

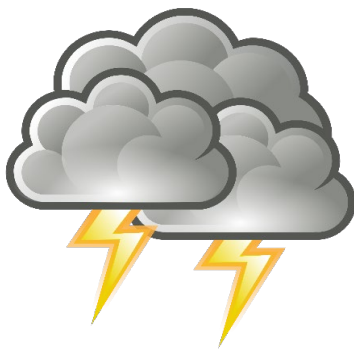
Monthly Bulletin

California Department of Business Oversight



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Winter Storm Response — Emergencies Declared in 26 California Counties

Governor Gavin Newsom issued [emergency proclamations](#) on Feb. 21 and Feb. 28 covering 26 California counties as a result of atmospheric river storm systems that swept across California causing flooding, damaging structures and infrastructure, and threatening homes.

The affected counties are Amador, Glenn, Lake, Mendocino, Sonoma, Calaveras, El Dorado, Humboldt, Los Angeles, Marin, Mendocino, Modoc, Mono, Monterey, Orange, Riverside, San Bernardino, San Diego, San Mateo, Santa Barbara, Santa Clara, Shasta, Tehama, Trinity, Ventura and Yolo.

Commissioner of Business Oversight Jan Lynn Owen, pursuant to authority under the [Bank Extraordinary Situation Closing Act](#), determined that an extraordinary situation exists in these 26 counties and issued a [proclamation](#) authorizing state-chartered banks to close any or all of their offices in affected areas until the Commissioner determines the extraordinary condition has ended.

Commissioner Owen also urges DBO licensees to grant appropriate latitude to affected customers to help everyone deal with economic hardships caused by these disasters. Although there are limitations on assistance institutions can provide, any support extended to victims of these disasters is appreciated.

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2018 Annual Reports for CFL, RSDL Licensees Due March 15

Annual reports for licensees engaged in business under the California Financing Law (CFL) and the Responsible Small Dollar Loan (RSDL) pilot program for calendar year 2018 must be submitted to the DBO no later than March 15, as required under [Financial Code section 22159\(a\)](#).

Annual Reports must be completed online through the [DBO self-service portal](#). Licensees with questions about the CFL report should call (213) 576-7690 or send an email to CFL.Inquiries@dbo.ca.gov.



2018 CDDTL Annual Reports and Industry Surveys Due March 15

All California Deferred Deposit Transaction Law (CDDTL) licensees must submit a 2018 Annual Report and Industry Survey to the DBO by March 15 as required by California Financial Code sections [23026](#) and [23015](#).

The Annual Report and Industry Survey must be completed online through the [DBO self-service portal](#). If you have questions, or need clarification on the instructions, please email RespondToCDDTL@dbo.ca.gov.



Student Loan Servicing Annual Reports Due March 15

Pursuant to [Financial Code section 28146\(a\)](#) of the Student Loan Servicing Act, each student loan servicer is required to file an annual report with the Commissioner of Business Oversight on or before March 15. The [Student Loan Servicing Annual Report Form](#) is on the DBO website.



State Financial Regulators Embrace Recommendations from Fintech Advisory Panel

On Feb. 15, the [Conference of State Bank Supervisors](#) (CSBS) released a series of steps it will take to implement feedback received from [33 companies](#) on the CSBS Fintech Industry Advisory Panel.

The panel was formed in 2017 to identify and address unnecessary problems in the multistate experience while improving financial supervision of fintechs and other nonbanks that operate regionally or nationwide. In the U. S., nonbanks – such as mortgage lenders, money services businesses and consumer finance companies – are licensed and supervised at the state level.

CSBS agreed to implement 14 recommendations from the panel, including the creation of uniform definitions and practices, increasing transparency, and expanding the use of common technology among all state regulators.

CSBS also will:

- Develop a 50-state model law to license money services businesses
- Create a standardized call report for consumer finance businesses
- Build an online database of state licensing and fintech guidance, while encouraging a common standard
- Develop a new technology offering a State Examination System to simplify examinations of nonbanks operating in more than one state
- Expand the use of the Nationwide Multistate Licensing System among all state regulators and to all nonbank industries supervised at the state level

See the full list of recommendations and regulator responses [here](#).

The panel is one of several initiatives within [CSBS Vision 2020](#), through which state regulators are working to modernize the financial regulation of nonbanks, in part by harmonizing multistate licensing and supervision.



CFPB Releases Compliance Guide for Payday Lending Rule

On Feb. 20, the [Consumer Financial Protection Bureau](#) (CFPB) released a [compliance guide](#) for small entities that summarizes payment-related provisions of the [Payday Lending Rule](#).

The Payday Lending Rule governs payday loans, vehicle title loans, and certain high-cost installment loans. The compliance guide focuses on the payment provisions of the Payday Lending Rule, found in Subpart C of the rule.

The guide also discusses general coverage provisions, lenders and servicers subject to its mandates, prohibited payment transfer attempts, and disclosure of payment transfer attempts, which are found in Subpart A of the rule.

Lastly, the guide focuses on the record retention and compliance program requirements, found in Subpart D of the rule.

The guide should be reviewed in conjunction with the rule as the guide does not include interpretations issued or released after February 2019.



CFPB Begins Rulemaking on Residential PACE Financing

On March 4, the [CFPB](#) issued an [Advance Notice of Proposed Rulemaking](#) (ANPR) to solicit information relating to residential Property Assessed Clean Energy (PACE) financing.

The [Economic Growth, Regulatory Relief, and Consumer Protection Act](#) (EGRRCPA), signed into law in May 2018, directed the bureau to prescribe certain regulations for PACE financing. Section 307 of EGRRCPA amends the Truth In Lending Act to mandate CFPB develop regulations on PACE financing.

The CFPB will consider the information it receives in response to the ANPR to develop a Notice of Proposed Rulemaking. The information solicited will enable the bureau to better understand the market and unique nature of PACE financing. The bureau expects to formulate proposed regulations that achieve statutory objectives while considering costs and benefits.

The public will have 60 days to comment after publication of the ANPR in the Federal Register.

Commercial Bank Activity

Merger

El Dorado Savings Bank, FSB, Placerville, to merge with and into Pacific Western Bank, Beverly Hills
Withdrawn: 2/15/19

Purchase of Partial Business Unit

Exchange Bank, Santa Rosa, to purchase approximately \$80 million of fiduciary assets from American Trust and Savings Bank, Dubuque, IA
Filed: 2/8/19

Premium Finance Company Activity

New Premium Finance Company

ATM Premium Finance Inc.
11323 Washington Boulevard, Los Angeles
Withdrawn: 2/13/19

Trust Company Activity

New Trust Company

Peninsula Bay Trust Company
Filed: 2/27/19

Voluntary Surrender of License

Capital Guardian Trust Company
333 South Hope Street, Los Angeles
Filed: 2/20/19

Credit Union Activity**Merger**

McClatchy Employees Credit Union, Sacramento, to merge with and into First U.S. Community Credit Union, Sacramento
Filed: 2/11/19

Foreign (Other State) Bank Activity**New Office**

CIBC Bank USA
Three Embarcadero Center, San Francisco (Facility – Insured Bank)
Filed: 2/1/19

Money Transmitter Activity**New Money Transmitter**

Currencies Direct Inc.
Filed: 2/22/19

Veem Payments Inc.
Opened: 2/19/19

JAN LYNN OWEN

Commissioner of Business Oversight

