

From: Laura Coleman, TX
Subject: Electronic Fund Transfers

Comments:

Board of Governors of Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Federal Reserve Board Director:

I support the proposed requirement that would require financial institutions to obtain consumers' affirmative consent (or opt-in) before any overdraft fees or charges may be imposed on consumers' accounts.

Banks should get explicit permission before enrolling customers in the most expensive overdraft system, automatically covering overdrafts and charging high fees, and should be stopped from using unfair practices to increase their overdraft fees.

Sadly, it seems like every large company today is out to get consumers with a multitude of fees. Banks are no exception. If banking officials truly thought that most consumers want overdraft protection and other practices, they would advertise the services in their true terms, and all of them would allow people to opt out of the programs at any time. It is exactly because banks know most consumers are hurt by such programs that they are continually kept secret, with some banks not allowing any way of opting out.

This is not to say that consumers should continue to be irresponsible about monitoring their account balances and knowing how much money they have to spend. However, the reality is that many people, especially in this economy, are living with little in their accounts, and the banks' actions have begun to seem especially predatory. Furthermore, surveys and polls clearly indicate that many people have no idea how banks process their transactions and how overdraft "protection" actually works, which demonstrates a clear disconnect between what banks are saying consumers want and consumers' actual desires. I imagine most people would agree that the humiliation of having your card declined at a store is much more preferable to being forced to pay more for the same transaction, especially when the transaction is a small one.

Please help protect people from losing their money unnecessarily and from being subject to deceptive practices. Thank you.

Sincerely,
Laura Coleman
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