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Subject: Electronic Fund Transfers

Comments:

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Comments:

Traditional Overdraft Policy Banks Banks that do not promote an overdraft program and charge the same fees for returned NSF items as they would charge for an overdraft should be exempt from the proposed changes to the TISA. It would place an unnecessary burden on banks, and provide more confusion to customers if they are presented with the option to opt out of an ad hoc overdraft program that does not charge additional fees for paid NSF items (overdrafts). In this scenario the bank is simply saving the customer additional fees from the merchant by paying the NSF item as opposed to returning it. The overdraft fee is the same amount as an NSF fee.

Additionally, there is no advantage to a customer to have some fees show up as an aggregate total on a statement as opposed to being itemized with all other debits and credits as they are now. Since overdrafts are just one of a number of fees that a bank can charge, and overdrafts are paid as a courtesy, there is no value in a separate total. Customers that regularly have NSF items or overdrafts do so not because they are unaware of the cost, but because they have financial or accounting issues. Some customers amass substantial ATM fees because they frequently take out small amounts of cash at various ATM's. Should we also start itemizing these fees to protect consumers from their own actions? It is counterproductive to place additional burdens on banks for providing a valuable service to customers at no additional cost.