

From: Charles R Stewart
Subject: Electronic Fund Transfers

Comments:

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Proposal: Regulation E - Electronic Fund Transfers

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Comments:

I am pleased that you are considering changes to bank overdraft charge legislation, and have been personally affected by these excessive bank charges (i.e. \$37.50 for a cup of coffee). Would you please include the following reasonable provisions of Maloney's bill - HR 946: A. Require notice to customers when an ATM or point-of-sale debit card transaction is about to trigger an overdraft. A simple text message or robo-call shouldn't be too onerous for the banks and could prevent an expensive mistake for customers. B. Give consumers a choice to accept the overdraft service, and the associated fee, or not. This should be an opt-in system since only a very small percentage of the customers of the few banks that offer this choice are even aware of this option. (FDIC reports that over 75% of surveyed banks automatically force their customers into an overdraft program and some do not allow customers to opt out.) C. Prohibit manipulation of the order of posting deposits and withdrawals so as to maximize overdraft fees. (Charging the largest posting first even if it was the last thing you purchased that day so as to charge multiple OD fees instead one on the big ticket purchase). I recently incurred \$108.00 in charges when Lexis-Nexis processed twice the authorized amount of a transaction. Instead of clearing two additional checks and overdrafting the one check at issue, the bank used this opportunity to charge three overdrafts. The bank actually tried to tell me that this is what most customers want!