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Comments:

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Proposal: Regulation E - Electronic Fund Transfer
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Comments:

I don't feel that all things were considered when the opt-in rules were decided upon for Regulation E. I agree with requiring account holders to opt-in for financial institutions who allow debit card transactions to be authorized off of a Courtesy Pay balance. But what about those of us who authorize debit transactions off of the actual account balance? In my credit union if a member uses his debit card the transaction is only authorized if the amount of the purchase is actually in the member's account at that moment. When the transaction is signature based it takes a couple of days for the transaction to post. So the member may have had the funds available at the time the transaction was authorized but the funds may be gone due to checks clearing, ATM withdrawals, etc. when the charge actually posts to the account therefore creating the account to go negative. In this case, it is unfair to restrict the financial institution from charging an NSF fee. The regulation should state that the financial institution may only charge an NSF fee if the debit transaction was authorized on the actual balance in the account and the funds were no longer available when the transaction posted. Mary Jo Garofalo 1st Financial Federal CU