

From: Anonymous
Subject: Electronic Fund Transfers

Comments:

First, let me say, I am so glad that someone is finally looking into this non-sense. It seems more and more that average person is paying more and MORE but for less and less. I can't remember the last time I even went into my bank and dealt with a human, so I really wonder how these inflated fees are justified and where they are going. They certainly aren't filtering down to the poor bank teller slops at \$9 an hour.

Let me describe my circumstances. I am with a larger regional bank. I have a checking account. I have a debit card with MasterCard logo with a "pay pass" feature. If I'm with the right merchant, I can "wave" my card and be on my merry way, instead of "swiping" my card. The "pay pass" feature is touted to be fast, efficient, and cutting edge.

Like many Americans, I live paycheck to paycheck. Like many more, I've felt the recent economic crunch. I do not make use of paper checks. I made the mistake in my younger days of "floating checks" and feeling the sting of a "bounced" check. It's either cash or debit card for me!

In my thinking, with the speed and sophistication of computers, I'm realitively safe from bouncing a check. After all...I have the Pay Pass to get me on my way with blinding speed. The only worry I've ever had is NOT having enough money in my account to cover my purchases and being embarrassed at the register.

As I've recently found...there is more to be worried about.

On a Tuesday evening, my sister in law needed to borrow some money. I stopped by my local convenient store, checked my balance, purchased gas, withdraw funds, and left roughly \$12 in my account. A good deed done and with funds to spare for coffee in the AM.

Not so!

My bank charges \$2.00 each time I check my balance. At the time of this withdrawal, my monthly statement was being prepared and in the last 30 days, I check my balance seven times. These charges they apply at the end of the period. Therefore--even though I received nothing but information (my balance), I "bounced" a check for roughly \$2! That carried with it a \$38.00 return check fee.

Let's summarize: It cost me \$40.00 to check my balance, in an attempt to NOT bounce a check or overdraw my account.

It gets better....

As I was now -\$40 in my account, my bank levies the same \$38.00 charge if my balance remains negative for three days. As I was aware, or at least thought, I only had \$12 left, I didn't check my balance or use my card until Saturday. Whereupon I learned I had incurred another \$38.00 "returned check fee." The cost now in accessing my balance is roughly \$80 at this point.

It gets even better....

The balance I did check on that Tuesday night was wrong!! There were "transactions pending." Which caused my gas purchase to "bounce" (\$38), as well as the money I withdrew (\$38). My balance inquiry has now cost me \$154!

I'm not exactly certain what a pending transaction is. I know if I go to Wal-Marts at 11:59 Thursday night with \$99 in my account and attempt to buy \$100 worth of DVDs--it isn't happening. I know in roughly two minutes my direct deposit check should be in my account. But apparently pending transactions only work in favor of the banks.

I know that my \$2 balance inquiry doesn't indicate if "transactions are pending." Which is odd considering I have this flashy Pay Pass.

In the ol' days when I used paper checks and I overdrew my account, I at least had something to show for it! The correction of this problem was \$40 (\$20 to my bank, \$20 to the store). Now with the best intentions to avoid an overdraft, I'm at the mercy of cyberspace and servers--hoping to Christ himself, they update in a timely fashion.

Apparently I'm able to purchase things faster than the computers can follow. Had I known this debacle was going to happen, I would've gladly resorted to a paper check and screwed over the mini-mart, my bank, and even myself. In retrospect, I could've "bounced" a check and at least picked up groceries and toiletries (that I wasn't able to get after the \$154 in returned check fees)! I mean, if I'm going to pay \$154 in penalties for \$2--why not pay roughly the same amount and cover my bases?

Who sees the benefits of these overdraft fees? It isn't that bank teller at \$9 an hour! In the above situation, I inconvenienced no one. The clerk or manager at the mini-mart didn't have to physically or mentally do anything. The \$9 an hour bank teller wasn't caused anymore paperwork either. I was merely a "burb" in a mathematical process in cyber space. No one was caused any extra work--it was all done for them. Therefore I don't understand the increased cost(s) for less work. I might be better with this situation if a job was created, supported, subsidized by the fee--it isn't. These fees sure as hell aren't being spent upgrading their I.T. systems. Pending transaction my ass!

Look--it costs consumers \$3.00 to remove money from an ATM not devoted to "their bank." It costs \$2 from my bank. I've spent \$5 to get my money to stimulate our economy.

In full disclosure, I admit this was an educational experience for me. I never opted for overdraft protection, because in my thinking, I couldn't take any more money from my account by debit card than I originally had--hence the no paper checks!

I've also learned that I need to check my bank statements more and closer. I've ignored them as a poor working slob, consoling myself in the fact that I have the same dismal amount (roughly) from week to week.

I'm also more likely to stick with cash transactions...meaning no more online purchases, etc...Gotta watch for those pesky pending transactions.

I'll probably change my bank too.

When I find a new bank, I will order paper checks. That way if I am in a rough patch again, I will be absolutely cover my butt, intentionally bounce a check, incur roughly the same fees and not have to go without a dime in my pocket for a week.