

October 13, 2010

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

Sent by Email: Comments@FDIC.gov
Re: RIN 3064-AD37
Deadline: Friday, October 15, 2010

Dear Mr. Feldman:

I am writing this letter to comment on your proposed regulations regarding implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

I am the Director of the Atlanta Legal Aid Society, which is a recipient of funds generated by IOLTA accounts in Georgia. As you might expect, IOLTA funds in Georgia has been drastically reduced by the lowering of interest rates of the past two years, and loss of IOLTA funding has already limited our ability to help an increasing number of low income people deal with legal problems, like home foreclosures, domestic violence and access to government benefits, which are critical to their everyday lives. These already significant reductions could be made even worse, if the FDIC approves the regulation it is considering which requires that banks tell their lawyer customers not later than December 31, 2010 that IOLTA accounts will no longer be eligible for unlimited FDIC coverage effective January 1, 2011.

My understanding is that there has been bi-partisan effort with significant support to make a technical amendment to the Dodd-Franks bill's failure to allow unlimited FDIC coverage for IOLTA accounts. Such a change would not be controversial, as I expect was demonstrated by the comments you received last year uniformly supporting putting IOLTA accounts in the Transaction Account Guarantee Program.

Of course no one can predict whether even a technical amendment will pass into law. However, amending the proposed regulation to require that notice be given after a date certain in December, which takes into account the likelihood and timing of a legislative fix, could well avoid a great deal of uncertainty and trouble for banks and lawyers about a change in coverage of IOLTA accounts which may never happen.

Thank you for your consideration of these comments.

Sincerely,

Steve Gottlieb