

Testimony of

Todd Nagel
President, River Valley Bank

before the

U.S. House Financial Services Committee

hearing on

**Regulatory Reform:
Examining How New Regulations are Impacting Financial
Institutions, Small Businesses and Consumers**

October 31, 2011
Wausau, WI



Chairman Capito, Members of the Committee, my name is Todd Nagel, President of River Valley Bank, a \$957 million asset bank based in Wausau, Wisconsin.

Thank you for taking the time to bring the House Financial Services Committee to Wisconsin to examine how new regulations are impacting financial institutions, small businesses and consumers.

Wisconsin is home to 270 banks, which employ 30,000 people. Wisconsin's banks are performing better than their peers and have the 4th greatest loan-to-deposit ratio in the nation.

Wisconsin's banks help young people buy their first cars. We help newlyweds take the first step toward the American Dream of owning their own home. We help entrepreneurs turn ideas into small businesses. We live among our customers, employees and shareholders, always available during good times and bad, because we recognize the value that banks play in the community.

That important service to our neighbors is imperiled, however, by excessive government regulation from Washington.

The amount, intensity and uncertainty of new federal regulations, chiefly the Dodd-Frank Act, have forced banks to allocate an enormous amount of time and resources to compliance and away from our primary mission of serving our customers.

Wisconsin banks are not Wall Street investment firms, despite the fact that the media and others generically refer to all financial firms as "banks".

In Wisconsin, you can't call yourself a bank unless your deposits are insured by the Federal Deposit Insurance Corp. Traditional banks are insured depositories and lenders. Investment banks are the Wall Street traders. Some may argue that this is splitting hairs when we point out the difference. We disagree.

We must continue pointing out the differences between traditional banks and Wall Street investment firms because the distinction is lost on some in Washington. Federal laws meant to regulate Wall Street ought to not adversely impact Main Street, but that is precisely what is happening.

Uncertainty about what expensive new regulation will come out of a growing federal bureaucracy next hampers banks' ability to lend, which in turn, stifles job growth in our communities.

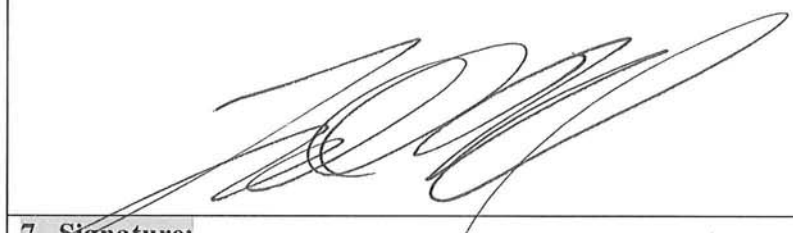
Wisconsin bankers appreciate Congressman Duffy's bills to bring transparency, oversight and accountability to the Consumer Financial Protection Bureau. I want to thank Congressman Duffy for his leadership in this regard.

Getting the federal regulatory burden under control will increase certainty in all industries and improve consumer confidence. I applaud Members of the committee for recognizing the need for regulatory reform as a necessary first step toward more job creation and a healthier economy.

United States House of Representatives
Committee on Financial Services

“TRUTH IN TESTIMONY” DISCLOSURE FORM

Clause 2(g) of rule XI of the Rules of the House of Representatives and the Rules of the Committee on Financial Services require the disclosure of the following information. A copy of this form should be attached to your written testimony.

1. Name: Todd Nagel	2. Organization or organizations you are representing: River Valley Bank
3. Business Address and telephone number: <div style="background-color: black; width: 100%; height: 40px;"></div>	
4. Have <u>you</u> received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	5. Have any of the <u>organizations you are representing</u> received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. If you answered .yes. to either item 4 or 5, please list the source and amount of each grant or contract, and indicate whether the recipient of such grant was you or the organization(s) you are representing. You may list additional grants or contracts on additional sheets. N/A 	
7. Signature:	

Please attach a copy of this form to your written testimony.