

From: Cattail Bancshares, Inc., Robert E. Meyerson
Subject: Reg E - Electronic Fund Transfer

Comments:

Date: Mar 03, 2010

Proposal: Regulation E - Electronic Fund Transfer

Document ID: R-1343

Document Version: 2

Release Date: 02/19/2010

Name: Robert E Meyerson

Affiliation: Cattail Bancshares, Inc.

Category of Affiliation: Commercial

Address:

City:

State:

Country:

Zip:

PostalCode:

Comments:

Your use of the term "one-time debit card transaction" is confusing. Do you mean that if the debit card is used twice in the course of the day the second time is exempt from the fee prohibition? If so, does this mean that the consumer gets only one free overdraft causing debit card transaction over the weekend? As a banker that is the interpretation I prefer. However, the intent of rule and the amendments seem to be to prohibit all fees for overdrafts caused by debit card usage. I will add that we have never offered any so-called overdraft protection program (as we regarded them as bogus, deceptive and predatory), yet we are being caught in the net meant to reign in those that do. The more our fees are restricted the more tightly we will manage our cards, meaning fewer consumers will get them, and those that do will have lower limits. The increase in counterfeit cards is pushing this product into negative income territory since we must pay all authorized (i.e. valid number) debit card charges. There is no requirement on the part of the merchant to validate the identity of the consumer. If PIN-only validation were required that would go a long way towards eliminating counterfeits.