



March 25, 2024

Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552
Fees for Instantaneously Declined Transactions, RIN 3170-AB16
Attn: Pavitra Bacon, Senior Counsel, Office of Regulations

Re: Proposed Rule: Fees for Instantaneously Declined Transactions, RIN 3170-AB16

To Whom It May Concern:

Thank you for the opportunity to present comments on behalf of our 120 commercial, cooperative and savings banks and federal savings banks and savings and loan associations that employ more than 72,000 employees throughout Massachusetts and New England. We believe that the **proposed Fees for Instantaneously Declined Transactions, RIN 3170-AB16** as proposed by the Consumer Financial Protection Bureau, should be rescinded.

As of today, there are several federal agencies including the Federal Reserve, the FDIC, the Office of the Comptroller of Currency (OCC), the Federal Trade Commission (FTC), and the Securities and Exchange Commission (SEC), with various concurrent and conflicting proposed regulations targeting the financial services industry. Many of these proposed regulations seem to fail to account for the existing laws, rules and regulations that dictate how banks must clearly and conspicuously disclose what fees consumers are obligated to pay.

The banking industry is among the most regulated industries across the United States and is mandated to follow stringent protocols as stipulated by state and federal laws and regulations. Unlike other industries, FDIC-insured banks are subject to state and federal regulators such as the state bank regulators, the FDIC, the Federal Reserve, OCC and the CFPB, depending on their charter, and must consider and strictly adhere to a host of rules and directives in regard to protecting their customers' personal and confidential information, financial health, as well as fully disclosing information on certain fees charged for various services to customers, to only name a few.

Our industry rejects the notion that NSF fees can be considered "abusive acts or practices" as every fee that a bank charges, is regulated by numerous statutes and regulations including, but not limited to, the Truth in Lending Act, Truth in Savings Act, Consumer Financial Protection Act of 2010 and more.

In a [2023 Morning Consult survey](#) conducted on behalf of the American Bankers Association, 84% of consumers indicated that they are "very satisfied" or "satisfied with their bank, and 94% rate their bank's customer service as "excellent," "very good" or "good." Furthermore, 78% of consumers indicated their bank is transparent with disclosing fees. The same survey showed that 61% of respondents believed that now is not the time to implement additional regulations on the banking industry due to certain current economic challenges facing the country today.

Also, according to the survey, “a strong majority of Americans appreciate and value bank overdraft programs. For the fourth year in a row, 9 in 10 consumers (88%) find their bank’s overdraft protection valuable, and nearly 8 in 10 consumers (77%) who have paid an overdraft fee in the past year were glad their bank covered their overdraft payment, rather than returning or declining payment. Sixty-three percent of consumers think it’s reasonable for banks to charge a fee for an overdraft, as opposed to only 24% who think it’s unreasonable.” Importantly, consumers have the freedom to choose a bank with which to do business based on their individual and unique financial needs.

For these reasons and more we strongly encourage the CFPB to rescind this proposed rule. We appreciate the opportunity to provide our comments in opposition to the **proposed Fees for Instantaneously Declined Transactions, RIN 3170-AB16** as proposed by the Consumer Financial Protection Bureau.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Papalardo', with a long horizontal line extending to the right.

Brad S. Papalardo, Esq.
Senior Vice President
Chief of Government Affairs & Counsel