

From: Joseph Cea
Subject: Electronic Fund Transfers

Comments:

Dear Federal Reserve:

A blog on overdraft fees appeared in a column called The Advocate in the Albany Times Union. I commented at that time that overdraft fees were being applied by banks to maximize profits. For example, credit card companies holding onto payments and posting them late in order to collect a fee but for the purpose of this comment period I would like to propose that transactions should be posted in chronological order. Most people think about their transactions in chronological order and have money to cover those charges in order. Some banks reverse or play with the order of transactions putting larger ones first thus overdrafting the account and triggering an unnecessary fee.

Also, many accounts are "sold" with overdraft protection but this protection only applies to fees from other banks. Usually you still end up with fees from your own bank. Why have the protection if your own bank is going to turn around and zonk you with fees. I have a business account with no overdraft protection and when I make a purchase and swipe my card (credit) and the amount is more than my balance the transaction is declined. I can then give the clerk another card or abandon the purchase but when it is declined at the credit card terminal no fees are charged by anyone. Overdraft protection simply allows your own bank to screw you with fees.

Thank you for your time

Sincerely,

J.Cea