

United States Senate

WASHINGTON, DC 20510

April 15, 2020

H. Palmer Proctor Jr.
Chief Executive Officer
Ameris Bank
24 Second Avenue SE
Moultrie, GA 31768

Dear Mr. Proctor,

We are writing to urge Ameris Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.¹ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.² This unprecedented situation will leave millions of Americans susceptible to financial ruin.

Overdraft and nonsufficient fund fees are overwhelmingly borne by those already living on the financial brink. The CFPB found that nearly 80 percent of overdraft-related fees are borne by only nine percent of accounts, who tend to carry low balances—averaging less than \$350—and have relatively low monthly deposits.³ For one group of hard-hit consumers, the median number was 37 overdraft fees, amounting to nearly \$1,300 annually. That also means some consumers pay much more. All told, the average consumer with overdraft coverage pays \$260 in overdraft and nonsufficient fund fees each year.

The data also demonstrates how out-of-proportion and unreasonably punitive these fees are. A 2014 CFPB report found that the majority of debit card overdraft fees are triggered by transactions of less than \$25 and repaid within 3 days—the equivalent of a 17,000 percent annual percentage rate (APR).

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During this crisis, it is critical that our nation's financial institutions do everything possible to ease the burden on their consumers. Several banks have announced that they will temporarily waive or refund overdraft fees for their customers⁴. But, generally, banks have put the onus on consumers to request waivers.

Instead, banks should be ensuring that consumers will not be faced with any overdraft charges that compounds their already fragile financial state, and provide them some relief as they manage ongoing expenses, including rent and mortgage payments, utility bills, and other essentials. Moreover, government stimulus funds, passed as part of the CARES Act, are intended to help consumers through this crisis—not to go to banks in the form of overdraft fees. We urge Ameris Bank to stop charging consumers these fees through this current global crisis.

Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

⁴ <https://www.cnb.com/2020/03/20/what-banks-are-doing-to-help-americans-affected-by-coronavirus.html>

United States Senate

WASHINGTON, DC 20510

April 15, 2020

Brian Moynihan
Chairman of the Board and Chief Executive Officer
Bank of America
100 North Tryon Street
Charlotte, NC 28255

Dear Mr. Moynihan,

We are writing to urge Bank of America to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

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Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

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United States Senate

WASHINGTON, DC 20510

April 15, 2020

William Allen Ray
Chief Executive Officer
BankPlus
385 Highland Colony Parkway
Ridgeland, MS 39157

Dear Mr. Ray,

We are writing to urge BankPlus to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.⁹ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.¹⁰ This unprecedented situation will leave millions of Americans susceptible to financial ruin.

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Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

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United States Senate

WASHINGTON, DC 20510

April 15, 2020

Kelly S. King
Chairman and Chief Executive Officer
Truist Bank
200 West Second Street
Winston-Salem, NC 27101

Dear Mr. King,

We are writing to urge Truist Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.¹³ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.¹⁴ This unprecedented situation will leave millions of Americans susceptible to financial ruin.

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Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
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United States Senate

WASHINGTON, DC 20510

April 15, 2020

Jamie Dimon
Chairman of the Board and Chief Executive Officer
Chase Bank
383 Madison Avenue
New York City, NY 10179

Dear Mr. Dimon,

We are writing to urge Chase Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.¹⁷ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.¹⁸ This unprecedented situation will leave millions of Americans susceptible to financial ruin.

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During this crisis, it is critical that our nation’s financial institutions do everything possible to ease the burden on their consumers. Several banks have announced that they will temporarily waive or refund overdraft fees for their customers²⁰. But, generally, banks have put the onus on consumers to request waivers.

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Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

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United States Senator

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United States Senate

WASHINGTON, DC 20510

April 15, 2020

A. Alfonso Macedo
Chief Executive Officer
Ocean Bank
780 NW 42nd Avenue
Miami, FL 33126

Dear Mr. Macedo,

We are writing to urge Ocean Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

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United States Senate

WASHINGTON, DC 20510

April 15, 2020

William S. Demchak
Chief Executive Officer
PNC Bank
The Tower at PNC Plaza, 300 Fifth Avenue
Pittsburgh, PA 15222

Dear Mr. Demchak,

We are writing to urge PNC Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

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Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
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United States Senate

WASHINGTON, DC 20510

April 15, 2020

John M. Turner
Chief Executive Officer
Regions Bank
1900 Fifth Avenue
North Birmingham, Alabama 35203

Dear Mr. Turner,

We are writing to urge Regions Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

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United States Senate

WASHINGTON, DC 20510

April 15, 2020

Greg Braca
President and Chief Executive Officer
TD Bank
1701 Route 70
East Cherry Hill, NJ 08034

Dear Mr. Braca,

We are writing to urge TD Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

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United States Senate

WASHINGTON, DC 20510

April 15, 2020

Andrew Cecere
President and Chief Executive Officer
U.S. Bancorp
U.S. Bancorp Center, 800 Nicollet Mall
Minneapolis, MN 55402

Dear Mr. Cecere,

We are writing to urge U.S. Bancorp to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.³⁷ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.³⁸ This unprecedented situation will leave millions of Americans susceptible to financial ruin.

Overdraft and nonsufficient fund fees are overwhelmingly borne by those already living on the financial brink. The CFPB found that nearly 80 percent of overdraft-related fees are borne by only nine percent of accounts, who tend to carry low balances—averaging less than \$350—and have relatively low monthly deposits.³⁹ For one group of hard-hit consumers, the median number was 37 overdraft fees, amounting to nearly \$1,300 annually. That also means some consumers pay much more. All told, the average consumer with overdraft coverage pays \$260 in overdraft and nonsufficient fund fees each year.

The data also demonstrates how out-of-proportion and unreasonably punitive these fees are. A 2014 CFPB report found that the majority of debit card overdraft fees are triggered by transactions of less than \$25 and repaid within 3 days—the equivalent of a 17,000 percent annual percentage rate (APR).

³⁷ <https://www.wsj.com/articles/u-s-surge-in-unemployment-claims-expected-to-continue-11586424605>

³⁸ <https://www.stlouisfed.org/on-the-economy/2020/march/back-envelope-estimates-next-quarters-unemployment-rate>

³⁹ CFPB 2014 Data Point at 12, Table 3; see also CFPB Data Point: Frequent overdrafters at 16, Table 2 (Aug. 2017), https://files.consumerfinance.gov/f/documents/201708_cfpb_data-point_frequent-overdrafters.pdf [CFPB 2017 Data Point].

During this crisis, it is critical that our nation’s financial institutions do everything possible to ease the burden on their consumers. Several banks have announced that they will temporarily waive or refund overdraft fees for their customers⁴⁰. But, generally, banks have put the onus on consumers to request waivers.

Instead, banks should be ensuring that consumers will not be faced with any overdraft charges that compounds their already fragile financial state, and provide them some relief as they manage ongoing expenses, including rent and mortgage payments, utility bills, and other essentials. Moreover, government stimulus funds, passed as part of the CARES Act, are intended to help consumers through this crisis—not to go to banks in the form of overdraft fees. We urge U.S. Bancorp to stop charging consumers these fees through this current global crisis.

Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

⁴⁰ <https://www.cnbc.com/2020/03/20/what-banks-are-doing-to-help-americans-affected-by-coronavirus.html>

United States Senate

WASHINGTON, DC 20510

April 15, 2020

Charles Scharf
Chief Executive Officer and President
Wells Fargo & Co.
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Scharf,

We are writing to urge Wells Fargo & Co. to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.⁴¹ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.⁴² This unprecedented situation will leave millions of Americans susceptible to financial ruin.

Overdraft and nonsufficient fund fees are overwhelmingly borne by those already living on the financial brink. The CFPB found that nearly 80 percent of overdraft-related fees are borne by only nine percent of accounts, who tend to carry low balances—averaging less than \$350—and have relatively low monthly deposits.⁴³ For one group of hard-hit consumers, the median number was 37 overdraft fees, amounting to nearly \$1,300 annually. That also means some consumers pay much more. All told, the average consumer with overdraft coverage pays \$260 in overdraft and nonsufficient fund fees each year.

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During this crisis, it is critical that our nation’s financial institutions do everything possible to ease the burden on their consumers. Several banks have announced that they will temporarily waive or refund overdraft fees for their customers⁴⁴. But, generally, banks have put the onus on consumers to request waivers.

Instead, banks should be ensuring that consumers will not be faced with any overdraft charges that compounds their already fragile financial state, and provide them some relief as they manage ongoing expenses, including rent and mortgage payments, utility bills, and other essentials. Moreover, government stimulus funds, passed as part of the CARES Act, are intended to help consumers through this crisis—not to go to banks in the form of overdraft fees. We urge Wells Fargo & Co. to stop charging consumers these fees through this current global crisis.

Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

⁴⁴ <https://www.cnn.com/2020/03/20/what-banks-are-doing-to-help-americans-affected-by-coronavirus.html>

United States Senate

WASHINGTON, DC 20510

April 15, 2020

James "Jay" Dreibelbis
Chief Executive Officer
Woodforest National Bank
13301 East Freeway
Houston, TX 77015

Dear Mr. Dreibelbis,

We are writing to urge Woodforest National Bank to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.⁴⁵ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.⁴⁶ This unprecedented situation will leave millions of Americans susceptible to financial ruin.

Overdraft and nonsufficient fund fees are overwhelmingly borne by those already living on the financial brink. The CFPB found that nearly 80 percent of overdraft-related fees are borne by only nine percent of accounts, who tend to carry low balances—averaging less than \$350—and have relatively low monthly deposits.⁴⁷ For one group of hard-hit consumers, the median number was 37 overdraft fees, amounting to nearly \$1,300 annually. That also means some consumers pay much more. All told, the average consumer with overdraft coverage pays \$260 in overdraft and nonsufficient fund fees each year.

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During this crisis, it is critical that our nation's financial institutions do everything possible to ease the burden on their consumers. Several banks have announced that they will temporarily waive or refund overdraft fees for their customers⁴⁸. But, generally, banks have put the onus on consumers to request waivers.

Instead, banks should be ensuring that consumers will not be faced with any overdraft charges that compounds their already fragile financial state, and provide them some relief as they manage ongoing expenses, including rent and mortgage payments, utility bills, and other essentials. Moreover, government stimulus funds, passed as part of the CARES Act, are intended to help consumers through this crisis—not to go to banks in the form of overdraft fees. We urge Woodforest National Bank to stop charging consumers these fees through this current global crisis.

Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

⁴⁸ <https://www.cnn.com/2020/03/20/what-banks-are-doing-to-help-americans-affected-by-coronavirus.html>

United States Senate

WASHINGTON, DC 20510

April 15, 2020

Michael Corbat
Chief Executive Officer
Citigroup
338 Greenwich Street
New York, New York 10013

Dear Mr. Corbat,

We are writing to urge Citigroup to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.⁴⁹ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.⁵⁰ This unprecedented situation will leave millions of Americans susceptible to financial ruin.

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Instead, banks should be ensuring that consumers will not be faced with any overdraft charges that compounds their already fragile financial state, and provide them some relief as they manage ongoing expenses, including rent and mortgage payments, utility bills, and other essentials. Moreover, government stimulus funds, passed as part of the CARES Act, are intended to help consumers through this crisis—not to go to banks in the form of overdraft fees. We urge Citigroup to stop charging consumers these fees through this current global crisis.

Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

⁵² <https://www.cnbc.com/2020/03/20/what-banks-are-doing-to-help-americans-affected-by-coronavirus.html>

United States Senate

WASHINGTON, DC 20510

April 15, 2020

Michael Roberts
President and Chief Executive Officer
HSBC North America Holdings, Inc.
452 Fifth Avenue
New York, New York 10018

Dear Mr. Roberts,

We are writing to urge HSBC North America Holdings, Inc. to take steps to relieve consumers from burdensome practices as they face financial constraints related to the COVID-19 pandemic. In particular, we urge you to cease charging overdraft and non-sufficient funds fees during this time. Reasonably priced overdraft lines of credit are a far better and more fair alternative, especially during a time of financial crisis.

As you know, the global COVID-19 pandemic has threatened the health and safety of Americans, and efforts to contain the virus have thrown millions of Americans into financial insecurity. In the last three weeks alone, nearly 17 million have applied for unemployment benefits.⁵³ These grim figures are only expected to climb: a Federal Reserve economist estimated that more than 52 million Americans could be out of work given the current pace, resulting in an unemployment rate of more than 32 percent.⁵⁴ This unprecedented situation will leave millions of Americans susceptible to financial ruin.

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During this crisis, it is critical that our nation’s financial institutions do everything possible to ease the burden on their consumers. Several banks have announced that they will temporarily waive or refund overdraft fees for their customers⁵⁶. But, generally, banks have put the onus on consumers to request waivers.

Instead, banks should be ensuring that consumers will not be faced with any overdraft charges that compounds their already fragile financial state, and provide them some relief as they manage ongoing expenses, including rent and mortgage payments, utility bills, and other essentials. Moreover, government stimulus funds, passed as part of the CARES Act, are intended to help consumers through this crisis—not to go to banks in the form of overdraft fees. We urge HSBC North America Holdings, Inc. to stop charging consumers these fees through this current global crisis.

Thank you for your attention to this matter, and for helping to protect the health and wellbeing of your customers during this pandemic.

Sincerely,

Cory A. Booker
United States Senator

Sherrod Brown
United States Senator

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