

From: Sharon Austin
Subject: Electronic Fund Transfers

Comments:

Board of Governors of Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Federal Reserve Board Director:

I support the proposed requirement that would require financial institutions to obtain consumers' affirmative consent (or opt-in) before any overdraft fees or charges may be imposed on consumers' accounts.

Banks should get explicit permission before enrolling customers in the most expensive overdraft system, automatically covering overdrafts and charging high fees, and should be stopped from using unfair practices to increase their overdraft fees.

Dear Federal Reserve Board Director and Members,

I completely agree with my fellow American citizens and the Center for Responsible Lending that financial institutions should obtain the consent of the people that they service before extending overdraft protection. I didn't even understand that I was automatically signed up for overdraft protection. I once withdrew more money than what was available to me from my own bank's ATM and then was charged an overdraft fee. To have allowed me to withdraw the money made no sense and it made me realize that my bank was not looking out for my financial interest. In addition, check and cash cards should be treated like credit cards at points of sale so that when a person doesn't have money to make a purchase, the transaction should be denied. Finally, I believe that banks should be responsible for thoroughly explaining to clients that they can withdraw more money than what is available in their accounts but that they will do it for a fee; and that point of sale transactions will go through even if they don't have enough money to cover it, but it will go through for a fee. This should be explained face to face, not through a mailing. One last thought that I have is that the fees should be a one time deal and each additional fee should be the same as the first fee. At my bank each overdraft charge is higher than the one before it, up until the third overdraft charge. Plus once you get a overdraft charge, you have a certain amount of time to pay it before additional fees are added on.

Thank you so much for taking the time to read my letter.

Sincerely,

Sharon Austin