

Congress of the United States
Washington, DC 20515

March 9, 2005

The Honorable William M. Thomas
Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

Dear Chairman Thomas:

RE: Community Bank/Federally Insured Financial Institution Option for Social Security Reform

Since Social Security reform is at the top of the agenda for both the Administration and Congress, we wanted to take this opportunity to reflect on an option that we believe needs to be added to the debate going forward.

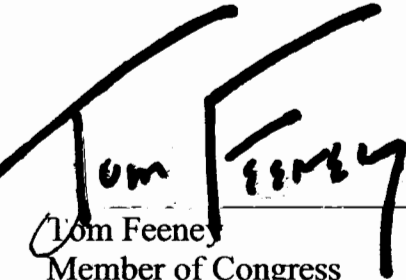
We are enthusiastic about the potential for typical returns on securities (stocks and bonds) over time to substantially enhance retirement benefits for today's workers. But, in addition to the securities option in a Social Security reform bill, we feel there should be a third option. A provision that permits workers to put part of their Social Security in a product similar to a Federally (FDIC or NCUSIF) insured certificate of deposit (CD) offered by a community bank, savings association or credit union. This option becomes more important as workers get closer to retirement age and would like to move their assets from stocks and bonds to an investment that protects their principle against potential market swings.

By including a community bank option in any reform bill, workers would be permitted to rollover funds into more than one product. This would give workers the flexibility to invest part of their assets in relatively risk-free products (i.e., CDs) offered by any FDIC- or NCUSIF insured financial institutions and part of their assets into a higher risk/higher return portfolio if they choose to do so.

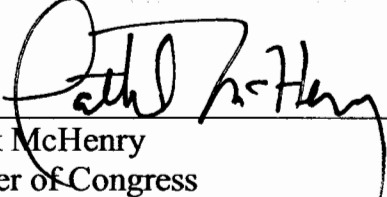
A side benefit of this option is the fact that the money deposited at a local community bank, savings association or credit union will be used in that community again in the form of small business loans and home mortgages. This community development component will help neighborhoods and communities throughout the country.

Thank you for the opportunity to express the importance of allowing American workers the choice to invest a portion of their retirement into a diverse personal account that includes a CD-like product.

Sincerely,


Tom Feeney
Member of Congress


Pete Sessions
Member of Congress

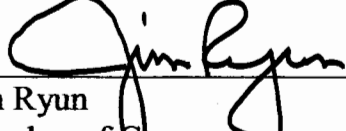

Patrick McHenry
Member of Congress


Spencer Bachus
Member of Congress

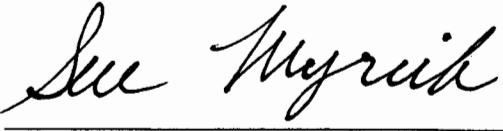

Katherine Harris
Member of Congress

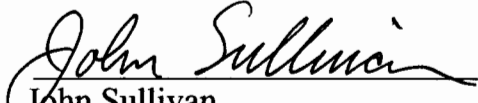

Chris Cannon
Member of Congress

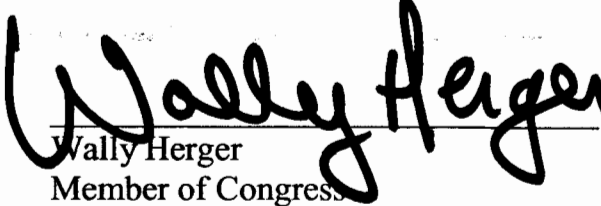

Ron Paul
Member of Congress

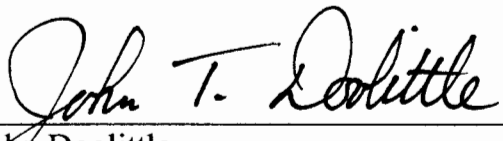

Jim Ryun
Member of Congress



Todd Akin
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Sue Myrick
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John Sullivan
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