



**A new consumer cop, the  
Consumer Financial  
Protection Bureau  
(CFPB) is at  
[consumerfinance.gov](http://consumerfinance.gov)**

For years, regulators ignored unfair bank credit card, mortgage and overdraft practices. Predatory lending by Wall Street banks is one reason the economy collapsed in 2008.

We're still fighting to make our way out of a recession. In 2010, Congress created the PIRG-backed Consumer Financial Protection Bureau. It's the first federal regulator with just one job—protecting consumers in the financial marketplace.

Get more info at [consumerfinance.gov](http://consumerfinance.gov)

## **Key findings of the 2011 report Big Banks, Bigger Fees**

Over the last few months, PIRG staff and students visited 392 bank and credit union branches around the country. We collected information on bank fees. We also conducted a “secret shopper” study to determine whether banks were complying with the Truth In Savings Act, which requires them to give consumers full fee schedules on request. Fewer than half the branches (38%) reasonably complied with the law. After two or three or more requests, just over half (55%) provided full fee schedules. Nearly one-quarter of branches (23%) refused to comply with the law at all. We've made recommendations to the CFPB to enforce the law and make it easier for consumers to shop around. But we also found that half the branches (50%) surveyed still offer free checking and another 29% offer it with direct deposit, so shop around. See the report at [www.pennpirg.org/edfund](http://www.pennpirg.org/edfund)

### **PennPIRG Education Fund:**

With public debate around important issues often dominated by special interests pursuing their own narrow agendas, PennPIRG Education Fund offers an independent voice that works on behalf of the public interest. PennPIRG Education Fund, a 501(c)(3) organization, works to protect consumers and promote good government. We investigate problems, craft solutions, educate the public, and offer Pennsylvanians meaningful opportunities for civic participation.

On the web at  
[www.pennpirg.org/edfund](http://www.pennpirg.org/edfund)



## **Beat High Bank Fees:**

**A Consumer Guide to  
Shopping Around.**

- **Find Free Checking**
  - **Avoid Overdraft Fees**
  - **Save Money at ATMs**
- Keep Your Own Money!**

A Companion to the 2011 report

## **Big Banks, Bigger Fees**

**PennPIRG**  
Education Fund

# PIRG's Tips to Beat High Bank Fees

more details at [www.pennpirg.org/edfund](http://www.pennpirg.org/edfund)

**SHOP FOR FINANCIAL SERVICES.** Look at your statements for the last year. Compare the costs of your accounts both to other accounts at your bank and to accounts at other banks in the area. Know what types of transactions you regularly make. Evaluate accounts with your own needs as a yardstick.

**BANK AT A CREDIT UNION, NOT AT A BANK:** Credit unions are member-owned alternatives to commercial banks. Fees and balances to avoid fees are lower; interest rates on loans are better. Many credit unions have branches, ATM networks and offer all the services of a bank. Most consumers would be surprised at how many ways they might qualify to join a credit union—ask. Credit union deposits are federally insured, just as bank deposits are.

**BANK AT A LOCAL BANK, NOT A BIG BANK:** Smaller banks often have lower prices, and better service, than faceless big banks. Bigger banks may have more of their own “free” ATMs, but smaller banks (and credit unions) often offer some free “off-us” ATM transactions and link to surcharge-free ATM networks.

**AVOID COSTLY DEBIT OVERDRAFTS:** New rules prohibit banks from charging you fees for over-drawing your account with your ATM/debit card at a merchant or an ATM unless you say yes (opt-in) to so-called “overdraft protection.” Don’t opt-in. If you already did, opt back out. Your card will be declined at point of sale with no overdraft fee. Carry an emergency \$10 in your wallet if this concerns you—it beats paying \$35 for a \$4 latte. Ask about lower-cost “transfers”

to cover negative balances. Note: Even if you’ve said no to “overdraft protection,” checks and automated bill payments can still “bounce.”

**GET DIRECT DEPOSIT TO GET FREE CHECKING:** Many banks still offer free checking, especially if you have a regular automatic payroll or other direct deposit. Note: Free checking means no fees can be imposed based on your monthly balance, but fees can still be imposed for ATM use, for receiving statements and/or check images in the mail and, of course, for overdrafts.

**MAKE NOISE:** Sometimes you can get a better deal at a bank just by asking for it.

**BANK ELECTRONICALLY:** Some banks offer free accounts or charge less if you have your statements “sent” to you electronically, if you don’t have your check images returned to you at all or agree not to use human teller services. If you are comfortable banking online you can save. Read disclosures carefully, check your online statements regularly and archive copies of your online statements, even if the bank says it does.

**CHECK OUT INTERNET BANKS:** Banks without branches may have lower fees if you are comfortable banking on the Internet and not ever dealing face-to-face with a person. Note: Check FDIC.gov to confirm you found an insured bank.

**LOOK FOR OTHER FREE CHECKING OPTIONS.** Get free checking with several account relationships or even if



you simply make 5 or more monthly transfers, including debits, in or out of the account. Move money from low-interest savings. Ask whether you can count all your balances toward your checking minimum. If not, savings account and interest-bearing checking interest rates are so low that putting the money in a regular no-interest checking account to avoid fees may save more in fees than you earned in interest. Many banks and credit unions offer free or lower cost checking for seniors or students.

**USE FREE TEXT MESSAGE WARNINGS:** Ask your bank or credit union if it offers free phone text messages or emails when your balance drops to a certain trigger amount. Then transfer money before you risk overdrafts.

How much do you pay each month in avoidable bank fees?	
1. ATM Surcharges to other banks	\$
2. "Off-us" ATM fees to your own bank (these appear on your statement, not the ATM!)	\$
3. Monthly "Below Minimum Balance" Fees	\$
4. Overdraft Fees	\$
5. Other _____	\$
<b>TOTAL</b>	<b>\$</b>