



# **DEPARTMENT OF INSURANCE, SECURITIES AND BANKING**

## **FY 2024 PERFORMANCE PLAN**

**DECEMBER 1, 2023**

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# **1 DEPARTMENT OF INSURANCE, SECURITIES AND BANKING**

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*Mission:* The mission of the Department of Insurance, Securities and Banking (DISB) is three-fold: (1) cultivate a regulatory environment that protects consumers and attracts and retains financial services firms to the District; (2) empower and educate residents on financial matters; and (3) provide financing for District small businesses.

*Services:* DISB regulates the following financial services entities: (1) insurance companies, insurance producers, health maintenance organizations, captive insurance companies, and risk retention groups; (2) investment advisors, investment advisor representatives, broker-dealers, broker-dealer agents, securities offerings, issuers, and agents of issuers; and (3) District and state-chartered banks, mortgage lenders and brokers, mortgage loan originators, check cashers, money transmitters, consumer sales finance companies, money lenders, appraisal management companies, student loan servicers, and consumer credit service organizations.

## 2 2024 OBJECTIVES

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### Strategic Objective

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Provide high quality and efficient consumer protection services to District residents and businesses.

Establish the District as a premier destination for financial services firms to increase the number of financial services industry jobs available for District residents, and to generate additional revenue for the District.

Provide high quality services to financially empower residents and create pathways to the middle class.

Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs.

Create and maintain a highly efficient, transparent, and responsive District government.

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### 3 2024 OPERATIONS

Operation Title	Operation Description	Type of Operation
<b>Provide high quality and efficient consumer protection services to District residents and businesses.</b>		
Market and Internet surveillance	Conduct market and Internet surveillance and investigations to curtail illegal cyber activity, including Internet-based investment scams and unregistered securities offerings.	Daily Service
Complaint Activity	Review complaint activity to identify trends that are adverse to the interests of consumers.	Daily Service
Exams	Conduct examinations of non-depository financial institutions, domestic insurance companies, and investment firms scheduled during the fiscal year.	Daily Service
Regulatory Initiatives	Review, assess and update banking, insurance, and securities regulations.	Key Project
<b>Establish the District as a premier destination for financial services firms to increase the number of financial services industry jobs available for District residents, and to generate additional revenue for the District.</b>		
Legislative and Regulatory Review	Review District insurance, securities, and banking laws/regulations/policies and prepare recommendations for amendment or revision, as necessary to modernize the District's financial services regulatory regime.	Daily Service
<b>Provide high quality services to financially empower residents and create pathways to the middle class.</b>		
Bank on DC	Reduce the number of unbanked and underbanked residents in the District.	Key Project
Resiliency	DISB will develop a multi-agency resiliency virtual forum and podcast, in partnership with HSEMA, DC Water and DOEE to inform residents on cross cutting issues related to flooding and natural disasters.	Daily Service
Financial Services Curriculum, Guides and Alerts and Financial Literacy	Deliver financial services curriculum that contains topics of interest and importance to all population segments in the District; provide District residents with information about financial products and services; and provide residents with information on financial services and engage in comprehensive efforts to provide financial literacy.	Key Project
Financial Education and Empowerment	DISB will develop and implement four financial education and outreach programs, specifically in Wards 7 and 8 that will increase awareness of DISB's services and inform District residents and business owners about relevant topics in a variety of issues areas, including insurance and financial education, and student loan debt management.	Daily Service
<b>Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs.</b>		
DC BizCap	Administer DISB's DC BizCap program to provide financial support to District-based small businesses and entrepreneurs.	Daily Service

*(continued)*

Operation Title	Operation Description	Type of Operation
<b>Create and maintain a highly efficient, transparent, and responsive District government.</b>		
Marketing and Promotion (Communications)	DISB will implement marketing strategies and revitalize our public engagement campaign to better align with the Department's mission and vision.	Daily Service

## 4 2024 STRATEGIC INITIATIVES

Title	Description	Proposed Completion Date
Insurance	The District implemented a new Low Income Housing Tax Credit program. The initial cohort of eligible properties are about to access their credits. The Insurance Bureau will revise the premium tax forms to incorporate a process to apply the credits, and coordinate efforts with the Office of Tax and Revenue to address credits transferred between insurers and non-insurers.	9/30/2024
Insurance	As part of the DC Flood Task Force, the Department developed an initiative to conduct outreach to District residents about water damage and the need for flood insurance. DISB will develop and implement its own outreach plan and metrics to measure its success.	9/30/2024
Securities	The Securities Bureau will further its efforts to scale the Investor Education and Protection Program by hiring a Coordinator who will develop securities-specific community outreach initiatives. Investor education outreach efforts will include the development of user-friendly websites, educational materials, and a variety of programs.	9/30/2024
Banking	The Banking Bureau will conduct outreach to seniors regarding the importance of estate planning as part of the enhanced Foreclosure Prevention Services contract to provide additional free legal assistance to seniors for estate planning, reverse mortgage assistance, and expanded legal assistance. DISB will conduct a workshop series specifically addressing reverse mortgages, estate planning, and aging in place.	9/30/2024
Banking	The Department will complete modernization of the District of Columbia's Banking Code and Regulations. The Department is charged with overseeing and regulating depository, non-depository, and money services businesses (MSB's) entities and creating an environment that cultivates continued growth in this sector. Modernization will revise the District's banking laws and rulemakings, making the District a more attractive jurisdiction for the chartering of banks, international representative offices, and other financial companies (ex: Fintech) while providing appropriate levels of consumer protection.	9/30/2024

Insurance	The Risk Finance Bureau will review the District's captive insurance code and regulations and modernize them to ensure that the Department's captive insurance program is able to accommodate the needs of the captive insurance industry. The code modernization project will focus on licensing, business plan changes, capital requirements, financial analysis, and corporate structures. Having modern law and regulations will ensure that the Risk Finance Bureau is able to meet the needs of companies and organizations that form captive insurers in the District.	9/30/2024
Office of Innovation	DISB will retain a consulting firm to assist the Office of Innovation (OOI) in designing and launching a comprehensive marketing initiative that includes the development of strategies and stakeholder engagement campaigns that are aligned with the OOI Plan of Operation. OOI will ensure that its marketing strategies and campaigns further the Department's goal of establishing the District as an emerging financial hub for financial technology firms, while ensuring that OOI's activities are aligned with the Department's overall regulatory initiatives and programs.	9/30/2024
Banking	The Office of Financial Empowerment and Education (OFEE) will expand the Financially Fit DC Program with a workshop series for residents including: The Fundamentals of Credit, Credit Scoring Models, and Credit Repair. The series will be tailored to the needs of a diverse community through user-friendly website resources, educational materials, and outreach.	9/30/2024
Banking	The Bank on DC Program will establish The Fundamentals of Banking initiative to meet the needs of underbanked populations. The initiative will emphasize check systems and their impact on establishing and maintaining traditional banking services.	9/30/2024
Enforcement and Consumer Protection	The Enforcement and Consumer Protection Division (ECPD) will undertake regular proactive monitoring and quarterly onsite inspections of the District's cryptocurrency ATMs, also known as BTMs, to detect scams and violations of the District's regulatory and criminal laws, particularly money transmission licensing requirements. ECPD will collaborate with federal, state and local regulatory and criminal law enforcement authorities in the investigation and prosecution of BTM fraud, as well as other crimes perpetrated using the District's BTMs.	9/30/2024
Compliance and Analysis	The Compliance and Analysis Division (CAD) will design and implement a standardized reporting template that can be used to capture information related to licensing, consumer complaints, investigations, financial empowerment, and administration. CAD will collaborate with IT to explore technology solutions and maximize MS Office tools.	9/30/2024



Banking

The DC REACH initiative, developed in partnership with DISB and the Office of the Comptroller of Currency, will produce a final report on recommendations to close the wealth gap for District residents. The recommendations will provide education and resources surrounding affordable home ownership, credit counseling and repair, and small businesses growth and access to capital for small and disadvantaged businesses.

12/31/2023

Banking

The Banking Bureau will develop a comprehensive road map and guidance surrounding the Student Loan Ombudsman (SLO) curriculum. The curriculum will address the needs of high school students through college matriculation, graduation, and student loan repayment. The SLO webpage navigation will also be updated.

9/30/2024

## 5 2024 KEY PERFORMANCE INDICATORS AND WORKLOAD MEASURES

### Key Performance Indicators

Measure	Directionality	FY 2021	FY 2022	FY 2023	FY 2024 Target
<b>Provide high quality and efficient consumer protection services to District residents and businesses.</b>					
Percent of insurance, securities and banking complaints closed within 45 days of receipt	Up is Better	104.4%	103.2%	99.6%	95%
Number of cyber fraud enforcement investigations initiated	Up is Better	New in 2022	44	84	40
<b>Establish the District as a premier destination for financial services firms to increase the number of financial services industry jobs available for District residents, and to generate additional revenue for the District.</b>					
Number of District laws, regulations and policies reviewed for possible modernization	Up is Better	7	12	17	3
<b>Provide high quality services to financially empower residents and create pathways to the middle class.</b>					
Percent increase in number of Financially Fit DC events	Up is Better	-13.1%	6.6%	62.7%	0%
Number of outreach events to provide consumer financial education on student loans	Up is Better	New in 2024	New in 2024	New in 2024	30
Number of outreach events to provide consumer financial education on mortgage foreclosure and prevention	Up is Better	New in 2024	New in 2024	New in 2024	50
Number of outreach events to provide financial education on consumer protection strategies	Up is Better	New in 2024	New in 2024	New in 2024	16
<b>Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs.</b>					
Percent of State Small Business Credit Initiative applications processed within 30 days of receipt	Up is Better	100%	100%	100%	100%
Number of outreach events for small businesses, financial institutions, or business organizations	Up is Better	20	52	46	30

Workload Measures

Measure	FY 2021	FY 2022	FY 2023
<b>Complaint Activity</b>			
Number of residents who receive in-person fraud abuse prevention, financial literacy training and/or consumer protection information	13,386	11,284	19,710
Number of complaints received within the quarter	Not Available	Not Available	793
Number of complaints resolved within the quarter	Not Available	Not Available	709
<b>Exams</b>			
Number of examinations of non-depository financial institutions, domestic insurance companies, and investment firms completed during the fiscal year	175	160	172
<b>Market and Internet surveillance</b>			
Number of fraud alerts issued	21	24	21
<b>Legislative and Regulatory Review</b>			
Number of laws, regulations and policies reviewed	7	12	17
<b>Bank on DC</b>			
Number Financially Fit DC events held	166	161	288
Number of new bank accounts opened	125	375	1,616
<b>DC BizCap</b>			
Number of outreach events for small businesses, financial institutions, or business organizations, including small business assistance clinics	66	52	46