



TEXAS ACCESS TO JUSTICE COMMISSION

1414 Colorado, Austin, Texas 78701 • PHONE: 512.427.1855; 800.204.2222, EXT. 1855 • FAX: 512.477.8302 • www.TexasATJ.org

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October 23, 2008

Via Facsimile (202) 828.3500

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

Dear Chairman Bair:

We are writing on behalf of the Texas Access to Justice Commission (the Commission) and the Texas Access to Justice Foundation (Foundation) to raise our concerns about the potential unintended consequences to the Interest on Lawyers Trust Accounts (IOLTA) program associated with your announced Temporary Liquidity Guarantee Program (TLGP). We 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.

The Commission serves as an umbrella organization for all efforts to expand access to justice in civil matters in Texas. In 2001, the Supreme Court of Texas created the Commission to coordinate services for people who need legal help but may not be able to afford it or find it. The mission of the Commission is to develop and implement policy initiatives designed to expand access to, and enhance the quality of, justice in civil legal matters for low-income Texans. The Commission serves as a coordinator to assist all participants in developing strategic alliances to effectively move ideas into action. The Commission's goals include reducing barriers to the justice system and increasing resources and funding for Legal Aid.

The Foundation was created by the Supreme Court of Texas as a way to 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 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.

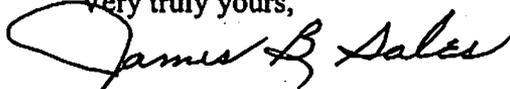
IOLTA is the second largest resource available nationally to ensure that the promise of equal justice is made available to all Americans, regardless of their income. In Texas, the need for legal advice and representation has never been more critical as legal aid offices across the country are being besieged 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.

The Texas Access to Justice Commission and the Texas Access to Justice Foundation urges 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.

Very truly yours,

A handwritten signature in cursive script that reads "James B. Sales". The signature is written in black ink and is positioned above the typed name and title.

James B. Sales, Chair

Texas Access to Justice Commission