



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE

Media Contacts:
press@oag.state.md.us
410-576-7009

Attorney General Frosh Joins Multistate Coalition Calling on Consumer Banks to Eliminate Overdraft Fees *Coalition of Attorneys General Sends Letter to CEOs of JPMorgan Chase, Bank of America, U.S. Bank, & Wells Fargo to Eliminate Overdraft Fees*

BALTIMORE, MD (April 6, 2022) – Maryland Attorney General Brian E. Frosh today joined a multistate coalition of attorneys general to call on the CEOs of JPMorgan Chase, Bank of America, U.S. Bank, and Wells Fargo to eliminate all overdraft fees on consumer bank accounts. In a [letter](#) to the financial institutions, Attorney General Frosh urged each bank to eliminate overdraft fees by this summer to create a fairer and more inclusive consumer financial system.

“Overdraft charges are profit centers for these big banks. Often the fees exceed the amount of the overdraft itself, and overdraft fees disproportionately affect vulnerable families and communities of color by hammering them deeper into debt. Levying these excessive costs on consumers must cease” said Attorney General Frosh.

Overdraft fees have had harmful effects on millions of consumers nationwide. In some instances, consumers can be charged \$35 for a purchase of \$5 or less. Studies have shown that the vast majority of such fees fall on low-income consumers, who earn less than \$50,000 a year, and individuals of color. The consequences are devastating to consumers’ financial health and, in the worst-case scenarios, result in individuals not using banking services.

Despite this well-known fallout from overdraft practices, these fees remain big business for big banks, according to a recent [study](#) published by the Consumer Financial Protection Bureau (CFPB). JPMorgan Chase, Bank of America, U.S. Bank, and Wells Fargo are among the top five U.S. banks in total assets. According to the CFPB, three of these institutions alone brought in 44 percent of total overdraft and overdraft-like fees in 2019 among major banks. Elimination of overdraft fees by these four institutions alone would drastically improve the financial health of consumers across the country.

Earlier this year, Citi Bank announced that it would eliminate overdraft fees, which followed a similar announcement late last year by Capital One. Citi Bank is the largest U.S. bank to take this step.

Joining Attorney General Frosh in sending the letter are the attorneys general of California, Connecticut, the District of Columbia, Delaware, Illinois, Iowa, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina (all except Bank of America), Oregon, Pennsylvania, and Washington.

<https://www.marylandattorneygeneral.gov/press/2022/040622.pdf>