

**From:** Pat Maher [mailto:PMaher@shannongracey.com]  
**Sent:** Thursday, November 13, 2008 2:00 PM  
**To:** Comments  
**Subject:** FDIC RIN 3064-AD37

Ms. Sheila C. Bair  
Chair, Federal Deposit Insurance Corporation  
550 17th Street, NW  
Room 6028  
Washington, DC 20429

Re: Temporary Liquidity Guarantee Program RIN 3064-AD37

Dear Chairman Bair:

I am the current Chair of the State Bar of Texas Labor & Employment Law Section. I writing to express my individual concerns about the potential unintended consequences to the Interest on Lawyers Trust Accounts (IOLTA) program associated with your announced Temporary Liquidity Guarantee Program (TLGP).

As you may know, many states have some version of an IOLTA program to increase funding for economically disadvantaged individuals. The IOLTA funds are raised through interest-bearing bank accounts whose interests are dedicated to legal services to the poor. In Texas, these funds provide a critical source of revenue for basic civil legal services to the poor in Texas. The recipients of such services are the most vulnerable in our communities, including the elderly, persons with disabilities and victims of domestic abuse. Without this source of funding, the citizens ably served by these programs would, in effect, be excluded altogether from participation in our justice system, and would consequently be deprived of any ability to obtain its protection.

While I am aware of the potential for abuse in any government-run program, I believe our State's IOLTA program has been run in a highly professional and fair manner. Nationwide, IOLTA programs are the second largest resource available to ensure that the promise of equal justice is made available to all Americans, regardless of their income. In Texas, the need for legal advice and representation has never been more critical as legal aid offices across the country are being besieged by additional requests as a result of needs stemming from Hurricane Ike and resulting from the severe economic downturn. For many of these families, access to legal advice and assistance might be all that stands between them and the growing rate of homelessness facing needy families nationwide.

I urge the FDIC to consider IOLTA accounts as non-interest bearing accounts under the terms of the TLGP. This position is supported by the very structure of IOLTA. No attorney or client have any expectation of receiving interest on the short-term escrow accounts that are accumulated to support the provision of legal assistance to the poor. If the FDIC cannot consider IOLTA accounts to be non-interest bearing, we would ask in the alternative that an exception be made in the TLGP interim rules providing unlimited deposit insurance to IOLTA accounts.

We appreciate your consideration of our request on such short notice. I would be happy to provide further information at any time.

Respectfully,

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