide direct financial services as part of a financial literacy curriculum, adding considerable value to the exercise.

By some estimates, nearly half of the 40 million households currently 'unbanked' or underbanked, have young people present in some 18 million of those households.¹ When banks can provide basic financial services through schools, it presents a meaningful opportunity to give financial literacy training at a young age. This will help prepare young people for critical financial decisions, such as a rental agreement, mortgage application, or student loan occurs. It would also offer participating financial institutions the opportunity to identify new customers before credit or previous account problems make account ownership difficult or unlikely.

Likewise, by training high school students as bankers, school bank programs also offer banks an opportunity to diversify their workforce and to encourage low-income and minority students to consider careers in the financial services industry.

¹ Anon. 2008. *CFSI Underbanked Consumer Study - Fact Sheet*. Chicago, IL, June 8. http://www.cfsinnovation.com/doc.php?load=/underbankedconsumerstudy_factsheet_june82008_final1ew.pdf.

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For 35-years, Woodstock Institute has worked to identify the best and worst practices in the financial services industry, develop public policy to correct unfair or deceptive practices, and widely distribute the local impacts of consumer lending and mortgage lending in lower-income and minority markets.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Feltner", written in a cursive style.

Tom Feltner
Policy and Communications Director

TF/bab