

# MANAGING YOUR MONEY



## Rising Credit Card Interest Rates And Bank Fees Underscore Advantages Of Prepaid Debit Cards

by Dan Henry

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(NAPSA)—The U.S. economy may be down—as well as the rest of the world's financial markets—but banks are hiking their fees again and Americans struggling through these tough times are the ones taking the hit to their wallets.



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The decision by several large national banks to hike credit card interest rates on unpaid balances and raise overdraft fees is just one more example of the rapidly changing credit environment

in which consumers are living. These actions are making it more difficult than ever for Americans to manage their finances during one of the worst economic climates in recent history. However, there is a viable alternative being used by millions—prepaid debit cards.

Prepaid reloadable debit cards offer the best financial management option today. Consumers are looking for a system to help them pay bills, make purchases and save money, and prepaid debit cards help by giving users control of their spending.

Meanwhile, bank customers are continuing to be heavily affected by increased fees and

interest rate hikes. According to the Federal Deposit Insurance Corp., last year, United States banks and savings institutions collected \$39.5 billion in deposit-account charges. In addition, research firm Moeb's Services, Inc. found that the financial industry's median overdraft charge has increased 10 percent—to \$27.50—in the six months since banks began receiving money under the Troubled Asset Relief Program (TARP), a program started last year by the U.S. government to purchase assets and equity from financial institutions in order to strengthen the financial sector.

Prepaid debit cards are the viable alternative to the fees and interest rates that consumers are currently paying. These cards are able to offer many of the benefits of the larger banks—online access and bill pay, instant account alerts—and even some that banks can't, such as a savings account with a 5 percent annual percentage yield.

While banks are taking more money out of Americans' wallets, NetSpend prepaid debit cards are helping people put that money back, and even providing them with money management tools and features that enable them to better track spending and put money away for the future.