

Congress of the United States
House of Representatives
Washington, DC 20515

May 14, 2010

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


RE: Interim Final Rule Extending the Transaction Guarantee Program


Dear Mr. Feldman:

We write to express our support for the FDIC's action on April 13, 2010, extending the Transaction Account Guarantee (TAG) Program component of the Temporary Liquidity Guarantee Program (TLGP) to provide full coverage of participating institutions' noninterest-bearing transaction accounts, certain negotiable order of withdrawal accounts and attorney trust accounts until December 31, 2010.

The TAG program has provided additional security to community bank customers by eliminating potential risks associated with their day-to-day transaction accounts. As a result, the TAG program allows these businesses to continue their activities, and also has helped the community banking sector to maintain a more stable deposit base. These deposits are critical to community banks' ability to lend and promote growth in their communities in this improving—yet still difficult—economic environment. Thus, the extension of the TAG program allows our community banks to provide critical loans needed for economic growth.


The FDIC acted appropriately to create the program in 2008 in response to significant systemic liquidity concerns. Although we are happy to see signs of increased stability in our banking system, we believe that current conditions warrant this further extension of the TAG program and commend the FDIC for this extension.


BARNEY FRANK
Chairman
Committee on Financial Services


PAUL E. KANJORSKI
Chairman
Subcommittee on Capital Markets, Insurance, and
Government Sponsored Enterprises
Committee on Financial Services

Mr. Robert E. Feldman

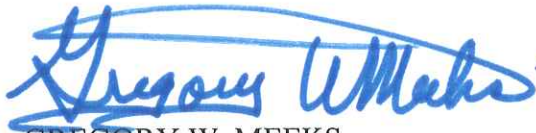
Page two



LUIS V. GUTIERREZ
Chairman
Subcommittee on Financial Institutions
and Consumer Credit
Committee on Financial Services



MELVIN L. WATT
Chairman
Subcommittee on Domestic Monetary Policy and
Technology
Committee on Financial Services



GREGORY W. MEEKS
Subcommittee on International Monetary
Policy and Trade
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