

From: John Daniel Hoggatt
Subject: Electronic Fund Transfers

Comments:

Dear Sirs:

Overdraft fees are a blight on the banking system. An online newspaper article says you are considering a change to regulations regarding their imposition, and the imposition by banks of "overdraft" protection on ATM cards.

In the online article, there were two options discussed. I request that you implement option TWO. This makes "overdraft protection" optional at user's choice and does not allow banks to impose it unilaterally.

Here is the reason: overdraft protection carries onerous fees that unfairly burden the poor and the young. This example is from my personal experience. Years ago I gave an ATM on one of my accounts to my daughter to use during a trip abroad. She used it well and we had no trouble. Over a year later I had discontinued using that account and had a very small balance in it. By accident she took that card with her one day and used it for school supplies at her college, charging some \$43, which was some \$15 more than the balance in that checking account at US Bank. I was traveling at the time. When I returned, there were a pile of "overdraft" notices in my mailbox. WORSE: they piled on a fee of \$35 per day for the \$15 "overdraft". All told I had to pay that bank over \$550 to redeem the account. Needless to say I closed the account and now recommend that my clients never use US Bank. Since that experience I have contacted each of my credit card issuers and have them block my account so even my credit cards will not go "over limit." (The person at US Bank said I had NO SUCH OPTION with their ATM card.)

For me this was a one-time experience. As I do taxes for many workers, I see that bank fees cost many poorer individuals dozens and even hundreds of dollars each year, this in addition to interest charged. Please help the citizens by strictly regulating bank charges and restricting their imposition high credit charges as well.

Thank you,

John Daniel Hoggatt