

Testimony of Mario Livieri
U.S. Senate Committee on Banking, Housing, and Urban Affairs
“Protecting Consumers from Abusive Overdraft Fees:
The Fairness and Accountability in Receiving Overdraft Coverage Act”

November 17, 2009

Good afternoon Senator Dodd and esteemed members of the committee.

My name is Mario Livieri. I am a senior citizen, and I live in Branford, Connecticut. I'm honor to be invited here today to share my story with you. I hope that it will help you do right by consumers like me, who have been treated unfairly and misled by their bank about overdraft fees.

Until a few months ago, I was a customer at a prominent bank in my town. I am no longer a customer there, because I don't think they treated me fairly.

Over the summer, I wrote a check for \$200. When the check was cashed, it overdrew my checking account by \$2.17. My bank charged me a \$35 fee for my \$2.17 mistake.

I had no idea I'd overdrawn my account. If I had known, I would have immediately deposited money in the account to cover the overdraft.

But instead, it took the bank over a week to notify me of the overdraft. By the time they finally got around to telling me my account was overdrawn, I had made a few other small purchases using my debit card totaling about \$100 – and the bank charged me \$140 in fees.

Now, I owned a small business – a building and lumber company – for 50 years. And I know that it's important to stick to a budget. But I also know that you don't get anywhere in the world of business by treating your customers unfairly.

So, I called the bank. After a whole bunch of arguing, they agreed to refund one \$35 charge, but insisted that I pay all of the other fees. I told them I didn't think that was fair. They told me it was legal.

I've been in business too long for that to be an acceptable answer. If that sort of practice – running up ridiculous charges for an overdraft “protection” program I didn't even sign up for – is legal, it shouldn't be. And it certainly isn't fair.

I'm glad my Senator, Chris Dodd, is doing something about it. And I'm grateful to the entire committee for the opportunity to discuss my story with you today. There are a lot of folks like me in your states who are in the exact same situation – they made a little mistake and got slammed for it by their bank.

I hope that we can stop abusive overdraft coverage practices so that nobody else, no matter what bank they use, has to go through what I went through.

Thank you for inviting me here today and thank you for fighting the good fight on behalf of us consumers.