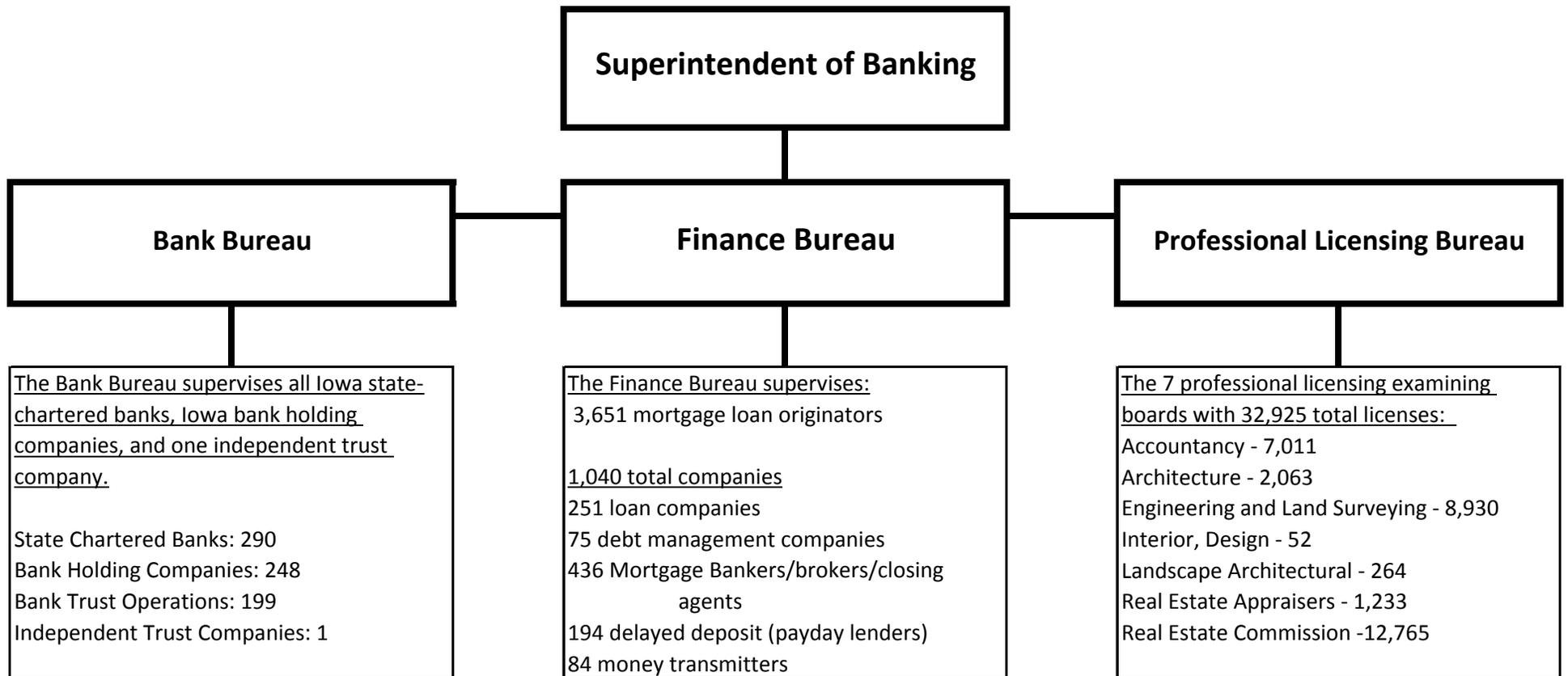


# Iowa Division of Banking

## **IDOB Mission**

Protect the interests of those doing business with Iowa chartered banks, licensed financial service providers, and licensed professionals through regulation that ensures safety, soundness, and adherence to laws and regulations.



# Administration and Regulation Appropriations Subcommittee

January 29, 2015

- IDOB revoked license of out of state online lender and obtained restitution for Iowa consumers. (slide #1)
- IDOB is about recognizing risk and evaluating risk management. (slide #2)
- Iowa bank's performance is very strong. (slide #3)
- Iowa banks are in a group that lead the nation in small business lending. (slide #4)
- Iowa communities are more successful when they have strong, well run banks.  
(CSBS white paper)

- Since 2011, 16 federal charters, with \$7B of assets, have converted to state charters creating a corresponding increase of number of exams annually. Total state bank assets increased by 20%. (slide #5)
- Reduced cost to banks per million dollars of assets by 14.03%. (slide #6)
- IDOB field staff has decreased by 10% while state banks and FDIC have increased their staffing by 12% and 29% correspondingly since 2010. (slide #7 & #8)
- Based on current staffing, we project the IDOB will be unable to meet its examination responsibilities outlined in its agreements with federal regulators. (slide #9 & #10)
- Six additional examiners are needed to adequately staff the examination operation.

## Slide #1

# CashCall Settlement

- Settled case with online lender that charged up to 169% interest (much higher APRs) on consumer loans
- Revoked CashCall's license
- Requires CashCall to pay \$1.5 million to be used for consumer restitution
- Other consumer relief includes removing loans from credit reports; rewriting interest rate on outstanding balances to 4%

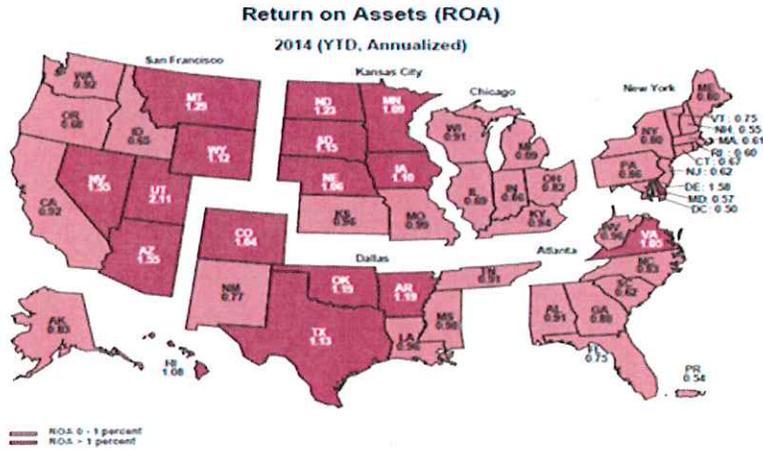
## Slide #2

# Risk Management



Slide #3

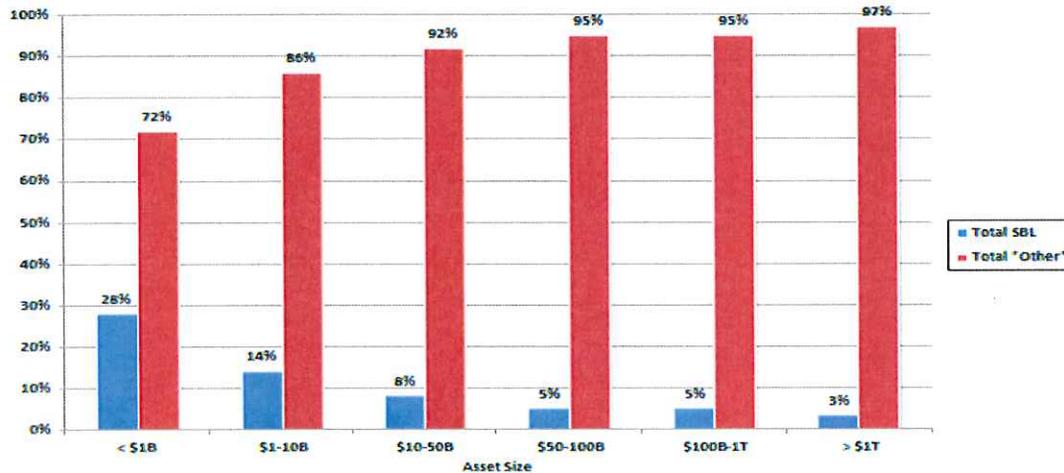
# Comparative ROAs by State



Source: FDIC

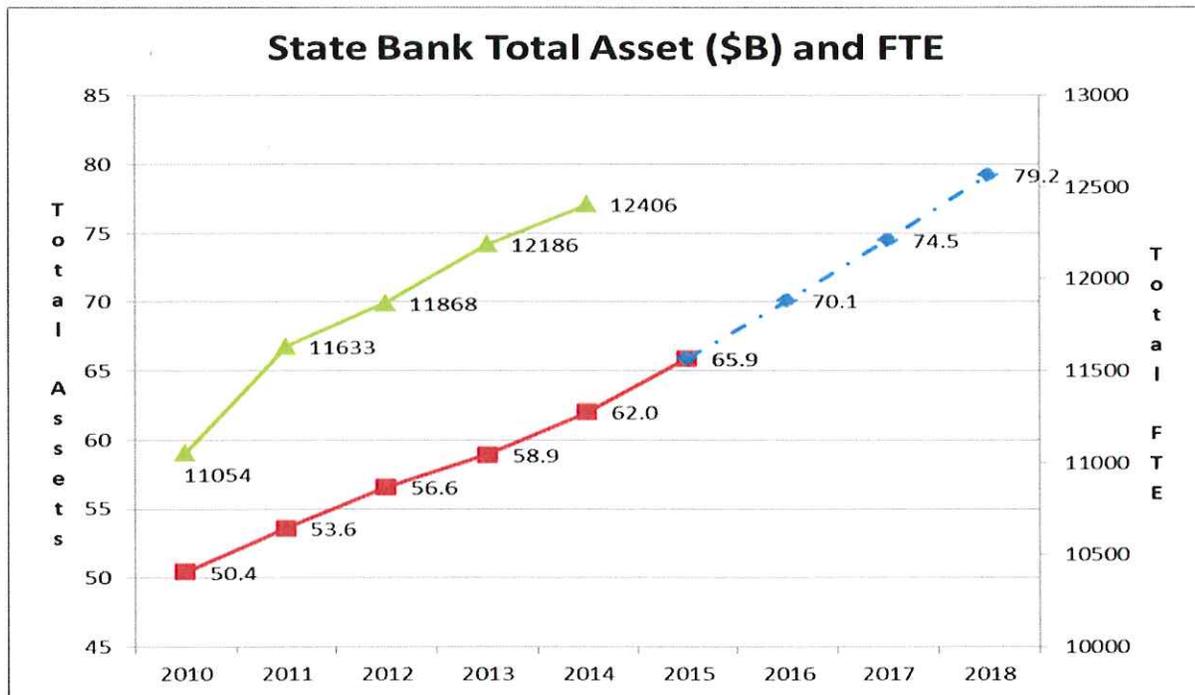
Slide #4

# Small Business Lending by Asset Group

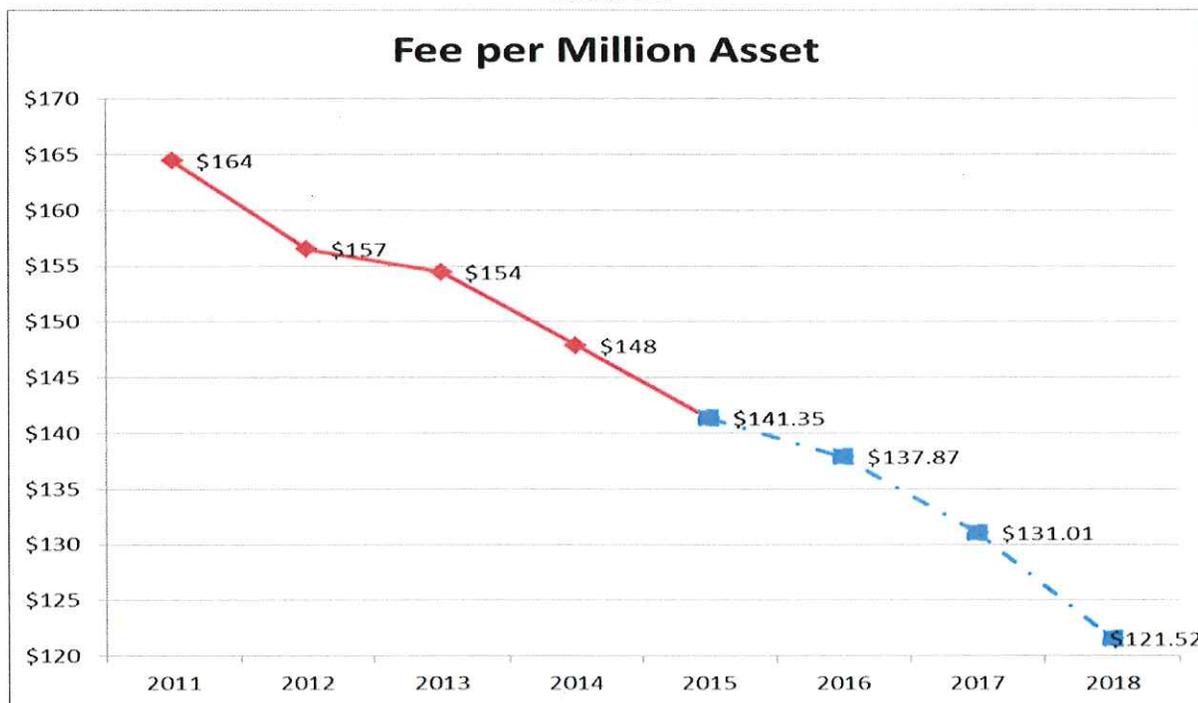


Source: FDIC

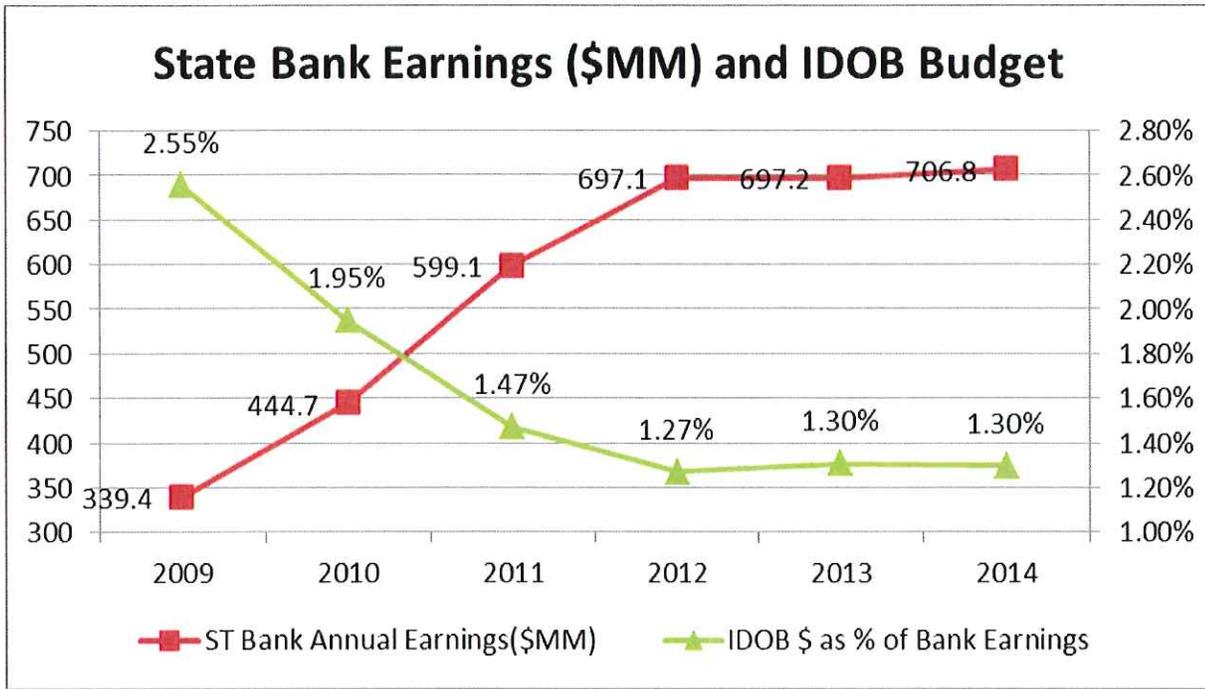
### Slide #5



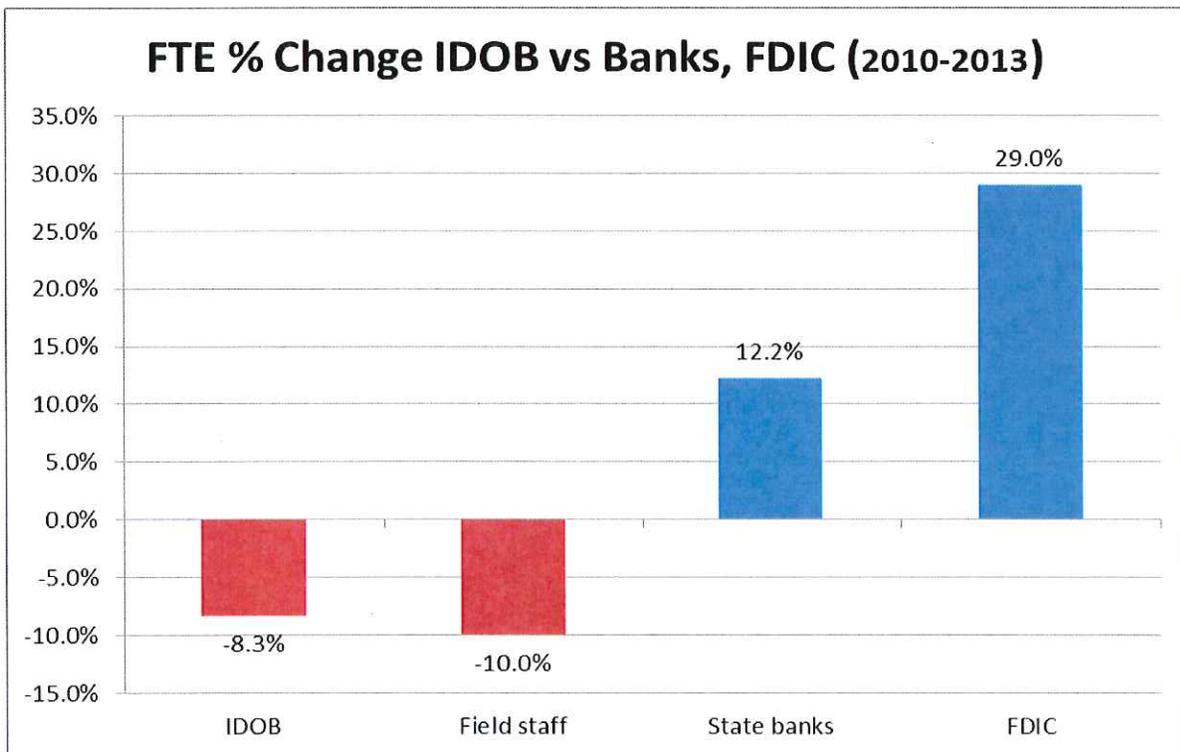
### Slide #6



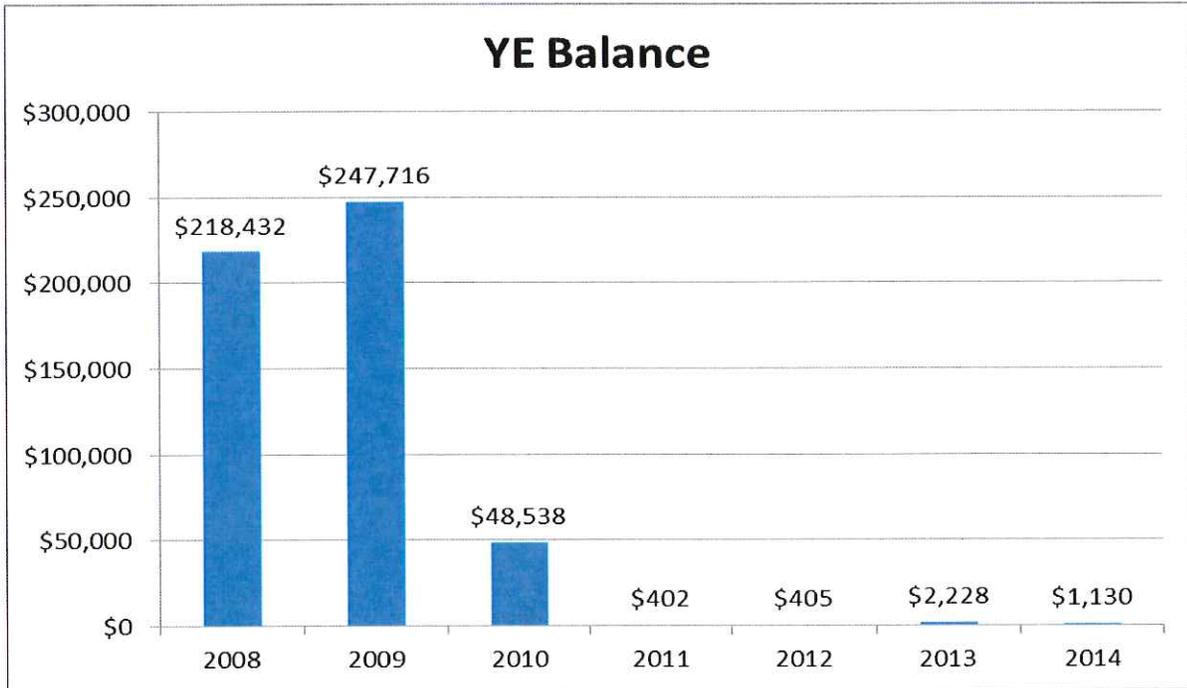
Slide #7



Slide #8



Slide #9



Slide #10

