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Subject: Electronic Fund Transfers

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Comments:

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Comments:

I have noticed that when I check my account balance at an ATM, it is larger than the actual balance by the amount available to be applied to cover an overdraft. This is a misleading, egregious practice, and should not be permitted. It appears designed to increase bank profits by increasing the number of overdraft events an account holder commits, and may be part of the source of the greater problem. It is very important that banks never report or consider the money available to cover overdrafts as the account-holder's money. Banks should withdraw funds from the cardholder's or check-writer's account as soon as the charge is presented for payment. Electronic payments should not be delayed in any way, and the account-holder's balance should be updated in real time, with no overdrafts permitted without express permission by the account-holder. Before giving permission for an overdraft, the account-holder should be informed the fees that will be incurred, and expressly accept them. Under these circumstances, banks should be allowed to charge small overdraft fees that cover the costs associated with each overdraft transaction. With current technology there is no excuse for doing otherwise. Punitive and arbitrarily high overdraft fees should not be permitted. The high interest rates imposed on overdraft accounts should be enough profit for banks and deterrent for account-holders.