

From: Shelby Knutson, Miami, FL

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:

It is no secret that banks use overdraft fees as an easy way to earn pure profit. There is no way they have to expend \$35 worth of effort in the case an account overdrafts. It is all automated, at the cost of maybe \$1 per incident (and I am being very generous in my estimation). This profit is mostly made on the backs of the working poor. Overdraft fees are just one more bill to pay, and they are ones which reap zero benefit to consumers. If it can be thought of as a short-term loan, it is without a doubt usury. Especially when going over \$2 costs \$35 in fees; but even when you go \$100 over. That's 35% interest, and no one in their right mind would accept such horrible rates. Please give consumers a choice. Banks oppose this because most people would say No to automatic overdrafts.

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.

Sincerely,
Shelby Knutson
Miami, FL 33186