

Congress of the United States
Washington, DC 20515

May 22, 2009

The Honorable Timothy Geithner, Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Geithner,

We write to follow up with you on our letter of February 13, 2009 seeking the U.S. Department of the Treasury's immediate action to allocate Troubled Assets Relief Program (TARP) funding to those public instrumentalities that suffered losses as a result of the failure of Lehman Brothers as provided for in Section 103(7) of the Emergency Economic Stabilization Act of 2008 (P.L. 110-343). We are also requesting a meeting with you on this critical issue.

Since our February 13th letter, we, along with affected jurisdictions have continued to reach out to you and your staff to seek your attention to this urgent matter, as well as provide the Department with information detailing the nature and magnitude of the losses resulting from the Lehman Brothers collapse on jurisdictions nationwide. While we appreciate that this issue is one among many that Treasury is grappling with, this remains an urgent matter to resolve before these jurisdictions direct inevitable reductions in vital services that will follow in the absence of assistance.

The House Financial Services Committee held a hearing on May 5th on this issue which revealed strong support among many of the House members attending the hearing for use of TARP funding to assist public entities utilizing Section 103(7) of P.L. 110-343. The \$1.7 billion in losses accrued by impacted jurisdictions represents less than 1/4 of 1% of the amounts set aside for TARP. In contrast, the benefit to be realized by providing TARP assistance to local government entities harmed by the Lehman failure would be immediate, transparent and accountable, with long-term positive consequences resulting in job creation and retention, economic stability and the continuation of valuable government services covering public health, safety and education.

We ask for your prompt attention to our request, and we thank you in advance for your cooperation.

Sincerely,



Barney Frank, Chairman
House Financial Services Committee



Anna G. Eshoo
Member of Congress



K. Jacqueline Speier
Member of Congress