

Subject: Regulation AA

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Banking Fees: One: Bank overdraft fees for debit card purchases. It has long been accepted that debit charges are not drawn until the transaction has been verified and duly processed. This latest attempt by the banking community to debit customer accounts before the charges are processed is just another way for the banks to collect fees that they may not otherwise be entitled. If an account is in fact short funds the bank will have a clear case for charging overdraft or over limit fees. Anything else is pure speculation on the banks part. Further, it is common for retailers and vendors to place a charge on an account that is subsequently removed. Those holds could put undue demand for funds that will never be processed. This is a very bad practice by the banking industry and causes more problems than it solves. The fees imposed by the bank are not intended to be punitive but rather to recover costs for processing a transaction that would not normally be covered. The banks have no real damages and therefore are not entitled to additional fees. Two: Immediate debit of funds for online bill pay. Banks are now routinely requiring funds to be available for immediate withdrawal when paying bills online. Funds should only be debited from the customer's account when the transaction is actually processed. The banks are not responsible for late payments so all bills must be paid well before the due date, by as much as 10 days. In the case of bills for rent the landlord usually waits an additional three days for receipt of all rents and then makes a consolidated deposit to the bank; which then takes an additional two days to clear. These processes are done manually and through the USPS. To have funds immediately withdrawn from customers accounts when the check will not be processed for upwards of 15 days only serves to allow the banks to utilize millions of dollars of float for their own profit while at the same time denying the customer interest payable on their checking accounts. Both of these recent changes in banking activity are criminal and amounts to stealing money from hundreds of thousands of people every month. If anyone were to siphon off 1/1000 of a cent from daily transactions they would be jailed for grand theft and/or banking fraud however that is exactly what is happening everyday with impunity by the banking industry. I call upon you to put a halt to this brazen act of theft against the American people, restore justice, and hold the banking industry responsible for illegitimate profiteering and fraud. Thank you, Brett B. Schwab