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JACKIE SPEIER  
12TH DISTRICT, CALIFORNIA

211 CANNON HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-0512  
(202) 225-3531  
FAX: (202) 226-4183  
400 S. EL CAMINO REAL, SUITE 410  
SAN MATEO, CA 94402  
(650) 342-0300  
FAX: (650) 375-8270  
WWW.SPEIER.HOUSE.GOV

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-0512**

COMMITTEE ON HOMELAND SECURITY

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BAILOUTS OF PUBLIC AND PRIVATE PROGRAMS  
TECHNOLOGY, INFORMATION POLICY, AND  
PROCUREMENT REFORM

January 23, 2012

The Honorable Martin J. Gruenberg  
Acting Chairman  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W.  
Washington, DC 20429

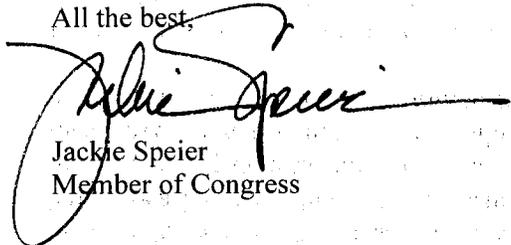
Dear Mr. Chairman:

There has been a great deal of attention paid to the question of whether venture capital investments are going to be included under the Volcker Rule. I am writing to express my own belief that Congress did not intend to include them and to request that their activities continue to be regulated under existing safety and soundness principles.

I was present for much of the dialogue that surrounded the adoption of Dodd-Frank. It was clear to me as I voted that venture capital would not be included within the sectors of the economy that were perceived as systemically risky or that needed to be regulated under the Volcker Rule. These investments did not, at least insofar as this member of Congress can determine, contribute to the financial meltdown. Additionally, they seem to be exactly what we want to encourage—patient investment that is focused not on speculative gains but on scientific or service enterprises that need to be nurtured over many years before bearing fruit. In addition, because these types of investments are not per se the type that caused the financial system to collapse and are therefore not the type that should be subject to the Volcker Rule, these investments should remain an allowable part of a prudently-managed bank portfolio, subject to existing safety and soundness principles.

I believe that it would not only be inappropriate to include these investments under the Volcker rule, but a distraction as well from the task at hand. I respectfully request that the agencies entrusted with the enterprise of rulemaking focus their energies not only on those sectors that historically created dangers to the system, but that are likely to do so in the future. If a rule regarding venture capital needs to be made, perhaps it could be a rule specially triggered by unusual characteristics of a particular investment or firm rather than a blanket rule that inappropriately hinders investments in this nation's future.

All the best,



Jackie Speier  
Member of Congress

KJS/bp