

From: Jonathan White, MA
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.

In this day and age when paper checks are becoming rarer and have widely been replaced by debit cards, I believe that the average customer is far more likely to overdraft an account with plastic than paper. As a depositor, I would much prefer to find my card declined for insufficient funds (embarrassing, but free) than have my bank charge me a hefty fee. Admittedly, this could mean that a paper check would bounce, incurring bounced check fees, rather than being covered, but that is a far less common occurrence. I believe it would be a net gain for consumers to require their affirmative consent before placing them in a program that charges fees for "courtesy" coverage of overdrafts.

Sincerely,

Jonathan White
MA