



January 12, 2009

The Honorable Dianne Feinstein
U.S. Senate
311 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Feinstein:

The National Association of Counties (NACo), the only national organization that represents county governments in the United States, is writing in support of the policy concepts underlying S. 116, the *TARP Assistance for Local Governments Act of 2009*. We applaud your continued support for the local government community and your ongoing attention to the problems our members are facing in these difficult financial times.

Counties across the country have suffered significant losses due to highly-rated investments in failed financial institutions. These losses have severely impacted local government budgets and will adversely affect the services provided to our residents. But repeated requests for assistance from the Troubled Asset Recovery Program (TARP) have been ignored even though the legislation specifically states that, when exercising authority granted by TARP, the Treasury Secretary "shall take into consideration . . . the need to ensure stability for United States public instrumentalities, such as *counties and cities*." S. 116 would specially authorize the Secretary to use \$10 billion in TARP funds to assist public instrumentalities, such as counties and cities, which have suffered increased costs or losses due to highly-rated investments in any financial institution.

Local governments and authorities face many challenges in today's economic climate. Your efforts to provide financial relief to those communities are greatly welcomed. We appreciate your leadership on this matter and look forward to working with you and your staff on this and other issues of importance to county governments.

Sincerely yours,

A handwritten signature in black ink that reads 'Larry E. Naake'. The signature is written in a cursive style with a large initial 'L'.

Larry E. Naake
Executive Director