

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

Dear Chairman Bair:

I am writing as an individual attorney who is interested in legal services to the poor and want to raise my concern about the potential unintended consequences to the Interest on Lawyers Trust accounts (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 individual 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.

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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 re 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 TGLP 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.