

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Executive Office of Mayor Muriel Bowser



Office of the City Administrator

January 15, 2021

Fiscal Year (FY) 2020 was an unprecedented year for all DC residents, businesses and the District Government. In March 2020—the second quarter of the fiscal year—Mayor Bowser declared a public health emergency and District government quickly pivoted to respond to the COVID-19 global health pandemic. To align with recommended social distancing and public safety guidelines, in just one day, over 60 percent of District government employees transitioned to a telework posture. In addition, many District agencies limited or temporarily ceased most in-person activities and services.

The global health emergency required the District to significantly reallocate financial and personnel resources to respond to the pandemic. With the change in operations and a substantial decrease in revenues, the District's response required all agencies to determine how to best provide services to District residents, visitors and employees, while maintaining the necessary protocols to help slow the spread of COVID-19.

As such, the global health pandemic greatly impacted some agencies' abilities to meet their FY20 key performance indicators (KPIs) and strategic initiatives established prior to its onset as agencies shifted resources to respond to COVID-19. Therefore, outcomes for KPIs and strategic initiatives reflect a shift in District priorities and efforts during this crisis. While we continue to believe strongly in performance tracking to improve District services, the data for FY20 is not fully indicative of agencies' performance and should be reviewed factoring in the unprecedented challenges encountered in FY 2020.

Sincerely,

A handwritten signature in black ink that reads 'Kevin Donahue'.

Kevin Donahue
Interim City Administrator



Department of Insurance, Securities and Banking FY2020

Agency Department of Insurance, Securities and Banking

Agency Code SRO

Fiscal Year 2020

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) support the development and expansion of small businesses by providing financing and other services.

Summary of 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.

2020 Accomplishments

Accomplishment	Impact on Agency	Impact on Residents
Completed Financial Services Regulatory Sandbox Report and drafted legislation to establish a financial services regulatory sandbox in the District.	The accomplishment provides the Department with the opportunity to attract innovative financial technology companies to the District.	The regulatory sandbox will allow District residents to receive new and innovative financial services and products.
DISB Foreclosure Prevention Program was able to save residents from foreclosure and the total value of homes saved from foreclosure totaled \$5,180,820.00. Additionally 95% of all clients that completed counseling through Housing Counseling Services received positive outcomes. The total property value of positive outcomes was \$87,343,317.00.	The accomplishment help to verify that DISB works to protect homeowners in the District from foreclosure.	The accomplishment helped DC residents save their homes from foreclosure.
Recovered over \$1M for consumers	The accomplishment shows that DISB's work is effective in protecting consumers and holding companies accountable when consumers are not treated fairly.	The accomplishment shows the power of filing a complaint with DISB. The agency ensures companies follow the rules and consumers are treated fairly by getting the coverage they paid for.

2020 Key Performance Indicators

Measure	Frequency	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Quarter 1	FY 2020 Quarter 2	FY 2020 Quarter 3	FY 2020 Quarter 4	FY 2020 Actual	KPI Status	Explanation for Unmet FY 2020 Target
1 - Provide high quality and efficient consumer protection services to District residents and businesses. (2 Measures)												
Percent increase in number of cyber fraud enforcement investigations initiated	Quarterly	50%	18%	47.8%	5%	11%	4%	15%	2%	8%	Met	
Percent of insurance, securities and banking complaints closed within 45 days of receipt	Quarterly	96.1%	98.7%	97%	95%	95.3%	98.6%	93.3%	100%	97.2%	Met	
2 - 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. (1 Measure)												
Number of District laws, regulations and policies reviewed for possible modernization	Quarterly	New in 2020	New in 2020	New in 2020	4	No applicable incidents	2	2	2	6	New in 2020	
3 - Provide high quality services to financially empower residents and create pathways to the middle class. (1 Measure)												
Percent increase in number of Financially Fit DC events	Annually	New in 2020	New in 2020	New in 2020	New in 2020	Annual Measure	Annual Measure	Annual Measure	Annual Measure	16.5%	New in 2020	
4 - Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs. (2 Measures)												
Percent of State Small Business Credit Initiative applications processed within 30 days of receipt	Quarterly	100%	100%	100%	95%	100%	No applicable incidents	No applicable incidents	No applicable incidents	100%	Met	
Number of outreach events for small businesses, financial institutions, or business organizations	Quarterly	Not Available	31	21	18	6	1	9	12	28	Met	

2020 Workload Measures

Measure	FY 2018 Actual	FY 2019 Actual	FY 2020 Quarter 1	FY 2020 Quarter 2	FY 2020 Quarter 3	FY 2020 Quarter 4	FY 2020
1 - Exams (1 Measure)							
Number of examinations of non-depository financial institutions, domestic insurance companies, and investment firms completed during the fiscal year	New in 2020	New in 2020	23	38	61	47	169
1 - Complaint Activity (1 Measure)							
Number of residents who receive in-person fraud abuse prevention, financial literacy training and/or consumer protection information	13,877	10,010	3590	1007	1614	1391	7602
1 - Market and Internet surveillance (2 Measures)							
Number of fraud alerts issued	20	17	2	4	15	2	23

Measure	FY 2018 Actual	FY 2019 Actual	FY 2020 Quarter 1	FY 2020 Quarter 2	FY 2020 Quarter 3	FY 2020 Quarter 4	FY 2020
Number of cyber fraud enforcement cases initiated	New in 2020	New in 2020	2	31	45	35	113
2 - Legislative and Regulatory Review (1 Measure)							
Number of laws, regulations and policies reviewed	New in 2020	New in 2020	0	2	2	2	6
3 - Financially Fit DC program (2 Measures)							
Number Financially Fit DC events held	230	164	62	21	24	84	191
Number of new bank accounts opened	New in 2020	New in 2020	90	90	30	77	287
4 - DC BizCap (1 Measure)							
Number of outreach events for small businesses, financial institutions, or business organizations, including small business assistance clinics	New in 2020	New in 2020	6	1	9	3	19

2020 Operations

Operations Header	Operations Title	Operations Description	Type of Operations
1 - Provide high quality and efficient consumer protection services to District residents and businesses. (3 Activities)			
CONSUMER SERVICES	Complaint Activity	Review complaint activity to identify trends that are adverse to the interests of consumers	Daily Service
FINANCIAL EXAMS	Exams	Conduct examinations of non-depository financial institutions, domestic insurance companies, and investment firms scheduled during the fiscal year	Daily Service
CONSUMER SERVICES	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
2 - 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. (1 Activity)			
AGENCY MANAGEMENT	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
3 - Provide high quality services to financially empower residents and create pathways to the middle class. (2 Activities)			
PUBLIC AFFAIRS	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
BANKING	Financially Fit DC program	Reduce the number of unbanked and underbanked residents in the District	Key Project
4 - Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs. (1 Activity)			
DC MARKET OPERATIONS BANKING	DC BizCap	Administer DISB's DC BizCap program to provide financial support to District-based small businesses and entrepreneurs	Daily Service

2020 Strategic Initiatives

Strategic Initiative Title	Strategic Initiative Description	Completion to Date	Status Update	Explanation for Incomplete Initiative
Complaint Activity (2 Strategic initiatives)				
Consumer Complaint Resolution Program	Draft legislation to establish a new Consumer Complaint Resolution Program to better assist and empower consumers who have complaints with licensees.	Complete	Completed the feasibility report during the 4th quarter which includes recommendations and steps for implementing a consumer complaint appeal process.	
Increase public engagement	Improve the distribution and availability of information by publishing a series of infomercials to help address District residents' financial concerns and improve public engagement.	Complete	In Q4, DISB made available its public hearing on the proposed 2021 health insurance rates and a video on Managing Your Money during an Emergency. DISB co-hosted the Dinero con Sentido series as Facebook Live events with the Mayor's Office on Latino Affairs and participated in HSEMA's September is National Preparedness event that District residents can view online. In addition, DISB participated in an interview on Sou-Sou investments with The Washington Informer that is available on video.	
DC BizCap (1 Strategic Initiative)				
DC BizCap	Launch and conduct a new DC BizCap campaign to increase the reach and use of the program, including a Bankers' Summit.	Complete	We completed 7 events for the year.	
Financial Services Curriculum, Guides and Alerts and Financial Literacy (3 Strategic initiatives)				
Financial Services Owners Manuel	Issue the Financial Services Owner's Manual in FY2020 to provide important information to help residents better use financial services to create, build and protect their wealth.	Complete	In Q4, promoted Women's Equality Day (8/26), Hispanic Heritage Month (started 9/15), Life Insurance Awareness Month (9/2020), National Preparedness Month (9/2020) and Hurricane Season prep.	

Strategic Initiative Title	Strategic Initiative Description	Completion to Date	Status Update	Explanation for Incomplete Initiative
District of Columbia Financial Empowerment Center	Open a Financial Empowerment Center (FEC) to provide financial empowerment services to Ward 7 and 8 residents to increase the delivery of financial education and financial services available in Wards 7 and 8. (EOTRS Initiative)	50-74%	Director of Office of Financial Empowerment and Education hired. Meetings conducted with DGS re: physical location of FEC.	Initiative was not complete because funding was frozen because of COVID-19.
Financial Services Academy	Revise strategy for the Financial Services Academy to expand opportunities for District university students to be trained for jobs in the financial services industry.	0-24%	Effort was deleted due to COVID-19.	Effort was deleted due to COVID-19
Legislative and Regulatory Review (2 Strategic initiatives)				
Resilient DC	Review current insurance laws and develop legislative or regulatory amendments, as needed, to support the awareness and availability of relevant insurance products (with emphasis on flood insurance) and other risk mitigation services for District residents. (Resilient DC Initiative)	0-24%	The DC Flood Risk Campaign Working Group has not met this Qtr so no action items have been implemented and no virtual events have been scheduled.	
Financial Services Regulatory Sandbox and Innovation Council	Support the Financial Services Regulatory Sandbox and Innovation Council	Complete	The Council completed its work.	
Market and Internet surveillance (1 Strategic Initiative)				
Senior Financial Exploitation Survey	Conduct a survey of District seniors who have been the victim of financial exploitation to better target investigation and enforcement services.	Complete	The Examinations Division reported on its review of Regulation Best Interest.I.	