

From: Dennis Barnes, Caldwell, ID
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:

Recently my oldest son had nearly half of his bi-monthly paychech wiped out because of overdraft fees from US Bank.

The same pay period, I had almost 1/3 of my bi-monthly paycheck wiped out by over draft fees from Wells Fargo Bank.

In my son's case, he was told that it was because of a single fee coming in from a Red Box rental station. But mysteriously the other three rental charges came through immediately (and he rented 4 movies at the same time) when he had the money in his account. This one "mysteriously delayed" rental fee was finally put through almost 10 days later, and wouldn't you know it, when he had ten cents less then he needed to cover it. And then his bank did not notify him until 5 days later when he went to deposit his paycheck. By then they had racked up not just the original over draft fee, but an additional daliy fee because his account continued to be over drafted.

My son makes \$8.50 and hour and takes home less than \$250 per week. So when this happened, it wiped out his ability to buy any food for this two week pay period.

Since he couldn't "prove" that the delay in processing that item was the banks fault, they would not budge, and took his money anyway.

In my case, I went to the branch where I had opened my account years ago, and the manager would do nothing, because they had recently changed the way that direct deposits are treated, and the timing in which they "become available". So I called the 1-800 customer support number, and I was fortunate enough to talk with a sympathetic customer care specialist. She looked at the timing of things in my account, spoke to her supervisor, and was able to reverse the over draft charges. She told me that in the 5 years that she has worked in customer service for this bank, that she has never seen such outright abuse of their customers by "her bank", and that her volume of calls ON THIS MATTER alone was up significantly in the last 6 months.

The fees are simply exhorbitant! Everyone makes an occasional mistake in their checkbook. But to have that cost a family 1/4 of their monthly income is nothing less than legalized robbery.

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,

Dennis Barnes
Caldwell, ID 83605