

From: Rowena Conkling
Subject: Electronic Fund Transfers

Comments:

I am writing to support requirements for banking institutions to get a customer's permission to provide so-called "overdraft protection."

My son is xxxxxxxx- he lives on his own and manages his own bill paying etc. One month, however, he called me, frantic because he was hundreds of dollars overdrawn and did not understand why. It appears that he had used his debit card for a number of small purchases - a quart of milk, a cup of coffee, etc. - at a time when his account was out of cash. Each time the bank had charged \$35.00. When he next paid his bills after putting money in his account one of the checks had bounced because the "overdraft charges" on the trivial debits had added up to \$350.00!! So, of course, they added yet another fee.

After a great deal of fuss they agreed to reduce the "overdraft charges" somewhat but he still lost quite a bit of his very small income. Since then he has learned to check his balance and, in any case, we moved his account to a small local bank that simply rejects a debit card when there are no funds available. This should be the standard procedure.