

SchoolsFirst™

FEDERAL CREDIT UNION

March 30, 2009

Ms. Jennifer J Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave, NW
Washington, DC 20551

Re: Regulation R-1343 (Proposed Revisions to Regulation E for Overdraft Protection Plans)


Dear Ms. Johnson,

SchoolsFirst Federal Credit Union serves school employees in Southern California. We have more than 395,000 Members and \$7.8 billion in assets. SchoolsFirst FCU is pleased to have the opportunity to comment on the proposed revisions to Regulation E for Overdraft Protection Plans.

Opt-out / Opt-in Approaches

We believe the Opt-Out method of notification is in the best interest of consumers and financial institutions. The alternative (opt-in) would likely result in many consumers not responding timely enough to opt-in and subsequently be impacted with changes that result in no overdraft services. We don't foresee that an opt-in vs. opt-out service would have significant cost differences. SchoolsFirst FCU recommends (if approved) supporting an opt-out program. Providing consumers with 30 days to opt out is sufficient. SchoolsFirst FCU recommends that either including the disclosure requirements associated with this rule change in other related disclosure documents or separating the disclosure of this rule change, should be at the discretion of the financial institutions. Given the technical challenges with supporting the statement notice, it is recommended that the financial institution at minimum include the notice in cycle periods when an ATM or debit card transaction fee was assessed. But, also allow financial institutions the ability to include the notice in any statement cycle in which any or no fees were assessed. Applying a broad brush to all transaction types may result in reduced consumer satisfaction.

Sincerely,



Sean Hardeman
Vice President Automated Services
SchoolsFirst Federal Credit Union

Serving School Employees as OCTFCU Since 1934

2115 North Broadway • Santa Ana, California • 92706-2613
P.O. Box 11547 • Santa Ana, California • 92711-1547
800.462.8323 • 714.258.4000 • www.SchoolsFirstfcu.org