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***** National Consumer Protection Week Consumer Alert*****

NEVADA ATTORNEY GENERAL REMINDS CONSUMERS ABOUT DEBIT CARD AND ATM OVERDRAFT RULES

Carson City, NV – As part of the 14th annual National Consumer Protection Week (NCPW) Attorney General Catherine Cortez Masto is advising consumers to be aware of the rules issued by the Federal Reserve requiring banks to get a consumer's consent or "opt-in" to pay overdraft fees for debit card single purchase and ATM overdrafts.

"If consumers have previously opted in, they have the right to opt out at any time," said Masto. "I encourage consumers to talk to their bank or credit union to discuss the options available."

For accounts opened on or after July 1, 2010, new account holders have to inform their banks ("opt-in") whether they agree to pay overdraft fees for single purchase debit card and ATM transactions covered by the bank.

For accounts opened before July 1, 2010, banks needed to obtain consent from these existing customers by August 15, 2010 if they wanted to continue charging fees for using purchase debit and ATM overdrafts.

Overdrafts and fees are due immediately and must be repaid within a few days. Consumers do not get an affordable repayment schedule if they opt-in. If a consumer's account does not have a positive balance, the bank will take payment out of the next deposit, for example from a paycheck or Social Security, to pay overdraft fees.

If a consumer chooses not to "opt-in," the bank will deny transactions that overdraw the consumer's account at the ATM or when they use their debit card to make a purchase. Consumers will not be able to spend more money in their account. However, there will be no fee for denied debits.

There are better and less expensive options other than overdraft protection if consumers overdraw their accounts. They can link their checking account with:

- A savings account
- A credit card
- A line of credit

Each day the consumer needs a transfer to cover overdrafts, the bank will automatically transfer money to the account. Even though consumers may pay a \$5 to \$10 fee to cover the transfer, they will not be hit with large overdraft fees.

Consumers should also be aware that banks do not have to get consent to charge fees for checks, preauthorized payments and recurring debit card transactions that overdraw your account.

For further information and questions about banking practices consumers can go to the website of the Office of the Comptroller of the Currency at www.helpwithmybank.gov.

This consumer alert is part of National Consumer Protection Week (NCPW), March 4-10, 2012. Starting today and running through Friday, March 9, the Nevada Attorney General's Office will issue daily consumer alerts relevant to Nevadans.

More information about NCPW is also available at www.ncpw.gov. Consumer Protection information can also be found on the Attorney General's website (<http://ag.state.nv.us>), the Nevada Fight Fraud website (<http://fightfraud.nv.gov>) and the Federal Trade Commission website (www.ftc.gov).

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