

From: MJ Murphy  
Subject: Electronic Fund Transfers

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Comments:

I am strongly opposed to the Consumer Overdraft Protection Fair Practices Act (H.R. 1465). I have read many news accounts regarding this bill and the related issue of overdraft protection. There are quotes from banking associations and from consumer advocate groups. Where are the quotes from the millions people who have used overdraft protection and appreciated it? Those people are just regular Americans. They aren't members of an advocacy group. There's nothing like "The Council of Americans Who Use Overdraft Protection and Like It" to lobby for their stand on the issue.

What happens to the consumer when Overdraft Protection is removed because they had to "opt-in" or because their financial institution eliminated the program due to costs associated with increased regulatory burdens? The consumer loses and has to pay a higher price in the future including:

- \* Overdraft fee from consumer's financial institution
- \* NSF fee from merchant/business/landlord whose transaction did not clear PLUS a penalty fee
- \* Fees for money orders or cashier's checks because no one will accept checks from this consumer anymore (name gets on chexsystems) PLUS time it takes for added errands
- \* Difficulty opening accounts in the future
- \* Forced to use short-term (payday) loans with high fees and interest rates (I'm sure the payday lending industry loves this bill because it will drive business into their stores.)

The consumers who appreciate overdraft protection the most are the ones who will be hurt the most by this well-intended, but ill-conceived legislation. They do not have a choice!

It's easy to say "link the checking/debit/ATM account to a savings account so the funds can get transferred without the crazy fees" or "tell the person to get a line of credit to cover the overdrafts." In both cases, that's something easier said than done. These consumers don't have the extra money to put in a savings account. If they did, they would not overdraw the account. They don't qualify for a line of credit. They don't have a credit card. They don't have a better choice.

Please do everything in your power to help the real consumers who need and want overdraft protection.

Thank you.  
Melanie Murphy