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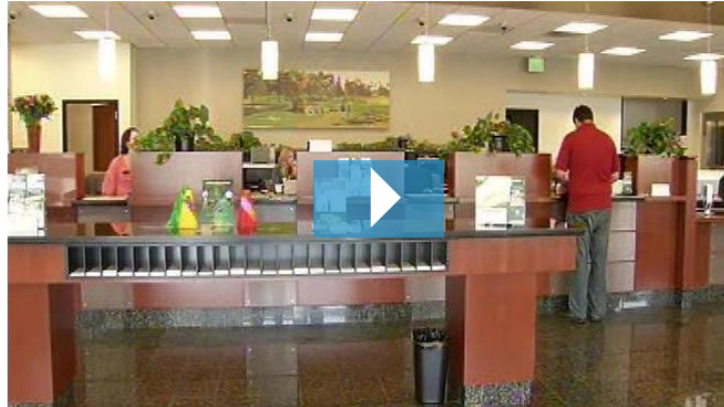


Is There an Alternative to Big Bank Fees?

The news that Bank of America wants to charge customers for using their debit cards has lit a firestorm of protest from consumers, but are there ways to bank, without paying big bank fees?

By Vikki Vargas and Julie Brayton | Saturday, Oct 1, 2011 | Updated 10:11 AM PDT

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Vikki Vargas, Kevin Dahlgren

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A nickel here, a dime there, and now it's five bucks a month -- but if you don't want to pay Bank of America's new monthly debit card fee, where do you go?

How about a smaller bank? Farmers & Merchants has 22 branches in Los Angeles and Orange counties. Keep \$500 in your account and checking is practically free.

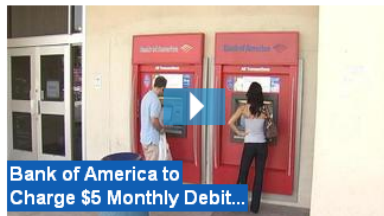
"There's no charge for your debit card," said CEO W. Henry Walker. "In fact, we have debit cards now for the youth, 12-18, and to the college students up to 26, and those checking accounts are entirely free."

Bank officials said they make their money off loans and gain customers by word of mouth. The trade off? You won't find their ATM machines on every corner.

"Most people go to their grocery store, swipe their card and get cash back, and that is always free," said Walker.

Credit unions often offer free checking and no-fee debit cards, but you have to be accepted as a member.

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Wells Fargo announced it is testing a \$3 a month charge for purchases on debit cards.

About 64 percent of Americans said they would move their money to another bank if fees continue to increase, according to Bankrate.com.

"I think it's crazy," said customer, Mark Mahoney. "I wouldn't pay it, let's put it that way."

Bankers said switching banks is a mindset. Customers weigh convenience and cost and

then make a choice.

"We get all these added fees, and with this economy, it really does make it difficult," said Norma Samuelson, a customer of Bank of America.

But would Samuelson move to another bank?

"No, I wouldn't."