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Comments:

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Regulation E- Electronic Funds Transfer Docket # R-1343 I would like to comment on the proposed change to Regulation E that would limit the ability of a financial institution to assess an overdraft fee for automatic teller withdrawals and one-time debit card transactions that overdraw the account without the customer first getting the chance to opt out. First of all unless they have changed the law and I did not know it, it is still illegal to write a check or use a debit card, etc that overdraws an account. Besides the fact that it is not legal there is the fact that the bank is lending money to the customer when they overdraw their account. Financial institutions are in business to make money and if they can't charge then they will not be in business long. Then there is the fact, that if a customer goes to an ATM and withdraws cash and it overdraws their account they got the money. How does a bank demand that they give the money back? The financial institution then could not return it (so they eat it) and not charge so end result either banks will have to limit withdrawals at ATM's or not offer cards and neither of these ideas are going to help customers. As for one-time debit card transactions being returned, well you can't do that. The customer got the goods and the business has been guaranteed the funds. That is why businesses like debit cards. Besides the fact, that there is currently no way to tell if it is a one-time transaction or not. So once again the bank gets to eat the transaction and will not be able to charge for it. If I was a customer and was ask if I wanted to be charged or not, of course I would say no. End result banks will either not offer debit cards or will cancel any one who ever is overdrawn. And once again this is not helpful to the customer and it sure is not helpful to the financial institutions. At a time when financial institutions are struggling this would be just one more thing to harm them. Customers do not have to have NSF or Overdraft charges assessed against them. When they overdraw their account they are getting a loan that the bank should have the right to decline or accept and be able to charge a reasonable fee for this without the customers consent. The end result of this proposal would be very harmful to customers as ATM cards and debit card use would be at least

restricted if not eliminated. Lose of income to financial institutions would be harmful and as a result other fees would have to be increased. No one wins with this proposal.