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LETITIA JAMES  
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212.416.8050

April 4, 2022

**By UPS**

Jamie Dimon  
JPMorgan Chase  
383 Madison Avenue  
New York, NY 10017

*A Call for Increased Financial Inclusion*

Dear Mr. Dimon:

On February 24, 2022, Citigroup Inc. (“Citi”) announced that it will eliminate overdraft fees, returned item fees and overdraft protection fees by this upcoming summer.<sup>1</sup> That announcement followed on the heels of a similar announcement late last year by Capital One that it is committed to eliminating all overdraft and non-sufficient fund fees for its consumer banking customers.<sup>2</sup> We, the undersigned attorneys general, applaud both firms for these actions, which are vital steps toward creating a fairer and more inclusive consumer financial system. Chase should follow the lead of its peers and take swift action to eliminate harmful junk fees.

The deleterious effects of overdraft fees and other overdraft-related practices on American consumers and families are well documented. A comprehensive study of overdraft-related fees charged in 2019, the last year before the Covid-19 pandemic, found that more than \$11 billion in fees were charged, with the overwhelming majority of those fees assessed to the most vulnerable consumers with the lowest average account balances.<sup>3</sup> A similar study noted that more than 90 percent of such fees are paid by a small subset of consumers, who generally

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<sup>1</sup> Citigroup Inc., *Citi Continues to Bolster its Focus on Financial Inclusion by Eliminating Overdraft Fees* (Feb. 24, 2022), available at <https://www.citigroup.com/citi/news/2022/220224a.htm>.

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paid three or more such fees per year while earning less than \$50,000.<sup>4</sup> Consumers of color are disproportionately affected by these fees, which frequently result in account closure and leave many affected consumers entirely unbanked.<sup>5</sup> Advocates also have decried the troubling use of deceptive tactics to induce consumers to incur overdraft fees rather than practices that make it easier to avoid or lessen the costs such outcomes.<sup>6</sup> Troublingly, the cost to the typical bank to cover unfunded transactions is typically far lower than the size of the fee that is charged.<sup>7</sup>

While Chase has taken steps to limit the imposition of overdraft fees, further action is needed to eliminate the crushing impacts of such fees on consumers and families. The Consumer Financial Protection Bureau recently concluded that harmful fee collections continued unabated throughout the pandemic, noting that overdraft “presents serious risks to consumers,”<sup>8</sup> and is launching an initiative to reduce exploitative “junk fees” and save billions for households.<sup>9</sup> No person should ever be charged a \$35 fee for a \$5 cup of coffee. Your peer firm, Citi, rightly concluded as much. We call upon Chase, which serves millions of consumers, to consider the enormous societal costs of overdraft, overdraft protection and similar fees, and to commit immediately to the elimination of such practices on the same timetable as Citi.

Respectfully,



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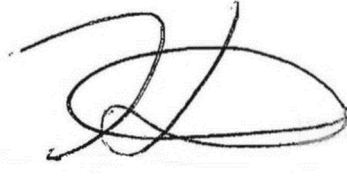
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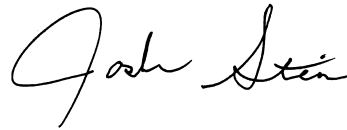
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April 4, 2022

**By UPS**

Andrew Cecere  
U.S. Bank  
U.S. Bancorp Center  
800 Nicollet Mall  
Minneapolis, MN 55402

*A Call for Increased Financial Inclusion*

Dear Mr. Cecere:

On February 24, 2022, Citigroup Inc. (“Citi”) announced that it will eliminate overdraft fees, returned item fees and overdraft protection fees by this upcoming summer.<sup>1</sup> That announcement followed on the heels of a similar announcement late last year by Capital One that it is committed to eliminating all overdraft and non-sufficient fund fees for its consumer banking customers.<sup>2</sup> We, the undersigned attorneys general, applaud both firms for these actions, which are vital steps toward creating a fairer and more inclusive consumer financial system. U.S. Bank should follow the lead of its peers and take swift action to eliminate harmful junk fees.

The deleterious effects of overdraft fees and other overdraft-related practices on American consumers and families are well documented. A comprehensive study of overdraft-related fees charged in 2019, the last year before the Covid-19 pandemic, found that more than \$11 billion in fees were charged, with the overwhelming majority of those fees assessed to the most vulnerable consumers with the lowest average account balances.<sup>3</sup> A similar study noted that more than 90 percent of such fees are paid by a small subset of consumers, who generally

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paid three or more such fees per year while earning less than \$50,000.<sup>4</sup> Consumers of color are disproportionately affected by these fees, which frequently result in account closure and leave many affected consumers entirely unbanked.<sup>5</sup> Advocates also have decried the troubling use of deceptive tactics to induce consumers to incur overdraft fees rather than practices that make it easier to avoid or lessen the costs such outcomes.<sup>6</sup> Troublingly, the cost to the typical bank to cover unfunded transactions is typically far lower than the size of the fee that is charged.<sup>7</sup>

While U.S. Bank has taken steps to limit the imposition of overdraft fees, further action is needed to eliminate the crushing impacts of such fees on consumers and families. The Consumer Financial Protection Bureau recently concluded that harmful fee collections continued unabated throughout the pandemic, noting that overdraft “presents serious risks to consumers,”<sup>8</sup> and is launching an initiative to reduce exploitative “junk fees” and save billions for households.<sup>9</sup> No person should ever be charged a \$35 fee for a \$5 cup of coffee. Your peer firm, Citi, rightly concluded as much. We call upon U.S. Bank, which serves millions of consumers, to consider the enormous societal costs of overdraft, overdraft protection and similar fees, and to commit immediately to the elimination of such practices on the same timetable as Citi.

Respectfully,



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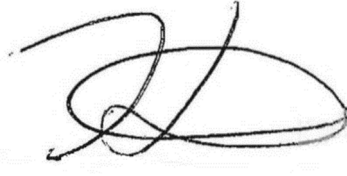
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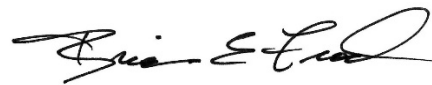
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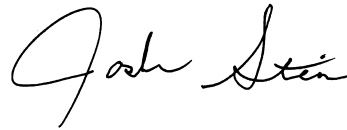
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April 4, 2022

**By UPS**

Charles W. Scharf  
Wells Fargo  
420 Montgomery Street  
San Francisco, CA 94104

*A Call for Increased Financial Inclusion*

Dear Mr. Scharf:

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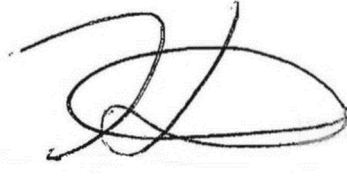
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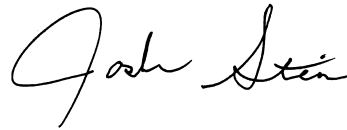
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