

From: Inger Brinck, Los Angeles, CA

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.

When I began my professional career after graduating college several years ago, I earned \$24,000 per year. I had debts from college and little discretionary money. I had no savings. Like many other people, I had no idea there were overdraft protection options that would have enabled me to avoid the \$27 fee. Though I rarely overdrew my account, losing that \$27 was a blow given my more-than-modest income. Only when I called my bank did I learn I had other options. But because I had no savings, my only option was to connect my checking account to a bank-issued credit card. Eventually I was able to open a savings account, but given the statistics on how many Americans save, I imagine many people are getting credit cards to serve as overdraft protection. That could mean taking a hit to your credit score and opening yourself up to more credit card debt.

There's no doubt that individuals have to be responsible for their finances. But why not make it easier for people to be responsible. By withholding information, by leveraging the information asymmetry, banks set-up consumers to fail.

Sincerely,

Inger Brinck
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