

# Department of Insurance, Securities and Banking FY2019

**Agency** Department of Insurance, Securities and Banking

**Agency Code** SRO

**Fiscal Year** 2019

**Mission** The mission of the Department of Insurance, Securities and Banking is twofold: 1) protect consumers by providing equitable, thorough, efficient, and prompt regulatory supervision of the financial services companies, firms, and individuals operating in the District of Columbia, and 2) develop and improve market conditions to attract and retain financial services firms to the District of Columbia.

**Summary of Services** DISB regulates several 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 and 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, and consumer-credit-service organizations.

## 2019 Accomplishments

Accomplishment	Impact on Agency	Impact on Residents
Consumer Complaints As of September 20, 2019, the DISB addressed 664 consumer complaints involving insurance, securities and banking matters.	Our handling of consumer complaints resulted in the return of \$1,353,701.36 directly to consumers.	DISB staff closed over 99% of the complaints within 45 days, exceeding its key performance indicator goal of 95%. DISB also received and aided in over 600 consumer inquiries.
Registration of Appraisal Management Companies (AMCs) In a significantly compressed time-frame, DISB developed a regulatory framework for the registration of appraisal management companies (AMCs) in the District in order to maintain compliance with a federal rule.	To date, DISB has licensed 90 AMCs operating in the District.	These companies play a critical role in the mortgage lending process in the District.
Opportunity Accounts The District of Columbia Opportunity Accounts Program is an innovative matched savings program designed to assist low- to moderate-income District residents with saving money for buying a home, launching or expanding a small business, paying for post-secondary education or other key long-term asset building initiatives.	The success of the relaunched program has demonstrated that there is significant interest among residents which provides a rationale for the maintenance and potential expansion of the Opportunity Accounts program.	DISB relaunched the program in FY 2019 with \$450,000. An additional \$450,000 was raised from the private sector. To date, 97 accounts have been opened through the program.

## 2019 Key Performance Indicators

Measure	Frequency	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Q1	FY 2019 Q2	FY 2019 Q3	FY 2019 Q4	FY 2019 Actual	KPI Status	Explanation
<b>1 - Provide high quality and efficient consumer protection services to District residents and businesses. (3 Measures)</b>											
Percent of insurance, securities and banking complaints scheduled to be closed within 45 days of receipt	Quarterly	96.1%	98.7%	95%	97%	97.1%	96.6%	97.5%	97%	Met	
Percent increase in the number of fraud alerts from the previous fiscal year developed and available on the Department's website and other media	Quarterly	50%	18%	5%	0%	No applicable incidents	66.7%	100%	47.8%	Met	
Percent of scheduled captive financial analyses conducted during the fiscal year	Quarterly	100%	100%	100%	13.2	24.5	71.7	100	100%	Met	
<b>2 - Provide high quality and cost effective regulation of financial services providers to ensure compliance with District laws. (3 Measures)</b>											
Percent of scheduled non-depository financial institutions examined during the fiscal year	Quarterly	119.6%	100%	100%	36	63.2	112.8	139.2	139.2%	Met	

Measure	Frequency	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Q1	FY 2019 Q2	FY 2019 Q3	FY 2019 Q4	FY 2019 Actual	KPI Status	Explanation
Percent of scheduled domestic insurance companies examined during the fiscal year	Quarterly	100%	100%	100%	50	75	75	125	125%	Met	
Percent of scheduled District-based investment firms examined during the fiscal year	Quarterly	100%	100%	100%	22.2	55.6	72.2	100	100%	Met	
<b>3 - Establish the District as a premier destination for financial services firms by coordinating with other agencies to increase the number of financial services industry jobs available for District residents, and to generate additional revenue for the District. (1 Measure)</b>											
Initiate and increase cyber fraud enforcement efforts	Quarterly	Not Available	18	15	3	5	4	61	73	Met	
<b>4 - Provide high quality services to financially empower residents and create pathways to the middle class. (1 Measure)</b>											
The number of new bank accounts opened through the Financially Fit DC program	Annually	785	827	750	Annual Measure	Annual Measure	Annual Measure	Annual Measure	Waiting on Data		
<b>5 - Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs. (2 Measures)</b>											
Percent of State Small Business Credit Initiative applications processed within 30 days of receipt	Quarterly	100%	100%	95%	100%	No applicable incidents	100%	100%	100%	Met	
Number of outreach events for small businesses, financial institutions, or business organizations	Quarterly	Not Available	31	18	6	5	8	2	21	Met	
<b>6 - Create and maintain a highly efficient, transparent and responsive District government. (8 Measures)</b>											
HR MANAGEMENT - Percent of eligible employees completing and finalizing a performance plan in PeopleSoft (Updated by OCA)	Annually	New in 2019	New in 2019	Not Available	Annual Measure	Annual Measure	Annual Measure	Annual Measure	100%	No Target Set	
FINANCIAL MANAGEMENT - Quick Payment Act Compliance - Percent of QPA eligible invoices paid within 30 days (Updated by OCA)	Annually	New in 2019	New in 2019	Not Available	Annual Measure	Annual Measure	Annual Measure	Annual Measure	100%	No Target Set	

Measure	Frequency	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Q1	FY 2019 Q2	FY 2019 Q3	FY 2019 Q4	FY 2019 Actual	KPI Status	Explanation
FINANCIAL MANAGEMENT - Percent of local budget de-obligated to the general fund at the end of year (Updated by OCA)	Annually	New in 2019	New in 2019	Not Available	Annual Measure	Annual Measure	Annual Measure	Annual Measure	Waiting on Data	No Target Set	
CONTRACTS AND PROCUREMENT - Percent of Small Business Enterprise (SBE) annual goal spent (Updated by OCA)	Annually	New in 2019	New in 2019	100%	Annual Measure	Annual Measure	Annual Measure	Annual Measure	Waiting on Data		
IT POLICY AND FOIA COMPLIANCE - Percent of "open" data sets identified by the annual Enterprise Dataset Inventory published on the Open Data Portal - (Updated by OCA)	Annually	New in 2019	New in 2019	Not Available	Annual Measure	Annual Measure	Annual Measure	Annual Measure	100%	No Target Set	
IT POLICY AND FOIA COMPLIANCE - Percent of FOIA Requests Processed in more than 25 business days - statute requirements allow 15 business days and a 10 day extension - (Updated by OCA)	Annually	New in 2019	New in 2019	Not Available	Annual Measure	Annual Measure	Annual Measure	Annual Measure	Waiting on Data	No Target Set	
HR MANAGEMENT - Average number of days to fill vacancy from post to offer acceptance (Updated by OCA)	Annually	New in 2019	New in 2019	New in 2019	Annual Measure	Annual Measure	Annual Measure	Annual Measure	Waiting on Data	No Target Set	
Human Resource Management - Percent of eligible employee performance evaluations completed and finalized in PeopleSoft	Annually	New in 2019	New in 2019	Needs Update	Annual Measure	Annual Measure	Annual Measure	Annual Measure	Waiting on Data	No Target Set	

\*Mayoral agencies include agencies under the Health and Human Services, Education, Public Safety and Justice, Operations and Infrastructure, Economic Development, and Internal Services clusters. It excludes all independent agencies and select EOM agencies.

\*The HR management, Financial Management, IT Policy and FOIA Compliance, and Contracts and Procurement measures were collected for all mayoral agencies in FY 2019. OCA calculates these measures based on summary-level data from various agencies, and cannot verify the accuracy of any calculations.

\*The 2019 DC Enterprise Data Inventory (EDI) contains datasets published on DC's Open Data Portal, which is current as of March 9, 2019, and any datasets published to the portal after the above date were not included in the measure's calculation.

\*Due to data lags, FY 2019 data for the following core business measures will be published in March 2020: Contracts and Procurement - Percent of Small Business Enterprise (SBE) annual goal spent; Financial Management - Percent of local budget de-obligated to the general fund at the end of year; Human Resource Management - Average number of days to fill vacancy from post to offer acceptance; Human Resource Management - Percent of eligible employee performance evaluations completed and finalized in PeopleSoft; and IT Policy and Freedom of Information Act (FOIA) Compliance - Percent of FOIA Requests Processed in more than 25 business days - statute requirements allow 15 business days and a 10 day extension.

## 2019 Workload Measures

Measure	FY 2017 Actual	FY 2018 Actual	FY 2019 Q1	FY 2019 Q2	FY 2019 Q3	FY 2019 Q4	FY 2019 Actual
<b>1 - Outreach Campaigns (1 Measure)</b>							
Number of residents who receive in-person fraud abuse prevention, financial literacy training, and/or consumer protection information	17,935	13,877	3662	1311	1800	3237	10,010
<b>2 - Domestic Insurance Company Exams (1 Measure)</b>							
Number of domestic insurance company examinations completed during the fiscal year	6	6	2	1	0	2	5
<b>2 - Investment Firm Exams (1 Measure)</b>							
Number of District-based investment firm examinations completed during the fiscal year	22	19	2	6	3	6	17
<b>2 - Non-Depository Exams (1 Measure)</b>							
Number of non-depository financial institutions examinations completed during the fiscal year	134	128	45	34	62	33	174
<b>4 - Consumer Guides and Alerts (1 Measure)</b>							
The number of fraud alerts issued	6	20	0	3	4	10	17
<b>4 - Financial Literacy for all Residents of the District (1 Measure)</b>							
Number of events held where residents were provided with financial literacy training and/or consumer protection information	226	258	118	47	22	45	232
<b>4 - Financial Services Curriculum (1 Measure)</b>							
The number of regulatory enforcement cases initiated	12	20	3	0	0	0	3
<b>4 - Financially Fit DC program (1 Measure)</b>							
Number Financially Fit DC events held	140	230	25	30	64	45	164
<b>5 - DC BizCap (1 Measure)</b>							
Number of small business assistance clinics, seminars, or other events provided	18	16	6	5	8	20	39

## 2019 Operations

Operations Header	Operations Title	Operations Description	Type of Operations
<b>1 - Provide high quality and efficient consumer protection services to District residents and businesses. (7 Activities)</b>			
PUBLIC AFFAIRS	Outreach Campaigns	Conduct seminars, educational events and workshops to provide residents with information on financial services and engage in comprehensive efforts to provide financial literacy.	Key Project
PUBLIC AFFAIRS	Financial Education Events	Hold at least two in-person financial education events in every Ward by the end of the fiscal year.	Key Project
CONSUMER SERVICES	Complaint Activity	Review complaint activity to identify trends that are adverse to the interests of consumers.	Daily Service
CONSUMER SERVICES	Trend Analysis	Utilize trend analysis from complaint activity to develop education and enforcement initiatives to address the trends and improve outcomes for consumers.	Daily Service
PUBLIC AFFAIRS	Customer Satisfaction Surveys	DISB will continue to provide the customer satisfaction survey to the investment adviser firms it examines. DISB will review the survey responses and consider whether any modifications to the Examinations Program would be appropriate in light of the feedback.	Daily Service
PUBLIC AFFAIRS	Senior Financial Fraud Abuse Prevention Program	Continue the implementation of the Department's Senior Financial Fraud Abuse Prevention Program. This initiative will focus on two primary components: (1) increase the number of outreach events to educate seniors on how to recognize and avoid financial scams; and (2) enhance DISB's consumer enforcement program to protect District seniors.	Daily Service
PUBLIC AFFAIRS	Consumer Alerts and Guides on Financial Services issues.	Publish and distribute consumer alerts, guides and articles. Offer an expanded Consumer Financial Resources Guide that provides stories/scenarios, how-to's and other directions for resolving financial services concerns and preventing scams and abuses.	Daily Service

Operations Header	Operations Title	Operations Description	Type of Operations
<b>2 - Provide high quality and cost effective regulation of financial services providers to ensure compliance with District laws. (3 Activities)</b>			
BANKING EXAMS	Non-Depository Exams	Conduct examinations of non-depository financial institutions scheduled during the fiscal year.	Daily Service
INSURANCE EXAMS	Domestic Insurance Company Exams	Conduct examinations of domestic insurance companies scheduled during the fiscal year.	Daily Service
SECURITIES EXAMS	Investment Firm Exams	Conduct examinations of investment firms scheduled during the fiscal year.	Daily Service
<b>3 - Establish the District as a premier destination for financial services firms by coordinating with other agencies to increase the number of financial services industry jobs available for District residents, and to generate additional revenue for the District. (1 Activity)</b>			
AGENCY MANAGEMENT	Financial Services Academy	Expand the public private partnership where DISB and the financial services industry work with District universities and schools to train students to fill jobs in the financial services industry.	Daily Service
<b>4 - Provide high quality services to financially empower residents and create pathways to the middle class. (4 Activities)</b>			
PUBLIC AFFAIRS	Financial Literacy for all Residents of the District	Conduct seminars, educational events and workshops to provide residents with information on financial services and engage in comprehensive efforts to provide financial literacy.	Daily Service
BANKING	Financially Fit DC program	Promote the Financially Fit DC program to reduce the number of unbanked and underbanked residents in the District.	Key Project
PUBLIC AFFAIRS	Financial Services Curriculum	Deliver financial services curriculum that contains topics of interest and importance to all population segments in the District.	Key Project
CONSUMER SERVICES	Consumer Guides and Alerts	Prepare consumer guides and alerts to provide District residents with information about financial products and services.	Daily Service
<b>5 - Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs. (3 Activities)</b>			
DC MARKET OPERATIONS BANKING	DC BizCap	Promote program to local banks and financial institutions, the business community, and District agencies such as Department of Small and Local Business Development (DSLBD), Department of General Services (DGS) and the Deputy Mayor of Planning and Economic Development (DMPED).	Daily Service
DC MARKET OPERATIONS BANKING	DC BizCap	Work with District agencies, incubators, chambers of commerce, universities, and other organizations to provide technical assistance to small businesses to enable them to qualify for loans.	Daily Service
DC MARKET OPERATIONS BANKING	DC BizCap	Administer DISB's State Small Business Credit Initiative program to provide financial support to District-based small businesses and entrepreneurs.	Daily Service

## 2019 Strategic Initiatives

Strategic Initiative Title	Strategic Initiative Description	Completion to Date	Status Update	Explanation for Incomplete Initiative
<b>Consumer Guides and Alerts (1 Strategic Initiative)</b>				
Public Affairs	Develop and distribute five business-oriented industry-specific insurance fact sheets that provide useful considerations for District business owners and those who are thinking about starting a business.	Complete	Consumer alerts/guides issued: payday loans, identity theft, investment scams via real estate, it is important to maintain your homeowners insurance, reverse mortgages FAQs, fighting fake insurance, grandparents scam, genetic testing scam, Simple Health Plans LLC and grant scams. In the final stages of developing the five business insurance fact sheets with the first to be issued on Thursday, Oct. 17.	
<b>DC BizCap (2 Strategic initiatives)</b>				
Banking	During FY19 DC BizCap will conduct 6 small business assistance clinics, seminars, or other events	Complete	Completed	
DC MARKET OPERATIONS BANKING	For FY19 DC BizCap will assist with the creation or retention of 450 jobs retained in the District	Complete	During FY19 the program has continued to prepare small businesses and non-profit organizations, including an organization that provides safe space crisis housing for women, for the mainstream commercial bank funding process. .	
<b>Domestic Insurance Company Exams (1 Strategic Initiative)</b>				

Strategic Initiative Title	Strategic Initiative Description	Completion to Date	Status Update	Explanation for Incomplete Initiative
Insurance	<p>In FY19, IB will: complete 4 examinations, and for any high premium volume insurer (&amp;#8805; \$500 million individually), or insurer that is a member of a group of insurers that write a high volume of premiums (&amp;#8805; \$1 billion for the group), IB will require the insurer(s) to issue their own assessment of their current and future risk through an internal risk self-assessment process. This process will allow the Department's examiners to form an enhanced view of the insurer's ability to withstand financial stress. The insurer(s) will be required to document their processes in the form of a confidential high-level summary report.</p>	Complete	Completed	
<b>Financial Education Events (1 Strategic Initiative)</b>				
Public Affairs	<p>Develop a series of informercials to help address District residents' financial concerns and to show how the Department protects their financial interests. For FY2019, the Department will develop four informercials (e.g. resolve consumer complaints, navigating student loan repayment process, protecting District seniors from financial exploitation and protecting your home and belongings). The Department will distribute the informercials on social media networks (Twitter, Facebook and YouTube) and share with media outlets. Publish and distribute consumer alerts, guides and articles to inform consumers about financial services issues and to help them from becoming victims of scams and abuses.</p>	Complete	<p>In Q4, created scripts, shot the videos at OCTFME's headquarters and edited them in-house. 1.) DC BizCAP Testimonial: Baked by Yael, 2.) DC BizCAP Testimonial: First Choice Masonry, 3.) DC BizCAP Testimonial: Solar Solution, 4.) Flood Insurance, 5.) Consumer Complaints and 6.) Sweepstakes Scams. Department will release the videos during October 2019 with the first one on the Department's consumer complaint process to drop on October 17. Department issued 10 consumer alerts, guides and articles to inform consumer about financial serIn Q4, created scripts, shot the videos at OCTFME's headquarters and edited them in-house. 1.) DC BizCAP Testimonial: Baked by Yael, 2.) DC BizCAP Testimonial: First Choice Masonry, 3.) DC BizCAP Testimonial: Solar Solution, 4.) Flood Insurance, 5.) Consumer Complaints and 6.) Sweepstakes Scams. Department will release the videos during October 2019 with the first one on the Department's consumer complaint process to drop on October 17. Department issued 10 consumer alerts, guides and articles to inform consumer about financial services issues and to help them from becoming victims of scams and abuses. vices issues and to help them from becoming victims of scams and abuses.</p>	
<b>Financial Literacy for all Residents of the District (1 Strategic Initiative)</b>				
Public Affairs	<p>-Conduct seminars, educational events and workshops to provide residents with information on financial services and engage in comprehensive efforts to provide financial literacy. -Develop and organize an annual economic development and comprehensive financial education expo that includes workshops, one-on-one financial counseling, complaint resolution, small business planning and a career fair where all District residents of all ages can attend to learn more about financial products, services, programs and resources to help them make more informed financial decisions. -Prepare consumer guides and articles to provide District residents with information about financial products and services. -Conduct 18 outreach campaigns to provide residents with information that helps them make informed choices about financial services offerings (e.g. DC Saves Week, Financial Literacy Month, Dash for the Stash, World Elder Abuse Awareness Day and National Consumer Protection Week.</p>	Complete	<p>In Q4, continued Money Smart for older adult presentations. Promoted disaster preparedness during National Preparedness Month and life insurance considerations as part of Life Insurance Awareness Month, both occurring in September. Provided financial fraud prevention tips including beware of payday loans, identity theft and investment real estate, grandparents, genetic testing and grant scams.</p>	
<b>Financially Fit DC program (1 Strategic Initiative)</b>				

Strategic Initiative Title	Strategic Initiative Description	Completion to Date	Status Update	Explanation for Incomplete Initiative
Banking	In FY19 the Banking Bureau will conduct 200 sessions/events to include Bank on DC, Financial Fit, Student Loan Ombudsmen and Foreclosure Mediation	Complete	Completed	
<b>Non-Depository Exams (1 Strategic Initiative)</b>				
Banking Examinations	During FY19, Banking will conduct 125 non-depository financial institutions examinations.	Complete	Completed	
<b>Outreach Campaigns (1 Strategic Initiative)</b>				
Securities	Raise the level of cooperation with faith-based institutions by holding 2 semi-annual forums with Faith Leaders and holding 3 DISB sponsored events at individual places of worship.	Complete	In Q4, held the Elder Housing Resource Forum on 9/25 and had an information table at the annual summer cookout at Gethsemane Baptist Church on 9/14.	