

Department of Insurance, Securities and Banking FY2023

Agency Department of Insurance, Securities and Banking

Agency Code SRO

Fiscal Year 2023

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.

Strategic Objectives

Objective Number	Strategic Objective
1	Provide high quality and efficient consumer protection services to District residents and businesses.
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.
3	Provide high quality services to financially empower residents and create pathways to the middle class.
4	Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs.
5	Create and maintain a highly efficient, transparent, and responsive District government.

Key Performance Indicators (KPIs)

Measure	Directionality	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY2022 Actual	FY 2023 Target
1 - Provide high quality and efficient consumer protection services to District residents and businesses. (2 Measure records)						
Percent of insurance, securities and banking complaints closed within 45 days of receipt	Up is Better	97.2%	104.4%	95%	103.2%	95%
Number of cyber fraud enforcement investigations initiated	Up is Better	New in 2022	New in 2022	New in 2022	New in 2023	40
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	Up is Better	6	7	4	12	4
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	Up is Better	16.5%	-13.1%	5%	6.6%	0%
4 - Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs. (2 Measure records)						
Percent of State Small Business Credit Initiative applications processed within 30 days of receipt	Up is Better	100%	100%	100%	100%	100%
Number of outreach events for small businesses, financial institutions, or business organizations	Up is Better	28	20	20	52	25

Operations

Operations Title	Operations Description	Type of Operations
1 - Provide high quality and efficient consumer protection services to District residents and businesses. (4 Activity records)		
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

Operations Title	Operations Description	Type of Operations
Regulatory Initiatives	Review, assess and update banking regulations.	Key Project
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)		
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. (4 Activity records)		
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
4 - Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs. (1 Activity)		
DC BizCap	Administer DISB's DC BizCap program to provide financial support to District-based small businesses and entrepreneurs.	Daily Service
5 - Create and maintain a highly efficient, transparent, and responsive District government. (1 Activity)		
Marketing and Promotion (Communications)	DISB will finalize the rebranding program, begin implementing marketing strategies and revitalize our public engagement campaign to better align with the Department's mission and vision.	Daily Service

Workload Measures (WMs)

Measure	FY 2020 Actual	FY 2021 Actual	FY2022 Actual
1 - Complaint Activity (1 Measure)			
Number of residents who receive in-person fraud abuse prevention, financial literacy training and/or consumer protection information	7602	13,386	11,284
1 - Exams (1 Measure)			
Number of examinations of non-depository financial institutions, domestic insurance companies, and investment firms completed during the fiscal year	169	175	160
1 - Market and Internet surveillance (1 Measure)			
Number of fraud alerts issued	23	21	24
2 - Legislative and Regulatory Review (1 Measure)			
Number of laws, regulations and policies reviewed	6	7	12
3 - Bank on DC (2 Measure records)			
Number Financially Fit DC events held	191	166	161
Number of new bank accounts opened	287	125	375
4 - DC BizCap (1 Measure)			
Number of outreach events for small businesses, financial institutions, or business organizations, including small business assistance clinics	19	66	52

Strategic Initiatives

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
DC BizCap (1 Strategic Initiative)		

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
DC BizCap (SSBCI)	<p>The District's State Small Business Credit Initiative (SSBCI) will have finalized the application for the additional funding allocated through the American Rescue Plan. SSBCI will focus on the following initiatives.</p> <p>1) In FY23, SSBCI will expand current programing and form a relationships with Community Development Financial Institutions (CDFI) to deploy a portion of the funding. The loan fund aims to address financial access to socially and economically disadvantaged (SEDI) owned small businesses. This includes minority and women owned companies, businesses located in CDFI zoning areas and very small businesses (VSB) which the treasury defines as companies with 10 or less employees.</p> <p>2) As a part of the SSBCI expansion in FY23, DSLBD will lead and administer the Technical Assistance Programs. This program is intended to expand access to capital, promote economic resiliency, create new jobs, and increase economic opportunity.</p>	09-30-2023
Financial Education and Empowerment (1 Strategic Initiative)		
DC REACH	DC REACH is a two-year initiative with the Office of the Comptroller of Currency that will continue in FY23. The projects goals are to reduce specific barriers that prevent full, equal, and fair participation in the nation's economy and remove structural barriers to financial inclusion resulting in broader participation in the economy to help people, previously left out of the system, to pursue their American dreams. Identify top barriers for credit, affordable homeownership, and small business growth specific to the District. Recommend data driven solutions to barriers for programs, products and policy that are sustainable. Each workstream will recommend a program, product, and/or policy. Publish an Annual Report or White Paper available to the public via the DISB and partner websites.	09-30-2023
Financial Services Curriculum, Guides and Alerts and Financial Literacy (1 Strategic Initiative)		
Insurance	A Life Insurance education initiative to provide the following information: Explain why Life Insurance is important; discuss how different Life Insurance products work; provide overview of how Life Insurance can assist in maintaining a certain quality of life and fortify against major life events/losses/setbacks; and as a tool for wealth creation.	09-30-2023
Legislative and Regulatory Review (2 Strategic Initiative records)		
Innovation	DISB will establish an Office of Innovation that will focus on attracting financial technology, insurance technology and regulation technology companies that will offer innovative financial products and services to District residents and businesses. The Office of Innovation will encourage financial services companies to use the latest technology innovations such as artificial intelligence, algorithms, telematics and blockchain to lower costs, improve efficiencies, and enhance customer experience. The Office will place a special emphasis on working with financial services companies whose mission includes a commitment to diversity, equity, and inclusion, and offer financial services and products that focus on the needs of District residents and communities that have been unserved or underserved by traditional financial services companies.	09-30-2023
Insurance	The Department will propose legislation to modernize the insurance code to facilitate the use of innovative insurance practices to enhance the affordability, availability, and accessibility of personal lines property & casualty insurance products in the District. The modernization will include appropriate safeguards to ensure consumer protections are in place.	09-30-2023
Market and Internet surveillance (1 Strategic Initiative)		
Consumer Services	<p>To enhance DISB's brand awareness, provide access, and expand utilization of consumer education resources, advocacy, and enforcement referrals, the Consumer Services Department will create Senior Focused Program centered around 3 topics:</p> <ul style="list-style-type: none"> Financial Scams – specifically on-line fraudulent scams Annuities – what to look out for/what to avoid Asset protection – the importance of wills/estate planning; passing on assets to the next generation. 	09-30-2023
Regulatory Initiatives (1 Strategic Initiative)		
Securities	<p>In FY23, DISB's Securities Bureau will develop an effective Investor Education and Protection Program that fits the needs of our diverse community through user-friendly website resources, educational materials, and outreach to District residents through multiple investor education programs.</p> <p>In FY23, the Securities Bureau will retain a website designer to restructure the Investor Education webpage to list topics of interest and subjects for which a viewer may be seeking information. This information will also be available in printed form during DISB presentations to community groups.</p>	09-30-2023
Resiliency (1 Strategic Initiative)		
Insurance	<p>In FY23, the Department will complete its analysis of unintentional bias in personal lines automobile insurance and will introduce legislative proposals or take other regulatory actions as needed to ensure all District consumer are treated fairly by insurers writing private passenger automobile insurance. If appropriate the analysis will be extended to homeowners' insurance.</p> <p>In FY23, DISB will release a report identifying whether there is unintentional bias in the market overall. If unintentional bias is identified, the report will identify steps necessary for the impacted insurers to correct their future underwriting practices and rate filings.</p>	09-30-2023