

From: David A Moore, CA
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Urgent need to reform bank overdrafts, despite industry rationalizations: Nessa Feddis, senior counsel with the American Bankers Association, is completely correct about overdrafts that "these fees are intended to encourage people to manage their account, to help with their budgeting." I certainly don't have other uses for my time than to check my bank account several times per day. And why not give a free loan to the bank by leaving a large cushion of money in my non-interest bearing checking account? I should be deeply grateful to my bank, obviously, for being so helpful with my budgeting, and her self-righteous tone is so very welcome and pleasant. Ms. Feddis's tone is even more appropriate in light of the irreproachable way that American banks have handled their own budgeting and accounting lately. As a taxpayer I am delighted to extend to them a free multi-trillion dollar "overdraft line" for them to use whenever they like, and could simply not bear to have them reciprocate by letting me do a free transfer from my savings account when my checking goes to $-\$.10$. Better that they encourage me to be responsible through a \$35 charge for the extreme risk they undertake when I so horribly abuse their trust in me. Seriously, though, let's make it fair and reciprocal: banks can charge me \$200 or more if they like for each overdraft, allowing the total charges to be several thousand dollars in some days with multiple transactions. But they must pay an "overdraft fee" to the U.S. taxpayer, in the form of a fifty percent tax on their profits and, separately, on all forms of executive compensation, for the next fifty years, with further increases if they ever again mismanage risk. I am perfectly willing to be held accountable for my irresponsible overdrawing of my bank account by a dollar or two if they are equally willing to be held strictly accountable for exceeding their collective capital by a trillion or two dollars. If they are not, then let us reform the overdraft system to allow my available funds to cover my checking account without a fee.

Sincerely,

David Moore

