

From: Joseph Gaefe
Subject: Electronic Fund Transfers

Comments:

Dear Federal Reserve,

I am writing to convey my interest in the Federal Reserve adopting legislation that would require me as a consumer to OPT-IN to overdraft protection services. Personally I do not have a horse in this race since my income is such that I am able to keep enough reserve in my checking account to mitigate the risk of ever over drafting. The bigger issue I see here is with my friends. Many of them make barely a living wage and struggle to manage the little money that is in their accounts. I often hear them complain of a simple over draft of a few dollars that results in a cascading effect on their account and the issuance of hundreds of dollars in fees. The system really adversely affects those who least can afford it. This may not have been part of the original design but this is what I have seen many times.

Please take my opinion into consideration as you make your decision. I really think that consumers should be able to have more choices in how their transactions are handled. If they want the over draft service then they can sign up for it. But it is outrageous that they are "given" it without explicit consent. Many of my friends have said that they don't understand how this could happen because they thought the charge would be denied if there wasn't enough money.

Further the Fed should look at this same type of abuse on standard revolving lines of credit on credit cards. Many times I have seen a card issuer give someone a 3000 dollar limit and then continue to authorize purchases that exceed that limit just to collect the overage charges. If my gas station gives me 20 dollars worth on pump 3, the pump stops at \$20 bucks. This should be no different.

Thanks,

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