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Subject: Electronic Fund Transfers

Comments:

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I have seen my daughter's bank charge her an overdraft fee that is several times larger than the amount overdrafted. Then it charges an additional fee for the account remaining negative because of the overdraft fee once the funds are deposited to cover the amount of the overdraft. It seems like a scam, especially since the notices of overdraft are issued several days after the initial overdraft. Often there are more accumulated by then. (Checking the online balance does not always work.) I know that she has said more than once that she would much prefer to have the card refused. It is not an option at her bank. My son had an overdraft reported to the credit bureaus even though he was disputing the charge as unauthorized. \$335 in overdraft fees on a \$15 charge. Eventually, the charge was reversed, the fees rescinded. He had pursue a corrective notice to the credit bureaus. There is no question in my mind that banks are using this as a hidden revenue measure. Overdraft fees should be fully disclosed at a minimum. There should also be a process to opt-out or opting in should be required.