

From: Randy Thrall
Subject: Electronic Fund Transfers

Comments:

Hello...

And thank you for the opportunity to comment on these proposed...and in my opinion, sorely needed...banking rule changes.

I feel that banks should be totally prohibited from forcing customers to accept ATM and debit card overdraft "protection" with their resulting, uncontrollable fees. Their standard bank excuse I've been given is that, "Some retailers only turn in their purchase receipts in batches, so we can't know how much they will send in or how much money there really is in a customer's account when we approve a debit card transaction." This is pure nonsense.

All retailers are online for the approval process to take place at all, regardless of the processor they ultimately use to obtain payment. I assure you that if a customer sought purchase approval for an amount substantially in excess of the customer's typical account balance, it would be almost certainly immediately refused. I doubt seriously, for example, that my bank would approve a debit payment for an automobile! Clearly, banks have already established sufficient online control over the ATM/debit process. However, in a totally predatory practice they have learned from credit card companies, they will readily and intentionally allow modest overdrafts, enabling them to pocket comparatively huge and exorbitant fees for even the tiniest overdraft. Note that this "service" is also normally tied to so-called "free checking", with its own, self-serving overdraft structure.

I urge your agency to require that banks receive PRIOR customer approval before any so-called overdraft protection is provided. Further, I urge you to impose these restrictions quickly. It is clear that, when faced with increasing regulation, banks will use any delay in imposing them to work overtime to try to find loopholes and ways to circumvent them. These fees are a major bank "cash cow" they won't want to give up.

Thank you for your time, courtesy and consideration.
Randy Thrall