



Despite recession, banks charge record checking fees

By Kathy Chu, USA TODAY

Despite the recession, banks are charging consumers record fees for checking account services.

In August, [ATM](#) fees and monthly service charges on interest-bearing checking accounts climbed to new highs, while bounced-check fees hovered near a high after adjusting for inflation, according to a new survey that will be released today by Bankrate.com. While bank fees have been rising for years, Congress is paying more attention to them as consumers struggle to pay their bills.

The findings show that if you "slip up by overdrawing your account, not maintaining the required balance or going to another bank's ATM, you will pay an ever-higher price," says Greg McBride, a senior analyst at Bankrate.com, a bank-account comparison site.

HOW TO AVOID FEES: [Six tips from Bankrate.com](#)

ATM fees have risen for three-consecutive years. In 2009, consumers paid an average fee of \$3.54 to use another bank's ATM, up 16% from 2004. This includes the fee charged at the ATM, as well as the fee charged by the customer's bank.

This year, consumers are paying a record charge of \$12.55 per month for an interest-bearing checking account, up 3.5% from 2004, Bankrate's data show. The average bounced-check fee was \$29.58 this year, near the inflation-adjusted high of \$29.73 reached in 2005.

"As fees continue to move higher, it's more important than ever for consumers to shop around and get the best terms so they can keep more of their hard-earned money," McBride says.

In this economy, consumers are also paying more for their credit cards. A 2009 survey by Consumer Action, an advocacy group, said late fees climbed 9% from 2008, to an average \$28.19. Balance-transfer fees are also going up, along with interest rates for new and existing customers.

"This is a way that lenders can earn more money from card holders, and they're going to do this until it becomes more difficult," says Ruth Susswein, deputy director of national priorities for Consumer Action.

The [American Bankers Association](#), a trade group, says that the majority of consumers aren't paying bank fees.

A 2008 survey from the bankers' group shows that 52% of consumers paid nothing for checking account maintenance and ATM use. Meanwhile, a 2009 bankers' survey reveals that only 17% of consumers paid an overdraft fee in 12 months.

"It is very possible in this country to have a checking account and to never pay a dime for it," says Carol Kaplan, a spokeswoman for the American Bankers Association.

LINK: http://www.usatoday.com/money/industries/banking/2009-09-30-checking-account-fees-rise_N.htm