



NATIONAL
ASSOCIATION FOR
LATINO
COMMUNITY
ASSET
BUILDERS

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NALCAB Celebrates CFPB Protecting Millions of Americans by Outlawing Overdraft Fees

(Washington, DC) -- Last week, the Consumer Financial Protection Bureau (CFPB) finalized its overdraft rule, curbing fees from \$35 to \$5. This change will save consumers \$5 billion nationwide. NALCAB submitted comments in support of protecting consumers and their wallets in April of 2024. The CFPB's rule will prevent overdraft fees that burden families, push people out of the banking system and stifles economic growth. The rule will promote straightforward, affordable forms of coverage protection.

"The CFPB once again proves that is an ally and protector of the American consumer and NALCAB is proud to carry the message of so many which led to this rule change and the protection and the shield it provides Latino families," said Clarinda Landeros, Director of Public Policy, NALCAB. "This provides clear rules of the road to ensure consistency and clarity with overdraft products offered by the largest banks and financial institutions. We urge members of the new Congress and President-elect Trump to back the CFPB's decision and stand with struggling families."

The proposed rule applies to institutions with over \$10 billion in assets - approximately 175 of the largest banks - and prevents these lenders from inflicting inflated fees that further push people out of the banking system and exacerbate wealth disparities. These fees exacerbate financial hardships and perpetuate cycles of debt for individuals seeking to access and utilize banking services. Low- and moderate-income households are nearly twice as likely as higher-income households to overdraw an account. Latino households are far more likely than White households to report having overdrawn an account. This rule change relieves financial pressure for countless Americans.

About NALCAB

The National Association for Latino Community Asset Builders (NALCAB) is the hub of a national network of 200+ member organizations that are anchor institutions in geographically and ethnically diverse Latino communities in 50 states, Washington DC, and Puerto Rico. NALCAB supports its member institutions through funding, training, research, and advocacy, enabling them to invest in their communities by building affordable housing, ensuring



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equitable neighborhood development, supporting small business growth, and providing financial counseling on issues including credit building and homeownership. As a grant maker and US Treasury certified CDFI lender with offices in San Antonio and Washington DC, the NALCAB Network serves hundreds of thousands of low- to moderate-income people, advancing economic equity and inclusivity.