

From: Lisa Starzyk, Astoria, NY
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:

Having been a victim of unapproved overdraft fees, I strongly support this legislation. I was overdraft "protected" for a 5 dollar purchase, away on vacation for a week and by the time I came home had over one hundred dollars in fees (with a five dollar fee per day that my account was overdrawn). I promptly deposited a check only to be told that the local check would not clear for four days. I then took out cash and deposited it directly--two hundred dollars later. Because banks always take out debits before credits and then cover the lowest overdraft first, consumers have a very high potential of having overdraft initiated. Although these overdrafts caused me to cancel my account with the bank (I did not like how the bank handled my complaint), these overdraft fees can be devastating to lower income and elderly people who have very limited extra money to begin with. With this economic crisis, one would think that taking advantage of customers to add to bank's coffers would be in both poor taste and poor practice.

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,
Lisa Starzyk
Astoria, NY 11106