



I N D I A N A COMMUNITY ACTION POVERTY INSTITUTE

Research and Public Policy

FOR IMMEDIATE RELEASE

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Institute Celebrates CFPB Rule that Will Save Americans Estimated \$5 Billion Annually

Indianapolis, IN – Today, the Indiana Community Action Poverty Institute (“Institute”) reflects on the large impact that the Consumer Financial Protection Bureau’s (CFPB) latest rule on overdraft fees will have to close a large financial drain for Hoosiers. The final rule treats overdraft fees as loans and in accordance with lending laws requires them to be disclosed at the applicable interest rate if they are profit-generating, or to charge no more than \$5 or the cost of the overdraft loan to the institution. All banks with over \$10 billion in assets will be required to comply, and the CFPB has projected this rule will save American households an estimated [\\$5 billion each year](#), or \$225 per household, in overdraft fees.

“The Institute has long worked on issues of consumer advocacy and ensuring ethical banking practices, and is glad to see the Consumer Financial Protection Bureau taking this stance that will support household well-being by reducing these financial drains,” said Erin Macey, Director of the Indiana Community Action Poverty Institute. “As we look ahead to the coming legislative session, we hope that Indiana’s lawmakers will follow suit by reforming other costly and depleting financial practices that harm hardworking Hoosier households, including payday loans and Earned Wage Access.”

Zia Saylor, Researcher at the Indiana Community Action Poverty Institute added, “Consumer protections such as this are crucial alongside a fair tax policy to ensuring that our households and families in Indiana can thrive. Ending financial drains goes hand-in-hand with increasing investments. Our recent report on high electricity costs highlighted how many Hoosier families are struggling, and even as the Consumer Financial Protection Bureau has put an end to one significant financial drain, we see additional policies such as energy supports and a Child Tax Credit as necessary to investing in Indiana’s next generation.”

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About the Indiana Community Action Poverty Institute

The Indiana Community Action Poverty Institute engages in research and promotes public policies to help Hoosier families achieve and maintain financial well-being. We believe that when Hoosiers are financially stable, they can achieve their full potential and better contribute to their communities. The Institute is a program of the Indiana Community Action Association.