

From: Briana Stone [mailto:briana_pdn@yahoo.com]
Sent: Monday, November 10, 2008 10:15 AM
To: Comments
Subject: RIN # 3064-AD37

Dear Chairman Bair:

I am an attorney working for a legal aid program funded by the Interest on Lawyers Trust Accounts (IOLTA) program in Texas. My office uses IOLTA funds to provide legal services to the poor and relies on IOLTA funding to provide these services. I am concerned about the potential unintended consequences to the IOLTA program associated with your announced Temporary Liquidity Guarantee Program (TLGP).

I urge you to make an accommodation as you implement your interim rules to ensure that the critical resources generated by the IOLTA program to provide legal representation to the impoverished are not adversely affected.

IOLTA funds provide a critical source of revenue for basic civil legal services to the poor in Texas. These individuals are the most vulnerable in our communities, including children, 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.

This year, I represented women and children who were sexually assaulted by a Border Patrol agent while in custody; a man who was tased and injured while he was having a diabetic seizure; people with disabilities who were discriminated against by government agents and private corporations; victims of natural disasters, victims of domestic violence and other crimes ... the list goes on. All of my clients are poor and some of them live well below the federal poverty line. Without the free legal services my organization (and others like us) provide, these individuals would have no access to the justice system and no remedy for the abuses they have suffered. We use litigation to bring about wide-spread changes to protect the larger community from ever experiencing the same problems again. This work would not have been possible without IOLTA funds.

IOLTA is the second largest resource available nationally 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.

Sincerely,

Briana Stone

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