

February 5, 2025

The Honorable Kenyan R. McDuffie, At-Large  
Chairperson, Committee on Business and Economic Development  
Council of the District of Columbia  
1350 Pennsylvania Ave. NW, Ste. 506  
Washington, DC 20004

**Re: Department of Insurance, Securities and Banking Performance Oversight Hearing**

Dear Chairperson McDuffie:

Thank you for your January 10, 2025 letter regarding the upcoming Committee on the Business and Economic Development (Committee) performance oversight for the Department of Insurance, Securities and Banking (Department) for FY 2023 and FY2024.

In your letter, you requested that the Department provide responses to questions in preparation for the hearing. The attached document contains the Department's responses to the Committee's questions.

I look forward to appearing before the Committee on Friday, February 7, 2025 to discuss the Department's work.

Please feel free to contact me with any questions or require additional information at [karima.woods@dc.gov](mailto:karima.woods@dc.gov) or by phone at (202) 727-8000. Thank you for your support.

Sincerely,



Karima M. Woods  
Commissioner

Enclosure

**Council of the District of Columbia**  
**Committee on Business and Economic Development**

**Department of Insurance, Securities and Banking**  
FY23 and FY24 Performance Oversight Hearing Responses

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## **Racial Equity**

### **1. Describe any programs or policies where the Department has had success in building racial equity during Fiscal Year 2024 and Fiscal Year 2025 to date.**

#### ***DISB Racial Equity Action Plan***

DISB has sent the final draft of the DISB Racial Equity Action Plan (REAP) to the Office of Racial Equity (ORE) for review. The DISB REAP expresses DISB's commitment to achieving racial equity in the financial services industry. The plan outlines the steps DISB will take to tackle economic barriers to opportunity by expanding inclusive access to financial resources and services to help communities of various racial and ethnic backgrounds thrive and ensure that every resident gets a fair shot in the District's financial services marketplace.

#### ***Financial Empowerment and Education***

The Office of Financial Empowerment and Education (OFEE) has several programs that work to empower District residents in their finances and promote greater racial equity.

- The Bank on DC Program conducted 109 workshops and referred 656 people to financial institutions to establish banking relationships.
- Through Financially Fit DC and Financially Fit DC at Work, 103 workshops were conducted for 4,261 people.
- The Financial Services Academy and Young Money Managers Program hosted 23 participants in Summer 2024.

#### ***Foreclosure Mediation***

The efforts of the DISB Foreclosure Mediation Program also address racial inequity. Program outcomes include a decrease in default rates (which disproportionately affect and hinder economic prospects for people of color) and preservation of home ownership, which is a critical concern for communities of color, particularly in the aftermath of the COVID-19 pandemic. The Foreclosure Prevention and Mediation Program prevented 264 home foreclosures through Housing Counseling Services (HCS) representing a total in home values of \$122.6 million.

#### ***Student Loan Ombudsman***

The Student Loan Ombudsman reaches District residents in historically underserved communities. During the fiscal year, the Student Loan Ombudsman met with 85 student loan borrowers to resolve complaints. Additionally, efforts directly led to more than \$1.6 million in Public Service Loan Forgiveness (PSLF). The work performed by the Student Loan Ombudsman represents \$6.2 million in student loan debt burdening District residents.

**2. In the context of the Department and its mission, describe three areas, programs, or initiatives where the Department has the greatest opportunity to address racial inequity.**

***DC BizCap***

The District of Columbia Business Capital Program (DC BizCAP) empowers small businesses and entrepreneurs who continue to encounter reductions in the availability of credit and heightened requirements to obtain financing. Funded by the U.S. Treasury's State Small Business Credit Initiative (SSBCI), DC BizCAP provides alternatives to traditional commercial financing, making capital accessible through its programs and partnerships to facilitate private lending and investments in small businesses operating in the District of Columbia. To address economic disparities minority-owned, woman-owned, Certified Business Enterprises, and businesses owned by Socially and Economically Disadvantaged Individuals (SEDI) are eligible for additional rate subsidies.

***Financial Empowerment and Education***

OFEE offers a variety of financial literacy programs such as Bank on DC, the Earned Income Tax Credit Campaign (EITC), Financially Fit DC, and the Opportunity Accounts Program:

- a. Bank on DC: Bank on DC is a collaborative effort between DISB, financial institutions, and nonprofits to provide access to safe and affordable financial services and products to unbanked and under-banked households in the District.
- b. Earned Income Tax Credit Campaign (EITC): The campaign encourages District families to check their eligibility and apply for the Earned Income Tax Credit (EITC).
- c. Financially Fit DC: Offers financial education tools and resources to help connect residents to resources personalized to their financial situation to help them take control of their everyday finances.
- d. Opportunity Accounts: DC Opportunity Accounts Program is a 4:1 matched savings program that helps qualified District residents potentially save up to \$7,500.

***Investor Education Program***

DISB's Securities Bureau will develop an Investor Education Program to provide investor education affecting vulnerable communities who are traditionally underserved by financial professionals including communities of color that are often provided unsuitable services and products, and who are the victims of scams and frauds.

The Securities Bureau will develop and publish alerts for vulnerable communities being targeted by investment-related scams. . They will also develop and distribute educational materials targeted for communities traditionally underserved by financial professionals including communities of color, senior citizens who are often the victims of financial abuse and investment scams, and younger residents to whom new web-based products and services are marketed that are often highly risky.

3. What barriers does your Department face when trying to: (1) make progress toward racial equity or (2) better understand racial inequity within the agency's context and operations (if any)? How does your Department's spending address existing racial inequities (grant disbursement, procurement/contracting, etc.)?

DISB often faces challenges ensuring that all staff that administer the equity programming do not extend themselves beyond their capacity within their current roles. The Department continues to work to integrate racial equity into DISB's mission, goals and core functions. DISB staff are resourceful and take initiative to build programming that considers monetary and human capital. Additionally, DISB faces challenging capturing and analyzing data that would identify inequities in the financial services industry. Financial services companies use vast datasets and sophisticated computer models to develop and price financial products and services. Some companies target their product offerings to high-net-worth individuals and other demographics that are not inclusive of all racial groups and communities in the District. DISB's FY 2026 budget includes funding to hire outside experts to assist in addressing the challenges.

DISB consistently complies with the Small Business Enterprise program. The Department routinely exceeds the SBE/CBE spending requirement and works with diverse service providers.

4. Please provide data on the racial diversity among leadership and at all staff grade levels. How does retention differ by race across levels? How does pay differ by race within levels?

**Agency Racial Diversity**

Race	Number	Percentage
Asian or Pacific Islander	6	4%
Black	90	66%
Hispanic	6	4%
White	19	14%
Declined to report	15	11%

**Management Racial Diversity**

Race	Number	Percentage
Asian or Pacific Islander	3	10%
Black	16	55%
Hispanic	1	3%
White	6	21%
Declined to report	3	10%

**Staff Racial Diversity**

Race	Number	Percentage
Asian or Pacific Islander	3	3%
Black	74	68%
Hispanic	5	5%
White	13	12%
Declined to report	14	13%

Our review did not show any significant differences in pay based on race. Similarly, the review identify a correlation between race and retention. Instead, we have found that residency is the predominant factor in retention.

**5. Please provide an update on the work of the DEI Working Group, including updates on the collection and evaluation of demographic data and work on eliminating factors unrelated to a person’s driving record in pricing personal auto insurance.**

During Fiscal Year 2024, the DEI Working Group, comprised of four subcommittees, has accomplished the following:

- Insurance DEI Subcommittee
  - Published Consumer Guides:
    - “Title Insurance and the Settlement Process”
    - “Forced Place Insurance”
  - Published Life Insurance Frequently Asked Questions on DISB’s website at <https://disb.dc.gov/page/frequently-asked-questions-faqs-life-insurance>.
  - Published Insurance related scholarship opportunities on the DISB DEI webpage
  - Hosted a series of estate planning workshops
  - Conducted a study and drafted a market conduct report on Evaluating Unintentional Bias in Private Passenger Auto Insurance. The final report was released November 2024
- Securities DEI Subcommittee
  - Published consumer alerts on DISB’s website
    - “Before You Invest in Crypto, Know the Risks”
    - “Protect Yourself from Financial Exploitation”
    - “Artificial Intelligence (AI) and Investment Fraud”
  - Published Investor Alerts:
    - “Gamification of Investing”
    - “Be Aware of Romance Scams”
- Banking DEI Subcommittee
  - Hosted two Understanding Reverse Mortgage Seminar to educate the District’s senior residents and their families about reverse mortgages
  - Participated in several small business educational events such as District Connect, Black Wall Street and the DC Small Business Week
- Internal DEI Subcommittee
  - Established a DISB Wellness Program that provides information and resources to the Department’s staff
  - Expanded access points of opportunity for Financial Services Academy (FSA) including a partnership with the University of California Washington DC Program

## **General Questions**

- 6. Please provide a current organizational chart of the Department, including the number of vacant, frozen, and filled full-time equivalents (“FTEs”) in each division or subdivision, as well as the names and titles of all senior personnel. Please include the date when the information was collected. Additionally, please provide the following:**

*See Appendix 1.*

- a. An explanation of the roles and responsibilities of each division and subdivision, including specific programs and projects administered by each division. Please also explain the administrative organization within each division and provide the number of personnel allocated to each division; and**

## **OFFICE OF THE COMMISSIONER**

- Oversees the regulation of the insurance, securities and banking industry in the District of Columbia under its statutory authority;
- Reviews and evaluates Departmental performance;
- Leads the Department's planning and implementation process; and
- Exercises its statutory authority by ensuring that each Office/Bureau/Division carries out its functions effectively and efficiently.

*The Commissioner:*

- Identifies emerging trends in the insurance, securities and banking industries and recommends changes in policy and administrative practices to address issues;
- Provides support, coordination and advisory functions to the insurance, securities, banking and risk finance bureaus; and the compliance analysis, enforcement and consumer protection, and market examinations divisions; and
- Attends and takes part in meetings for the National Association of Insurance Commissioners (NAIC) and other insurance, securities and banking regulatory organizations.

## **MARKET OPERATIONS**

Provides technical and administrative authority over the Department's operational areas, which include the Insurance Bureau, Securities Bureau, Banking Bureau and Risk Finance Bureau;

- Develops plans for work to be performed by subordinates, sets priorities and prepares schedules for completion of work;
- Develops quantitative and qualitative measures for evaluating the performance standards of subordinate employees; and
- Oversees the Department's Hearing Officer which manages the regulatory adjudication and administrative proceedings for the department.

## **Insurance Bureau**

- Conducts on-site financial examinations on domiciled insurance companies and monitors the financial solvency of insurance companies doing business in the District of Columbia;
- Issues licenses to insurance companies, insurance producers and health maintenance organizations, and mediates disputes between consumers and insurance industry;
- Oversees issues related to the review and approval of rates and policy forms of insurance products marketed in the District of Columbia;
- Performs on-site examinations on underwriting, policyholder service, claims, marketing, producer licensing and compliant handling processes of licensed companies to determine compliance with District of Columbia laws and industry practices; and
- Monitors the activities of health maintenance organizations to determine compliance with pertinent District of Columbia and federal laws.

The Insurance Bureau consists of six divisions:

### *Insurance Associate Commissioner Division*

- Oversees the daily operations of the Insurance Bureau;
- Plans and directs, in conjunction with the Insurance managers, a refined and well-coordinated insurance regulatory program;
- Makes final determination on the licensing status of regulated entities; and
- Recommends programs and courses to develop and train subordinates, evaluates subordinates, and recommends promotions and reassignments.

### *Financial Examination Division*

- Ensures that all licensed insurance companies, health maintenance organizations and continuing care retirement communities have sufficient capital and surplus to meet the requirements of District of Columbia law.

### *Financial Surveillance Division*

- Performs analysis and reviews of the annual and quarterly statutory financial statements filed by domestic insurance companies, health maintenance organizations and continuing care retirement communities to determine compliance with District of Columbia laws, regulations, accounting standards and filing requirements;
- Performs reviews of the audited financial statements, Management, Discussion and Analysis Statements, Actuarial Opinions, Risk-Based Capital filings, holding company registration statements and SEC information for public companies;
- Evaluates proposed affiliated transactions including documentation regarding the acquisition or merger with a domestic insurer and prior notice of a material transaction;
- Reviews financial information, ratios and disclosures to monitor solvency and assess risks to determine priority ratings, identify adverse findings and recommend regulatory actions; and
- Evaluates the financial condition of foreign and alien companies seeking to operate in the District of Columbia.



### *Financial Examination Division*

- Conducts financial examinations of domestic insurance companies, health maintenance organizations and continuing care retirement communities to ensure that entities doing insurance business in the District of Columbia are in compliance with its insurance laws, regulations and statutory accounting principles;
- Prioritizes companies for examination, prepares and reviews planning and examination work papers, and prepares examination reports in accordance with District of Columbia statutes and NAIC Examination Procedures; and
- Identifies adverse findings and recommends regulatory action.

### *Property & Casualty Actuarial Division*

- Analyzes rating rules, rate manuals and rating schedules issued by insurance companies;
- Conducts actuarial and statistical analysis for the proper analysis of rate increase requests;
- Performs reviews on the actuarial opinions provided by domestic companies;
- Assists the Financial Examination Division during the examination process by evaluating the loss and loss reserve methodology used by the company;
- Prepares an analysis report of the premium rates charged by automobile liability insurance companies in its jurisdiction; and
- Prepares reports as requested on all lines of business underwritten in the District.

### *Insurance Products Division*

- Analyzes rate and policy forms pertaining to approximately 29 lines of insurance to determine compliance with DC statutes;
- Performs on-site examinations and analyses of licensed insurance companies, health maintenance organizations and insurance producers;
- Conducts examinations of premium finance companies and surplus line brokers to ensure compliance with DC Code;
- Determines if Free Clinics found in the District of Columbia meet the requirements for liability coverage assistance outlined in the Free Clinic Assistance Program;
- Reviews all types of insurance and health maintenance organizations policy forms and actuarial memoranda to determine whether they conform to DC insurance laws and regulations;
- Administers the statutory requirements concerning the prohibition of discrimination based on AIDS;
- Determines if the nonforfeiture benefits and cash surrender values of life insurance policies meet the minimum statutory standards; and
- Enforces the Flesch reading scores requirements on all insurance policy forms.

### *Producer and Insurer Licensing Division*

- Governs the licensing of insurance companies, fraternal benefit organizations, insurance producers, insurance agencies and Premium Finance Companies, Continuing Care Retirement Facilities, as well as health maintenance organizations operating in the District of Columbia;
- Administers written examinations to candidates for bail bondsmen and public insurance adjusters; oversees the administration of producer licensure examinations;
- Maintains and updates the licensing database;
- Registers foreign risk retention and domestic and foreign purchasing groups following the Liability Risk Retention Act of 1986;
- Provides licenses to Managing General Agents and Reinsurance Intermediaries;
- Plans and implements the comprehensive pre-licensing and continuing education programs for insurance producers; and
- Establishes requirements and reviews and processes applications for continuing education providers.

### *Health Actuarial Division*

- Analyzes rating rules, rate manuals and rating schedules issued by health insurers and health maintenance organizations;
- Conducts actuarial and statistical analysis for the proper analysis of rate increase requests, and supports a database for claims and investment experience;
- Performs reviews on the actuarial opinions provided by health insurance providers;
- Ensures that all applicable health filings are in compliance with the Affordable Care Act or ACA standards;
- Aids other internal departments within the agency on matters involving insurance rates;
- Administers the Department's health insurance rate review process;
- Responds to public correspondence on received health insurance rate filings; and
- Prepares reports as requested on all lines of health insurance underwritten in the District.

### *Health Insurance Policy Division*

- Develops policy recommendations for the Mayor's Health Reform Implementation Committee (HRIC) as well as the DC Health Benefit Exchange Executive Board following enactment of the ACA;
- Enforces rate making regulations and prohibitions on underwriting enacted in 2011 following the ACA; and
- Works closely with the Health Care Reform and Innovation Administration (HCRIA) within the Department of Health Care Finance to coordinate implementation of the DC Health Benefit Exchange insurance marketplace.

## **Risk Finance Bureau**

- Regulates captive insurance companies, risk retention groups and other kinds of non-traditional risk transfer mechanisms that operate in or from the District of Columbia;
- Licenses qualified institutions, performs financial analyses, and conducts regular financial examinations to ensure fiscal stability; and
- Provides practical and innovative regulatory responses promptly to captive insurance companies and other risk finance organizations seeking to establish operations or transact business in the District.

*The Risk Finance Bureau has the following 3 activities:*

- Financial Analysis – analyzes financial and actuarial reports to ensure captive insurance companies and risk retention groups maintain capital and surplus required under District law;
- Risk Finance Market Operation – provides administrative support and the required tools for the bureau to achieve operational and programmatic results; and
- Risk Finance – Licensing and Regulatory – reviews and approves, subject to District laws and regulations, licensing applications for captive insurance companies and risk retention groups.

## **Securities Bureau**

- Regulates securities professionals in the District of Columbia;
- Licenses broker-dealer firms and their agents, agents of issuers, and investment advisers and their representatives;
- Protects investor/consumers by enforcing the legal requirements applicable to securities entities and representatives operating in the District; and
- Conducts investor education through outreach activities in the community.

The Securities Bureau has four divisions:

### *Securities Associate Commissioner Division*

- Oversees the daily operations of the Securities Bureau;
- Plans and directs a refined and well-coordinated securities regulatory program;
- Makes final determinations on the licensing status of regulated securities entities and individuals;
- Plans and maintains creative outreach programs to meet the informational needs of DC investors; and
- Recommends securities programs and courses to develop and train Securities Bureau personnel.

### *Licensing Division*

- Administers the licensing requirements applicable to investment advisers, investment adviser representatives, broker-dealers and broker-dealer agents, and agents of issuers operating in the District of Columbia; and
- Monitors the Continuing Education program applicable to licensed securities professionals.

### *Corporation Finance Division*

- Administers registration filings and notice filings of securities offerings; and
- Reviews and analyzes financial statements of issuers to achieve full disclosure in DC-registered securities offerings.

### *Examinations Division*

- Conducts inspections of investment advisers and broker-dealers to ensure compliance with applicable rules and statutes;
- Investigates and resolves complaints about allegations of misconduct by securities professionals operating in the District of Columbia; and
- Refers suspected illegal activities to the Enforcement and Consumer Protection Division for investigation.

## **Banking Bureau**

The Banking Bureau regulates District of Columbia chartered banks and trust companies, as well as District mortgage and consumer finance companies. The Bureau also regulates non-depository financial institutions such as check cashers, money lenders and money transmitters that operate in the District.

The Banking Bureau has three divisions:

### *Market Services Division*

- Oversees the daily operations of the Banking Bureau;
- Reviews and responds to consumer complaints about banks and non-depository financial institutions to decide compliance with District of Columbia laws and regulations;
- Plans and directs bank and non-depository regulatory programs;
- Issues final approval to grant licenses to regulated entities;
- Selects programs and training courses for staff development; and
- Oversees market services programs (such as foreclosure mediation and small business lending).

### *Examination Division*

- Reviews applications for DC banking charters, branches, mergers and other activities of DC depository financial institutions;
- Examines DC chartered banks for safety and soundness as well as compliance with established laws and regulations;
- Examines DC licensed non-depository financial institutions for safety and soundness and compliance with established laws and regulations;
- Works with federal and state bank supervisory agencies on matters of mutual interest; and
- Reviews banking laws and regulations to determine applicability to DC- chartered and licensed institutions.

### *Licensing Division*

- Reviews license applications for non-depository financial institutions including check cashers, consumer credit service organizations, money lenders, money transmitters, mortgage brokers and lenders and consumer sales finance companies;
- Maintains and updates the non-depository licensing database;
- Reviews annual reports received from mortgage brokers and lenders and issues annual assessments;
- Collects and processes ATM registrations and fees paid by registered entities; and
- Responds to consumer and professional licensing inquiries, and assists licensees as needed.

## **MARKET COMPLIANCE**

Has technical and administrative authority over the Department's functional areas, which include the Enforcement and Consumer Protection Division, Market Examinations Division and Compliance Analysis Division;

- Establishes a functional process and reporting regimen to receive information from market operations that: a) identifies current and emerging market conditions and issues which may affect the development, design, and/or distribution of financial products and services in each industry sector, and b) evaluates the effect of current and proposed financial products and services on individual and business consumers;
- Develops quantitative and qualitative measures for evaluating the performance standards of subordinate employees; and
- Develops plans for work to be performed by subordinates, sets priorities and prepares schedules for completion of work.

#### *Market Examinations Division*

- Conducts examinations of domiciled insurance companies, inspections of investment advisers and broker-dealers, District-chartered banks and non-depository financial services institutions doing business in the District of Columbia;
- Prioritizes companies for examination or inspection of financial records, prepares and reviews planning and examination work papers, and prepares examination reports by District of Columbia statutes and appropriate industry examination procedures; and
- Monitors the solvency of financial firms doing business in the District of Columbia.

#### *Enforcement and Consumer Protection Division*

- Plans and directs well-designed anti-fraud programs to detect, investigate and conduct enforcement activities on behalf of the residents and businesses in the District of Columbia; and
- Takes referrals, investigates, and turns the findings over to the appropriate law enforcement or regulatory agency if there is a suspicion of securities, banking or financial institutions fraud; and provides mandated anti-fraud regulatory and compliance guidance, training and data analysis to licensed financial service entities.

#### *Compliance and Analysis Division*

- Develops research and analysis of industry sectors to establish “best practices” standards and guidelines for design, delivery and results monitoring of financial products and services;
- Reviews consumer complaints regarding financial institutions and firms operating in the District to determine compliance with District of Columbia laws and regulations;
- Conducts analysis and investigates matters regarding consumer issues, such as claim disputes, cancellation or non-renewal of insurance policies, improper insurance producer conduct and uninsured motorist fund claims, complaints regarding allegations of misconduct by securities professionals operating in the District of Columbia and complaints regarding banks and non-depository financial institutions to determine compliance with District of Columbia laws and regulations;
- Refers suspected illegal activities to the Enforcement and Consumer Protection Division for investigation; and
- Coordinates information from the Market Examinations Division of the bureau to identify and define key market factors that drive changes in each industry sector.

The Compliance and Analysis Division includes the District's Consumer Advocate:

*Consumer Advocate*

- Solicits and evaluates information concerning consumer protection issues;
- Serves as the chief advocate against consumer related financial service abuses; and
- Provides financial education and fraud prevention education to District residents.

**OFFICE OF POLICY AND ADMINISTRATION**

- Has technical and administrative authority over the Department's management including agency performance, organizational and financial planning, policy analysis, riskmanagement and fiscal administration;
- Assists management in the development of strategies to support the Department's priorities, plans and assessments;
- Develops quantitative and qualitative measures for evaluating the performance standards of all employees;
- Supervises the agency's DEI efforts including initiatives with the DISB Financial Services Academy; and
- Coordinates other special District projects as assigned.

The Office of Policy and Administration consists of three divisions:

*Administrative Services Division*

- Provides management, administrative and program planning services to the Department;
- Provides procurement coordination, supply management, inventory control, spaceutilization, telephone and other equipment installation and limited transportation services;
- Serves as the Department's liaison with the DC Procurement Office to coordinate, order, receive and inventory supplies, equipment and services;
- Acts as the Department's fleet service coordinator;
- Undertakes special studies dealing with administrative problems;
- Coordinates matters related to building maintenance; and
- Provides clerical and administrative services to the Department.

*Human Resources Division*

- Provides management, administrative and employment planning services to the Department;
- Serves as the Department's liaison to the District's Human Resources Department;
- Serves as the coordinator of the Department's employee wellness initiatives;
- Coordinates the Department's employee compensation and benefits systems; and
- Troubleshoots employment and compensation matters including credentialing services forthe Department's offices, bureaus and divisions.

### *Technology and Systems Division*

- Provides network administration and support for the Department's computer system and develops workflow management and analysis for the Department;
- Operates and supports the Department's computer and computer related equipment;
- Ensures systems compatibility between the Local Area Network (LAN) and various equipment and software configurations being used by the Department's user community and the District's Wide Area Network through the Supervisory Computer Specialist; and
- Performs searches for records and serves as the Department's record retention coordinator.

### **OFFICE OF COMMUNICATIONS**

- Conducts public education and outreach programs to increase the public's awareness of insurance, securities and banking programs and resources, and fraud;
- Develops and promotes publications and marketing assets related to insurance, securities and banking issues;
- Coordinates information from the NAIC and other financial industry regulatory organizations on current and emerging marketplace issues;
- Promotes the Department's legislative, regulatory and policy positions to regulated industries, media, community associations, residents and elected officials to increase public awareness of Departmental programs, issues and challenges through strategic advertising campaigns and brand management;
- Manages social media engagement and promotion;
- Assists in website management;
- Prepares speeches, fact sheets and news releases for the Department; and
- Manages inquiries from the press and public.

### **OFFICE OF THE CHIEF OF STAFF**

- Supports all program areas, as directed by the Commissioner, pertaining to agency operations, intergovernmental cross-cutting initiatives and performance management, and provides support for overall policy development;
- Provides administrative authority over the Department's Office of Financial Empowerment and Education;
- Manages the Policy Advisor and the agency's legislative and rulemaking priorities, and interaction with the Council of the District of Columbia;
- Oversees the Department's Hearing Officer, who manages the regulatory adjudication and other administrative proceedings for the Department;
- Manages DC REACH (Roundtable for Economic Access and Change) partnership with the U.S. Treasury's Office of the Comptroller of the Currency.



## **Office of Financial Empowerment and Education (OFEE)**

OFEE oversees the following programs:

- Bank On DC
- Financially Fit DC
- EITC DC
- Financial Empowerment Center
- Opportunity Accounts Program
- Returning Citizens Program

OFEE also supports the efforts of the Financial Literacy Council.

## **AGENCY FISCAL OFFICE**

- Provides overall general financial support to the Department including budgeting, short-term planning, forecasting, and procurement services, accounting operations and payroll activities; and
- Administers the Insurance Bureau and Health Division assessment programs.

## **OFFICE OF GENERAL COUNSEL**

- Provides legal guidance on insurance, securities and banking issues to the Department as well as District of Columbia regulated entities and consumers;
- Drafts laws and regulations addressing insurance, securities and banking issues;
- Negotiates and/or drafts settlement agreements, administrative bulletins, consent orders, administrative orders, rules, adjudicatory petitions, responses to motions, legal memoranda and briefs;
- Develops charges and specifications relative to the denial, suspension and revocation of companies and insurance producers;
- Conducts legal research on issues related to insurance, securities and banking;
- Represents consumers and the Department before the Office of Adjudication, the Commissioner of Insurance, Securities and Banking or his designee during administrative proceedings; and
- Participates in administrative hearings and recommends decisions and orders to the Commissioner.

### **Office of Innovation (OOI)**

- DISB established an Office of Innovation in FY23.
- The OOI supports the adoption of technology-driven innovation in the financial services sector in the District to (1) enhance customer experience; (2) promote financial inclusion for underserved residents; (3) spur competition among market participants; and (4) protect consumers.

The OOI engages with stakeholders to (1) identify market needs, opportunities, and challenges, (2) leverage District and private sector resources to impact specific issues identified, (3) propose laws, regulations and policies that create a regulatory environment that promotes the adoption of modern technologies by financial institutions while ensuring consumer protection, and (4) increase employment opportunities and tax revenues.

*See Appendix 2 (Schedule A) for the number of personnel allocated to each division.*

#### **b. A narrative explanation of any changes made during the previous year.**

There were not any organizational changes in FY24.

#### **7. Please provide a current Schedule A for the Department, which identifies all employees by title/position, current salary, fringe benefits, and program. This Schedule A should also indicate whether the positions are continuing/term/temporary/contract and whether they are vacant or frozen positions.**

- a. For each vacant position, please state how long the position has been vacant, and provide the status of the Department's efforts to fill the position, as well as the position number, the title, the program number, the activity number, the grade, the salary, and the fringe associated with each position. Please also indicate whether the position must be filled to comply with federal or local law, and whether there are impediments to the Department's ability to fill those vacancies.**
- b. For each filled position, please provide the employee's length of service with the Department. Please provide any available information on turnover rates and/or trends identified by the Department.**

*See Appendix 2.*

#### **8. Please list all employees detailed to or from the Department, if any. For each employee identified, please provide the name of the agency from/to which the employee is detailed, the reason for the detail, the date of the detail, and the employee's projected date of return.**

No employees are currently detailed to or from the Department.

**9. Did the Department conduct annual performance evaluations of its employees in FY24 or FY25, to date? Who conducted the evaluations? What are the performance measures by which employees are evaluated? What steps are taken to ensure that all employees are meeting individual job requirements? What steps are taken when an employee does not meet individual job requirements?**

DISB conducted annual performance evaluations of all its employees for the fiscal year ending on September 30, 2024. Evaluations were completed by the employees' immediate supervisor/manager. The evaluations were reviewed by each manager in the supervisory chain in accordance with District-wide performance evaluation criteria and timetables. In addition, DISB managers and supervisors participated in three mandatory performance management training sessions designed to address common questions and to provide support in using the performance management program. The Department also mandates mid-year reviews for all DISB employees to ensure employees are meeting individual job requirements.

Employees are evaluated based on the District Government Performance Management program. The Performance Management Program provides a framework for developing the skills in the workforce, defining employee goals and objectives and supporting employee growth through meaningful performance evaluations. The plans consist of core competencies, standard for all employees, and smart goals developed by managers.

**10. What is the Department's current remote work policy?**

The Department transitioned from full situational telework to a hybrid model in July 2021. The physical location was opened to staff and the public. Safety procedures were implemented based on CDC guidance to promote a balance in accessibility and safety. Most staff were provided with the option to telework for up to two days a week, except for positions that required predominately in-person duties. Staff returned to in-person work four days a week in March 2024 following the District's telework policy. Staff continued to use laptops and mobile telephones to continue the Department's operations. This allowed for an easy transition from in-office to virtual reporting.

Staff continue to use secure VPN access to the Department's systems and data. Along with the expansion of online complaints and regulatory procedures, the Department continues to provide virtual and in-person access for residents who seek assistance.

**11. Please complete the following chart about the residency of new hires in FY 24, and FY 25, to date:**

FY24

<i><b>Position Type</b></i>	<i><b>Total Number</b></i>	<i><b>Number of District Residents</b></i>
Continuing	11	6
Term	0	0
Temporary	2	1
Contract	0	0

FY25, to date

<i><b>Position Type</b></i>	<i><b>Total Number</b></i>	<i><b>Number of District Residents</b></i>
Continuing	1	0
Term	1	0
Temporary	0	0
Contract	0	0

**12. Please provide the Committee with the following:**

- a. A list of all employees who received or retained cellphones, personal digital assistants, or similar communications devices at Department expense in Fiscal Year 2024 and Fiscal Year 2025, to date;**

The Department has 135 cell phones issued to staff. The Department also has 16 mobile broadband/wireless air devices distributed and/or available to staff, as needed. The staff-issued cell phones are listed below.

Adu, George	Cell Phone
Afolabi, Christine	Cell Phone
Alexander, Kathy	Cell Phone
Alexander, Laura	Cell Phone
Anderson, Lloyd	Cell Phone
Andrew, Anu	Cell Phone
Arnold, Benjamin	Cell Phone
Bakker, Sara	Cell Phone
Ball, Chastity	Cell Phone
Barakat, Omar	Cell Phone
Barlow, Philip	Cell Phone
Barrow, Kadesia	Cell Phone
Belay, Dereje	Cell Phone
Belen, Carmen	Cell Phone
Benson, Rashaunda	Cell Phone
Beza, Tegbar	Cell Phone

Bhatti, Mobin	Cell Phone
Blackstone, Lilah	Cell Phone
Bouchard, Stephen	Cell Phone
Bressman, Brian	Cell Phone
Bright, Eva	Cell Phone
Brown, Cameron	Cell Phone
Brown, Nathaniel Kevin	Cell Phone
Bryant, Tanya	Cell Phone
Bunyasrie, Surayuth	Cell Phone
Carney, Brenda	Cell Phone
Chen, Qinghao	Cell Phone
Chibessa, Hawi	Cell Phone
Ching, Tina	Cell Phone
Christhlf, David	Cell Phone
Claros-Plater, Victoria	Cell Phone
Clifton, Aaron	Cell Phone
Cole, Miriam	Cell Phone
Cooper, Lakishia	Cell Phone
Davis, Christopher	Cell Phone
Davis, Dionne	Cell Phone
Davis, LaTasha	Cell Phone
Davis, Rebecca	Cell Phone
Dickens, Marionnetta	Cell Phone
Dortch-Jones, Eric	Cell Phone
Drehoff, Paul	Cell Phone
Duckett, Alfonzo	Cell Phone
Dyson, Monica	Cell Phone
Edmonds, Philip	Cell Phone
Ellis, Gregory	Cell Phone
Farquharson-Reid, Angela	Cell Phone
Fenwick, Aaron	Cell Phone
Flick, Stephen	Cell Phone
Fuller, Ell	Cell Phone
Fuller, Samuel	Cell Phone
Gibbs, Ebony	Cell Phone
Glass, Kendra	Cell Phone
Goines, Robsine	Cell Phone
Gray, Erris	Cell Phone
Guishard, Angela	Cell Phone
Guishard, Michael	Cell Phone
Hammonds, Michelle	Cell Phone
Herrera, Claudia	Cell Phone
Hicks, Jazman	Cell Phone

Hicks, Willie	Cell Phone
Irwin, Trey	Cell Phone
Jean, Fania	Cell Phone
Johnson, Colin	Cell Phone
Johnson-Parker, Sheila	Cell Phone
Jordan-Robinson, LuCynthia	Cell Phone
Joseph, Lester	Cell Phone
Key, Roderica	Cell Phone
King, Angela	Cell Phone
Lele, Pratima	Cell Phone
Liebers, Howard	Cell Phone
Lindell, Jenny	Cell Phone
Little, Paige	Cell Phone
Loproto, Robert	Cell Phone
Mabry, Kamaria	Cell Phone
Mack, Samone	Cell Phone
Martin, Lucinda	Cell Phone
Mathis, Michelle	Cell Phone
May, Julia	Cell Phone
McBride, Keenan	Cell Phone
McCargo, Andrea	Cell Phone
McLendon-Lucas, Kokeeta	Cell Phone
McLeod, Shavon	Cell Phone
McManus, James	Cell Phone
Mengesha, Gebrie	Cell Phone
Merlo, Samuel	Cell Phone
Moore, David	Cell Phone
Negash, Yohaness	Cell Phone
Nikoi, Gail	Cell Phone
Nkojo, Robert	Cell Phone
Nurov, Maxim	Cell Phone
O'Brien, David	Cell Phone
O'Donnell, P. Sean	Cell Phone
Ozer, Ayca	Cell Phone
Patterson, Deserie	Cell Phone
Pedroso, Tamisha	Cell Phone
Pendleton, Mark	Cell Phone
Pettigrew, Alice	Cell Phone
Purdie, Katrice	Cell Phone
Reed, Anissa	Cell Phone
Rhodes, Jeysha	Cell Phone
Richardson, Bijan	Cell Phone
Ross, Michael	Cell Phone

Rouse, Brian	Cell Phone
Sahibzada, Sayed	Cell Phone
Sanyang, Sainey	Cell Phone
Sassa, Claudine	Cell Phone
Savoy, Jasmine	Cell Phone
Saxton, Shanta	Cell Phone
Sheppard, Dana	Cell Phone
Shettlesworth, Cordelle	Cell Phone
Shipp, Sharon	Cell Phone
Shirley, Darniece	Cell Phone
Simmons, Marlene	Cell Phone
Slade, Arthur	Cell Phone
Smith, Leonard	Cell Phone
Storr, Tywanda	Cell Phone
Swift, Arthur	Cell Phone
Tadesse, Tadele	Cell Phone
Tasissa, Sudi	Cell Phone
Tengen, Juliana	Cell Phone
Turner, Dolly	Cell Phone
Turner, Kimberly	Cell Phone
Turner, Randal	Cell Phone
Ukairo, Chidinma	Cell Phone
Umoete, Faith	Cell Phone
Vaidyanathan, Shankar	Cell Phone
Vaughn-Cooke, Faye	Cell Phone
Wade, Alicia	Cell Phone
Wade, Cheryl	Cell Phone
Wagner, Peggy	Cell Phone
Walton, Brittany	Cell Phone
West, Nicole	Cell Phone
Williams, Shahidah	Cell Phone
Woods, Karima	Cell Phone
Zeidan, Tamara	Cell Phone

15 former staff members who were employed by the Department in FY24 were issued mobile devices.

Abdullah, Idriys	Cell Phone
Arriola, David	Cell Phone
Collins, Thedford	Cell Phone
Flanagan, Sydney	Cell Phone
Fludd, NuDasha	Cell Phone
Huber, Timothy	Cell Phone

Jordan, Brianna	Cell Phone
Murat, Maureen	Cell Phone
Murphy, Marcus	Cell Phone
Poniatowski, Jakub	Cell Phone
Rendel, Rebecca	Cell Phone
Rielley, John	Cell Phone
Stinson, Douglas	Cell Phone
Wang, Xuetao	Cell Phone
Yusuff, Zainab	Cell Phone

- b. A list of all vehicles owned, leased, or otherwise used by the Department and to whom the vehicle is assigned, as well as a description of all vehicle accidents involving the Department's vehicles in Fiscal Year 2024 and Fiscal Year 2025, to date;**

DISB currently leases a 2020 Dodge Caravan and a 2023 Hyundai Kona sub-compact SUV. DISB participates in the DC Fleet Share Program when appropriate. DISB picked up its leased vehicles from DPW on December 11, 2019. DISB staff have not been involved in any accidents involving District-owned vehicles.

- c. A list of travel expenses, arranged by employee, for Fiscal Year 2024 and Fiscal Year 2025, to date, including the justification for travel and description of activities engaged in during the travel;**

*See Appendix 3.*

- d. A list of employee bonuses or special award pay, raises, and step increases granted in Fiscal Year 2024 and Fiscal Year 2025, to date; and**

*See Appendix 4.*

- e. A list of the total overtime and workers' compensation payments paid in Fiscal Year 2024 and Fiscal Year 2025, to date, including the number of employees who received overtime and workers' compensation payments, in what amounts, and for what reasons.**

*See Appendix 5.*



### **13. Regarding the use of communication devices:**

- a. Please describe procedures that are in place to track which individuals or units are assigned mobile devices (including, but not limited to smartphones, laptops, and tablet computers) and how the usage of these devices is monitored.**

All DISB staff members are provided with government-issued mobile phones, and certain staff members are provided with a mobile broadband/MiFi device. All telephone transactions (including purchases, disconnections, transfers, and installations) are managed by the Agency Telecom Coordinator who accounts for inventory of all billable assets (e.g., landlines and cell phones) billed to each account each month, and reviews and certifies all vendor invoices. Agency IT also uses several tools such as KACE, Intune and Absolute software for inventory, and to wipe data or lock down at-risk devices.

- b. How does the Department limit the costs associated with its mobile devices?**

DISB has 16 mobile broadband wireless air devices distributed and/or available to staff. While mobile phones are issued to all staff members, mobile broadband wireless air devices (MiFi) are issued only to management or to employees on an emergency basis. The Department rotates the devices as necessary, reducing the number of devices needed, thereby reducing communication costs.

DISB's Agency Telecom Coordinator (ATC), who is also the Fixed Cost Management System (FCMS) Coordinator, accounts for inventory of all billable assets (e.g., landlines and cell phones) billed to each account each fiscal year. The FCMS Coordinator reviews and certifies all vendor invoices. The FCMS Coordinator works with DCNET to make sure all mobile devices are on the correct voice/data plan, identifies unusual trends and investigates their causes, and takes remedial action and other cost avoidance measures. As part of the Citywide Zero-Usage Project in FY24, DISB suspended some of the cellular phone lines.

All requests for telephone issues, including purchases, disconnections, transfers, and installations, are managed by the Department's Request for Telecommunications Services (RTS) Administrator. The RTS Administrator confirms with the CFO that appropriate funds have been allocated to the budget for RTS requests and maintains records of expenditure.

- c. For Fiscal Year 2024 and Fiscal Year 2025, to date, what was the total cost including, but not limited to, equipment and service plans for mobile communications and devices?**

For Fiscal Year 2024 the total cost for equipment and service plans for mobile communications and devices was \$73,056.07. For Fiscal Year 2025, the total cost, to date, for equipment and service plans for mobile communications and devices is \$7,029.34.

**14. For Fiscal Year 2024 and Fiscal Year 2025, to date, please list any purchase card spending by the Department, including the employee making each expenditure and the general purpose for each expenditure.**

*See Appendix 6.*

**15. Please provide a chart showing the Department's approved budget, revised budget (after reprogramming, etc.) and actual spending, by division, for Fiscal Year 2024 and Fiscal Year 2025, to date. Include a description and explanation for any variance between fiscal year appropriations and actual expenditures.**

*See Appendix 7.*

**16. For Fiscal Year 2024 and Fiscal Year 2025, to date, please identify any special purpose revenue funds maintained, used, or available for use by the Department. For each fund identified, please provide:**

- a. The revenue source name and code;
- b. Legal authority for the fund (i.e. D.C. Code or DCMR citation);
- c. A description of the program that generates the funds;
- d. The amount of funds generated by each source or program;
- e. Expenditures of funds, including the purpose of each expenditure; and
- f. The current fund balance.

*See Appendix 8.*

**17. For Fiscal Year 2024 and Fiscal Year 2025, to date, please list all intra-District transfers to or from the Department. For each transfer, include all the following details:**

- a. The program and activity codes and names in the sending and receiving agencies' budgets;
- b. Funding source (i.e., local, federal, SPR);
- c. Description of memoranda of understanding ("MOU") services;
- d. Total MOU amount, including any modifications;
- e. Whether a letter of intent was executed for Fiscal Year 2024 or Fiscal Year 2025, and if so, on what date;
- f. The date of the submitted request from or to the other agency for the transfer;
- g. The dates of signatures on the relevant MOU; and
- h. The date funds were transferred to the receiving agency.

*See Appendix 9.*

**18. Please list any additional intra-District transfers planned for Fiscal Year 2025, including the anticipated agency(ies), purposes, and dollar amounts.**

*See Appendix 10.*

**19. Please list each contract, procurement, lease, and grant (“contract”) awarded, entered into, extended, or option years exercised, by the Department during Fiscal Year 2024 and Fiscal Year 2025, to date. For each contract, please provide the following information, where applicable:**

- a. The name of the contracting party;
- b. The nature of the contract, including the end product or service;
- c. The dollar amount of the contract, including amount budgeted and actually spent;
- d. The status of deliverables;
- e. The term of the contract;
- f. The Certified Business Enterprise status;
- g. Whether the contract was competitively bid;
- h. The name of the Department’s contract monitor and the results of any monitoring activity; and
- i. The funding source.

*See Appendix 11.*

**20. Please list all MOU entered into by the Department during Fiscal Year 2024 and Fiscal Year 2025, to date, as well as any MOU currently in force. For each, indicate the date entered and the termination date.**

	MOU	Date entered	Expiry Date
1.	<b>DC Financial Crimes Task Force and Internal Revenue Service, Criminal Investigation (IRS-CI)</b>	11/01/2019	N/A
2.	<b>New York State Department of Financial Services</b>	05/15/2020	N/A
3.	<b>First Class Wealth Perseveration</b>	06/07/2021	N/A
4.	<b>Multijurisdictional Investigative Information and Documentation Confidentiality Agreement</b>	06/08/2021	N/A
5.	<b>Masterworks Common Interest Agreement</b>	03/31/2022	N/A
6.	<b>Department of Labor (USDOL) and State Insurance Regulatory Agencies (NAIC) enforcement MOU</b>	03/01/2022	09/30/2027
7.	<b>Consumer Protection (DLCP)</b>	03/06/2023	09/30/2025
8.	<b>Fingerprint &amp; Channeling - Services Agreement</b>	12/29/2013	N/A
9.	<b>Department of Health Care Finance (DHCF) for assessment of all insurers</b>	08/15/2024	09/30/2024
10.	<b>Department of Health Care Finance (DHCF) for State Flexibility Grant</b>	09/30/2024	09/30/2025
11.	<b>District of Columbia Motor Vehicle (DMV)</b>	11/07/2023	09/20/2024
12.	<b>NAIC-DISB PCMI Data Call</b>	03/13/2024	N/A
13.	<b>ISO CLAIMSEARCH ACCESS MOU for National Insurance Crime Bureau (NICB)-Administered Accounts</b>	08/08/2024	N/A

14.	<b>MOA DC Health Benefit Exchange Authority</b>	08/27/2024	09/30/2025
15.	<b>Healthcare Fraud Prevention Partnership (HPP MOU)</b>	09/19/2022	N/A
16.	<b>NAIC's International Fellows Program - Confidentiality Agreement 2024</b>		
17.	<b>State Securities Administrators and the Commodity Futures Trading Commission (CFTC)</b>	12/01/2022	N/A
18.	<b>NASAA Broker-Dealer Arbitration Project Group MOU</b>	05/02/2024	12/31/2024
19.	<b>State Securities Administrators and Vanguard Marketing Corporation, its parent and affiliates, including the Vanguard Chester Fund</b>	09/02/2022	N/A
20.	<b>Third Party Account Access Providers, Pontera</b>	10/10/2024	N/A
21.	<b>GS Partners</b>	11/27/2023	N/A
22.	<b>DC Public Library (DCPL)</b>	04/09/2024	12/31/2024
23.	<b>Department of General Services (DGS) - COVID-19</b>	11/13/2023	09/30/2024
24.	<b>Department of General Services (DGS) - Commissioner Suite</b>	07/18/2024	09/30/2024
25.	<b>Department of Small and Local Business Development (DSLBD)</b>	04/02/2024	07/09/2025
26.	<b>ABRA Consent Order</b>	06/25/2024	06/25/2029
27.	<b>Housing Counseling Service HCS Sole Source</b>	06/20/2022	06/20/2026
28.	<b>Banking, Office of Financial Empowerment and Education ("DISB-OFEE"), and the DC Department on Disability Services/Rehabilitation Services Administration ("DDS/RSA")</b>	05/20/2021	N/A
29.	<b>Department of Employment Services (DOES)</b>	06/24/2024	09/24/2024
30.	<b>Department of Housing and Community Development (DHCD) Homeowners Fund Program (HAF) - Housing Counseling Services</b>	10/01/2022	09/25/2025
31.	<b>Cities Addressing Fines and Fees Equitably (CAFFE), National League of Cities Institute (NLCI) and DISB</b>	06/30/2024	06/30/2025
32.	<b>MOU for June 20, 2024, Event DISB/DCPL</b>	06/20/2024	06/20/2024
33.	<b>NAIC Information Sharing and Confidentiality Agreement</b>	02/24/2004	N/A
34.	<b>DISB Sharing Agreement MOU with SEC</b>	11/08/2024	N/A
35.	<b>DC Health Benefit Exchange Authority - Extension</b>	08/27/2024	09/30/2025
36.	<b>DC Health Benefit Exchange Authority = Extension - Stabilize the Market Cycle II Grant</b>	10/1/2024	09/30/2025

**21. Please list the ways, other than MOU, in which the Department collaborated with analogous agencies in other jurisdictions, with federal agencies, or with non-governmental organizations in Fiscal Year 2024 and Fiscal Year 2025, to date.**

**Insurance Bureau**

The National Association of Insurance Commissioners (NAIC) is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia, and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review of analysis and examination files, and coordinate their regulatory oversight.

Commissioner Woods serves as a member of the Innovation, Cybersecurity, and Technology Committee as well as the Life Insurance and Annuities Committee and the Market Regulation and Consumer Affairs Committee and as a member of task forces and working groups, including the NAIC Special Committee on Race and Insurance. Insurance Bureau staff participate, along with regulators from other jurisdictions, on many committees of the NAIC, including as Chair of the Life Risk-based Capital Working Group, Chair of the Risk-Based Capital (RBC) Investment Risk and Evaluation (E) Working Group, Vice Chair of the Examination Oversight Task Force and Vice Chair of the Risk Retention Group Task Force. Several Insurance Bureau staff members also participate on regulator-only bulletin boards to collaborate and share information with subject matter experts in other states. Financial examination staff worked on multi-state examinations with regulators from other jurisdictions including CareFirst as the lead regulator and Wellpoint and TDC as participating regulators.

The Insurance Bureau interacts with both the Center for Consumer Information and Insurance Oversight (CCIIO), which is part of the U.S. Department of Health and Human Services, and the Federal Insurance Office, which is part of the U.S. Department of the Treasury. CCIIO oversees the Affordable Care Act (ACA) and has provided the Department with two grants that are currently supporting ACA-related work. The Insurance Bureau works with CCIIO for information and interpretations of the ACA federal requirements and CCIIO established the State Engagement Coordinator to facilitate information exchange between the Insurance Bureau and CCIIO. This year, the Insurance Bureau applied for and received the Expanding Access to Women's Health Grant, which will be administered by the Health Benefit Exchange Authority, and successfully applied for a change in our Essential Health Benefits benchmark plan to incorporate the new fertility mandate enacted in the District, which eliminates the requirement (beginning in 2026) for the District to defray the cost of that benefit for plans sold on DC Health Link.

The Department collaborates with non-governmental organizations through its Insurance Advisory Committee (IAC), which includes various stakeholders from industry, consumers and advocacy organizations. The IAC meets three times each year and provides input on policy and regulatory decisions made by the Department. The IAC has Property & Casualty and Health Subcommittees to discuss, in more detail, related issues between the IAC meetings and has set up a new subcommittee to address next steps in efforts to address unintentional bias in auto insurance.

Department staff are active participants in the Mayor's Autonomous Vehicle Interagency Working Group. The Department works collaboratively with the District of Columbia Office of the Health Care Ombudsman and Bill of Rights. Department staff from the Insurance Bureau are invited to participate on the Ombudsman's Advisory Council, and representatives from the Ombudsman's Office are invited to participate on the Insurance Advisory Committee. Staff from the Department's Consumer Services Bureau also work with the Ombudsman's Office on handling complaints, particularly those which require medical necessity review. Finally, the Supervisory Insurance Examiner serves as a member of the District's Interagency Coordinating Council.

DISB has a Memorandum of Understanding with Gallaudet University focusing on Gallaudet's Department of Risk Management and Insurance through which DISB regularly hosts summer interns from Gallaudet as part of the Financial Services Academy.

### **Securities Bureau**

The Securities Bureau collaborates extensively with other securities regulators and sister District government agencies in the performance of its regulatory responsibilities. Through access letters, DISB collaborates with the Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA).

The Securities Bureau recently signed a new MOU with the SEC regarding shared examination interests and initiatives and is awaiting a fully executed copy signed by the Chair of the SEC and participating states.

The Associate Commissioner for Securities and the Directors of the Licensing and Examinations Divisions, participate in a quarterly conference call of securities regulators in the Mid-Atlantic region hosted by FINRA. During the call, participants discuss upcoming cycle exams, firms identified as high-risk, trends, patterns and product concerns. Participants also discuss significant investigations, enforcement trends, cases, sweep exams and multi-jurisdiction initiatives. As an open dialogue, participants share new priorities or regulatory focus, recently approved FINRA new membership applications, and state registration actions, including upcoming meetings, conferences and training opportunities. This collaboration helps participants to avoid duplication and overlap and to be aware of developments that may affect their areas of responsibility.

The SEC and FINRA conduct extensive training programs from time to time, many of which are available to state securities regulators and other law enforcement personnel. In most years, DISB staff attend a regional conference attended by securities regulators from the northeast and mid-Atlantic hosted by the SEC's New York, Boston or Philadelphia Regional Office to hear the SEC's view of the latest enforcement and compliance trends nationally and in the region. Staff also attend FINRA conferences and FINRA training programs on such issues as the regulatory principles applicable to the conduct of broker-dealers involved in securities offerings.

### *Other securities regulators – NASAA and individual state securities agencies*

In addition to MOUs regarding larger multistate investigations and examination efforts, the Securities Bureau collaborates with other state and provincial securities regulators about specific matters through access letters with those agencies.

The North American Securities Administrators Association (NASAA) is the association of securities regulators throughout North America. DISB is a fully participating member. Currently, 11 DISB staff are members of 18 NASAA committees and project groups. The Associate Commissioner for Securities also serves as a member and Secretary of the NASAA Board of Directors. Staff attend the NASAA Annual Conference and the Spring Conference, which take place in Washington, DC. NASAA conducts critical training sessions in the six key areas of Securities regulation—broker-dealer examinations, corporation finance, enforcement, investment adviser examinations, investor education, and licensing and registration.

Corporation Finance Division staff members take part extensively in coordinated reviews of multi-state offerings, often serving as the lead disclosure state to coordinate the comments of all the disclosure states that are reviewing the offering. This includes participation in monthly national calls at which current filings and compliance and disclosure issues are discussed.

NASAA provides its members with daily news briefings on primary enforcement and regulatory developments. DISB staff participate in NASAA's responses to new developments in the securities field and coordinate activities such as the issuance of investor advisories.

### *The SEC*

The Securities Bureau utilizes the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) database, which is the repository of all corporate filings with the SEC, including registrations and notice filings for exempt offerings. In one category of securities offerings that must be registered with the Department—registration by coordination—the Bureau regularly interacts with SEC staff regarding offerings that both agencies are reviewing to make sure that the features of the offerings are properly disclosed to investors. The Bureau also consults with the SEC's Office of Small Business about questions involving policy and interpretation of SEC regulations that apply to small offerings and exempt offerings, and Bureau staff attend the Annual Conference of Small Business.

### *State Securities Regulators*

DISB's Licensing and Examinations Divisions interact frequently with other state regulators, particularly Maryland and Virginia regulators, because many securities firms have offices in two or three of the local jurisdictions. So, for example, if a firm that is licensed in a neighboring jurisdiction applies for a license in the District, DISB can find out what a sister agency has learned about the firm through its licensing and examination processes. The state regulators also share with other state regulators how they have managed similar situations that arise in the regulatory process.

## **Banking Bureau**

The Banking Bureau regularly collaborates with the American Association of Residential Mortgage Regulators (AARMR), Federal Deposit Insurance Corporation (FDIC), Consumer Financial Protection Bureau (CFPB), Conference of State Bank Supervisors (CSBS), Money Transmitter Regulators Association (MTRA), Mortgage Bankers Association (MBA), Student Borrower Protection Center (SBPC), Federal Student Aid/U.S. Department of Education, and the MD|DC Credit Union Association. The Office of the Student Loan Ombudsman has actively collaborated with other state ombudspersons to advocate on behalf of student loan borrowers within the District and throughout the country, including the Colorado Department of Law-Consumer Credit Unit; Illinois Attorney General's Office; Maine Bureau of Consumer Protection; Office of Nevada State Treasurer; State Council of Higher Education for Virginia; and Washington (State) Student Achievement Council.

Throughout the year, Banking Bureau staff have participated in conferences and training held by AARMR, CSBS, MTRA, and the FDIC. The Banking Bureau also regularly works with the FDIC to coordinate joint examinations of financial institutions and participates in multi-state examinations with CSBS. Additionally, the Banking Bureau reviews and monitors the CFPB Complaint Portal for trends and complaint data that could impact District residents. The Foreclosure Mediation Administrator also works with the Urban Institute, National Consumer Law Center, CoreLogic and Black Knight Financial to stay abreast of mortgage industry trends and forecasts.

## **Risk Finance Bureau**

The Risk Finance Bureau shares information and communicates regularly with insurance regulators in other states to share best practices, exchange ideas, address concerns and common problems, and promote uniform and consistent regulation relating to risk retention groups and the captive insurance industry. The Risk Finance Bureau staff also attend the National Association of Insurance Commissioners training sessions and meetings. The Risk Finance Bureau also collaborates with the Captive Insurance Council of the District of Columbia (CIC-DC). The CIC-DC is a trade group; its members are Washington, DC captive insurance companies, and companies and persons that provide services to captive insurance companies. The mission of the CIC-DC is to promote DC as a captive domicile and attract more captive insurance companies to DC. During FY24 and FY25 to date, the CIC-DC hosted annual conferences in DC and the staff of the Risk Finance Bureau, as well as other staff from DISB, attended the conferences.

## **Enforcement and Consumer Protection Division (ECPD)**

ECPD regularly collaborates with external agencies and organizations to protect District of Columbia residents and businesses. These agencies and organizations include:

- Security Association of Financial Institutions (SAFI)-- ECPD staff met with SAFI members at financial crimes intelligence meetings and shared information concerning fraud trends and suspicious activities by individuals and entities.
- DELMARVA-SIUINTEL--regional intelligence meeting attended by ECPD, insurance company SIUs, and enforcement agencies.



- U.S. Attorney for the District of Columbia Financial Crimes/Suspicious Activity Report Task Force--ECPD staff are members of the SARs Task Force and attend monthly meetings along with other local, state and federal task force agency members to identify cases of financial fraud for investigation and criminal prosecution.
- North American Securities Administrators Association (NASAA)--Multi-state and regional information and intelligence sharing and case collaboration at spring, summer, fall and winter NASAA meetings and conferences.
- National Association of Insurance Commissioners (NAIC)--ECPD attends NAIC meetings and shares information relating to insurance fraud.
- National Insurance Crime Bureau (NICB)--ECPD participates in the annual NICB National Fraud Directors' Conference and closely works with this industry-funded organization. NICB is a source of intelligence and investigative assistance. ECPD assists with NICB-initiated matters impacting the District.
- Federal Bureau of Investigation (FBI)--ECPD works closely with the FBI on joint investigations into businesses and individuals defrauding the District's residents and financial sector companies.
- U.S. Secret Service (USSS)--ECPD works closely with the USSS on joint investigations into businesses and individuals defrauding the District's residents and financial sector companies.
- Office of the U.S. Attorney for the District of Columbia—ECPD cooperates in investigating and prosecuting financial fraud cases affecting District residents and businesses.
- U.S. Securities and Exchange Commission (SEC)--ECPD shares information with the SEC and provides mutual assistance in securities enforcement matters.
- Financial Industry Regulatory Authority (FINRA) —ECPD collaborates with FINRA's Enforcement Department and Office of Market Surveillance on investigative matters involving FINRA member firms and their associated persons.
- Commonwealth of Virginia Corporation Commission (Bureau of Financial Institutions, Bureau of Insurance, Division of Securities) and Virginia State Police – ECPD exchanges information and provides investigative assistance on matters impacting VA and the District in insurance, securities and banking. ECPD collaborates with the VA State Police on matters related to insurance, securities and banking fraud affecting both the VA and the District.
- The Coalition Against Insurance Fraud (CAIF) – CAIF is a national alliance of consumer groups, public interest organizations, government agencies and insurers. ECPD works with CAIF to deter insurance fraud.
- U.S. Attorney for the Eastern District of Virginia Financial Crimes/Suspicious Activity Report Task Force (NOVA SARS) – ECPD staff are members of the SARs Task Force and attend monthly meetings along with other local, state and federal task force agency members to identify cases of financial fraud for investigation and criminal prosecution.
- ECPD is also part of a multi-state task force examining the recent phenomena of companies making loans to employees of various companies nationwide in ways that may constitute payday advance lending.
- Maryland Insurance Administration (MIA) – ECPD and MIA regularly exchange information in areas of mutual concern.

## **Office of Financial Empowerment and Education (OFEE)**

In FY24, staff in the Office of Financial Empowerment and Education (OFEE) worked with several organizations to provide educational resources, access to speakers and financial education materials to District residents. The Bank on DC program held four banking conferences, co-sponsored by the Federal Deposit Insurance Corporation (FDIC) and Office of the Comptroller of the Currency (OCC) to engage financial institutions in the work of the Department. Bank on DC engages with the FDIC to ensure that more financial institutions offer affordable financial products and connect with residents within the District of Columbia.

The Bank on DC team worked with financial institutions to identify additional ways to bring banking access to participants of workforce development programs in the District. Additionally, the team conducted a financial workshop series with the Department of Employment Services, the Office of Neighborhood Safety and Engagement (ONSE), Bank of America, DC Credit Union, PNC Bank and Truist Bank.

OFEE staff expanded a partnership with the Securities and Exchange Commission (SEC) Office of Investor Education and Advocacy (OIEA) to provide financial education material to veterans, returning citizens and investor education sessions to residents.

OFEE staff, through the Bank on DC program, worked with the DOES Office of Youth Programs to provide access to banking resources to program participants in partnership with financial institutions such as Bank of America, Chase, M&T Bank, Truist, Wells Fargo and DC Credit Union.

The OFEE team also worked with numerous partners on Financially Fit DC initiatives. An area of OFEE focus has been to provide financial education support and access to bank accounts for justice involved individuals and returning citizens. DISB established partnerships with the DC Department of Corrections READY Center, DC Corrections Information Council, and DC Clemency Board. Also, in partnership with the Bank on DC program, Industrial Bank has worked with DISB to support banking access specifically around access to bank accounts for returning and currently incarcerated individuals.

**22. Please identify all recommendations identified by the Office of the Inspector General, D.C. Auditor, or other federal or local oversight entities during the previous 3 years. Please provide an update on what actions have been taken to address these recommendations. If the recommendation has not yet been implemented, please explain why.**

The Office of the Inspector General, D.C. Auditor, nor any other federal or local oversight entities have provided DISB with recommendations during the previous three years.

**23. Please describe any anticipated spending pressures for Fiscal Year 2025. Please include a description of the pressure, the estimated amount, and any proposed solutions.**

Per D.C. Act 25-506, Securities and Banking Regulatory Trust Fund Emergency Amendment Act of 2024, on October 1 of each year \$12.63 million is converted to Local Funds. This revenue sweep has created budget pressures and has prevented DISB from being able to fully perform its mandated regulatory and administrative functions. In addition, the Cost of Living Adjustment (COLA) for union employees was approved in FY25, but not budgeted for FY25. This could potentially affect DISB's ability to fill all vacant positions.

**24. Please list all capital projects in the financial plan and provide an update on all capital projects under the Department's purview in Fiscal Year 2024 and Fiscal Year 2025, to date, including the amount budgeted, actual dollars spent, and any remaining balances. In addition, please provide the following:**

- a. An update on all capital projects begun, in progress, or concluded in Fiscal Year 2023, Fiscal Year 2024, and Fiscal Year 2025, to date, including the amount budgeted, actual dollars spent, and any remaining balances;**

There are no capital projects under the Department's purview.

- b. An update on all capital projects planned for Fiscal Year 2025 through Fiscal Year 2030; and**

There are no updates.

- c. Whether the capital projects begun, in progress, or concluded in Fiscal Year 2023, Fiscal Year 2024, or Fiscal Year 2025, to date, have an impact on the operating budget of the Department. If so, please provide an accounting of such impact.**

There is no impact to report.

**25. Please provide a list of all budget enhancement requests (including, but not limited to, capital improvement needs), for Fiscal Year 2024 and Fiscal Year 2025, to date. For each, please include a description of the need and the amount of funding requested.**

The Department had no budget enhancement requests in FY2024 or FY2025, to date.

**26. Please list, in chronological order, every reprogramming in Fiscal Year 2024 and Fiscal Year 2025, to date, which had an impact on the Department, including those which moved funds into, out of, and within the Department. For each reprogramming, please list the date, amount, rationale, and reprogramming number, and indicate whether a reprogramming impacted the Department's ability to carry out a directive or recommendation of the Committee. Please also include the program, activity, and CSG codes for the originating and receiving funds. Finally, provide the revised, final budget for the Department after reprogramming for Fiscal Year 2024.**

There were no reprogramming requests for FY2024 or FY2025, to date.

**27. Please list each grant or sub-grant received by the Department in Fiscal Year 2024 and Fiscal Year 2025, to date. List the date, amount, and purpose of the grant or sub-grant received. Additionally, provide the following:**

- a. Whether any FTEs are dependent on grant funding and, if so, how many; and**
- b. A description of the terms of this funding, and, if it is set to expire, what plans, if any, are in place to continue funding.**

*See Appendix 12.*

**28. Please describe any grant the Department is, or is considering, applying for in Fiscal Year 2025.**

There are currently no grants that the Department is, or is considering, applying for in Fiscal Year 2025.

**29. Please list any pending lawsuits that name the Department as a party. Please identify any lawsuits that could potentially expose the District to significant financial liability and/or result in a change to Department practices, and please include the current status of the litigation. Please provide the basis and extent of each claim, regardless of its likelihood of success. For those identified, please include an explanation of the issues involved in each case.**

Yusuff v. DC Government (DISB, DCHR, ABRA, OHR, BEGA and OEA) - 2024-CAB-005229 (Wrongful termination)

*May expose the District to significant financial liability*

Plaintiff was a Fraud Investigator within the Enforcement and Consumer Protection Division of DISB. On October 23, 2023, the employee was placed on leave restrictions. Following this action, the employee failed to comply with leave restriction notice and accumulated an additional twenty (20) days of absence without leave. The employee was terminated on March 28, 2024, due to attendance related offenses. Plaintiff filed suit on September 11, 2024, and is suing the District for \$1.5 million for wrongful termination.

PERB Case No. 23-U-06 / 24-E-02 Slade v DISB (AFSCME Enforcement Petition)

*May result in change or clarification to Department and District practices regarding performance allowances.*

On March 23, 2023, the American Federation of State, County and Municipal Employees, District Council 20, Local 2743 (Union) filed an amended unfair labor practice complaint against the Department. The Union alleged that the Department retaliated against the union vice president for protected activity by refusing to award a Performance Allowance for FY22 Performance Management Period. The Office of Labor Relations and Collective Bargaining (OLRCB) filed its answer, affirmative defenses and motion to dismiss on March 30, 2023. The hearing was held on September 20, 2023. The hearing examiner ruled against the Department. The Department filed exceptions to the report on January 16, 2024. On March 22, 2024, the PERB Board (Board) issued its Decision and Order and found the Department committed an unfair labor practice. On April 5, 2024, the Department filed a Motion for Reconsideration with the Board. The Board ruled the Department's motion for reconsideration. On August 16, 2024, the Union filed an enforcement petition with the Board to force the Department to pay employee discretionary performance allowance. On January 27, 2025, the Board issued an Order that denied the Union's request for disciplinary action against management officials but; (2) granted the Union's petition to pay employee an arbitrary 7% performance allowance plus interest and post a violation notice for 30 days. The Department will appeal the final decision by the Board to D.C. Superior Court.

Yusuff v. DISB et al. 2024-CAB-003749 (FDS Designation)

The DC Director of Government Ethics considered the entirety of the record in the appeal and upheld the agency's decision that employee must file a Financial Disclosure Statement. Employee disagrees and is suing BEGA and DISB.

**30. Please list all settlements entered into by the Department, or by the District on behalf of the Department, in Fiscal Year 2024 or Fiscal Year 2025, to date. Include the parties' names, the amount of the settlement, and, if related to litigation, the case name and a brief description of the case. If unrelated to litigation, please describe the underlying issue or reason for the settlement (e.g., administrative complaint, etc.).**

DISB v. Mita Inc. d/b/a Check Cash Plus, Jitta Banya and Sadhak Kumar Chakroborty. BB-CD-03-24. Office of General Counsel held virtual settlement conference on November 18, 2024. Respondents' counsel was receptive to penalty of \$7,000 and conditional terms. Awaiting respondents' counsel to provide in writing joint motion to extend time to respond to respondents' motion to dismiss. Awaiting respondents' attorney email to formalize settlement amount and terms, due by November 20, 2024.

DISB v. Pawlicy Advisor, Inc. IB-01-24. In this matter, Pawlicy Advisor, Inc., a property and casualty insurance producer, conducted business in the District of Columbia with a lapsed license from June 1, 2021, through October 24, 2023. During that time, Pawlicy placed 149 policies in the District of Columbia which totaled less than \$80,000.00 in premiums collected and approximately \$8,000.00 in commissions. Pawlicy Advisor, Inc. entered into a Consent Order in which it agreed to pay a fine of \$20,000.00, reapply for licensure as a non-resident insurance producer, and maintain internal checks on the status of its licensure in the District of Columbia (specifically with regard to internal checks provided to the Department in letter form) to avoid any future license lapses.

DISB v. Celsius, Celsius Network Inc., Celsius Network Limited, Celsius US Holding LLC, Celsius Network LLC, and Celsius Lending LLC. SB-CD-04-22. DISB commenced an administrative enforcement action against respondents for selling unregistered securities in the District in the form of crypto interest accounts on October 12, 2022. Respondents subsequently became insolvent and filed for bankruptcy on July 13, 2022. On June 7, 2024, DISB entered a consent order resolving the administrative enforcement action. It ordered the respondents to cease and desist offering unregistered securities in the District or violating the Securities Act of 2000 in any other way. Considering the respondents' bankruptcy, cessation of any customer facing business, and inability to pay fines, the consent order provided that a penalty would not be imposed as long as respondents followed the bankruptcy court's plan for distribution of remaining assets to former customers and other creditors.

PNC Investments LLC Unlicensed Investment Advisor Activity. SB-CO-03-24. Following an investigation into unlicensed investment adviser activity in the District by three PNC Investments LLC ("PNCI") investment adviser representatives (over the course of a number of years), DISB entered a consent order against PNC Investments LLC on September 18, 2024, resolving the matter. Under the consent order, PNCI was ordered to pay a civil penalty and registration fees in the amount of \$163,580, comprised of a \$162,500 fine for the violations and \$1080 for unpaid licensing fees in the amount of \$45 for each year of unlicensed investment adviser activity by the three employees at issue.

In the Matter of TradeStation Crypto, Inc. SB-CO-01-24. Following a multistate investigation into TradeStation Crypto, Inc. ("TradeStation") revealing that TradeStation sold unregistered securities in the form of crypto interest accounts in the District of Columbia, DISB entered into a settlement with TradeStation by which TradeStation agreed to cease and desist selling unregistered crypto interest account securities or other unregistered securities in the District and pay a fine of \$29,411.76. DISB entered a consent order effectuating the settlement on February 12, 2024.

In the Matter of Voyager Digital Ltd., Voyager Digital Holdings, Inc., and Voyager Digital, LLC. SB-CO-04-22. DISB filed an administrative enforcement action on July 19, 2022, against the respondents in this matter ("Voyager") for offering and selling unregistered securities in the form of crypto interest accounts in the District. On July 5, 2022, Voyager filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code. On September 19, 2024, following a settlement between the parties, DISB entered a consent order against Voyager ordering it to cease and desist offering and selling securities in the District and ordering it to pay a fine in the amount of \$2.8 million to be subordinated to claims of former customers victimized by the sale of unregistered securities and other creditors in the bankruptcy proceeding.

In the Matter of Robinhood Financial LLC. SB-CO-05-23. A multistate investigation of Robinhood Financial LLC (“Robinhood”), a broker-dealer registered in the District since January 2, 2014, revealed that Robinhood engaged in a number of failures and deficiencies in its operations, including deficiencies in its supervision of options and margin trading eligibility and approval processes, its operational structure for controls, and its customer service, as well as other operational failures during the period of approximately October 1, 2019 to March 2021. These failures and deficiencies negatively impacted retail customers including District residents and constituted a violation of D.C. Official Code 31-5602.07(a)(12). DISB and Robinhood agreed to resolve the matter by consent order. The consent order was entered on October 4, 2023, and it ordered Robinhood to pay a penalty of \$200,000 and to implement a number of remedial measures to address the issues.

**31. Please list and describe any ongoing investigations, audits, or reports on the Department or any employee of the Department, including, but not limited to, personnel complaints, or any investigations, studies, audits, or reports on the Department or any employee of the Department that were completed during Fiscal Year 2024 and Fiscal Year 2025, to date, along with the Department’s compliance or non-compliance with any recommendations.**

There are currently no ongoing investigations, audits, or reports on the Department or any employee of the Department including, but not limited to, personnel complaints, or any investigations, studies, audits, or reports on the Department or any employee of the Department.

**32. Please provide the total number of administrative complaints or grievances filed against the Department in Fiscal Year 2024 and Fiscal Year 2025, to date, broken down by source. Please describe the process utilized to respond to any complaints and grievances received and any changes to Department policies or procedures that have resulted from complaints or grievances. As it relates to a constituent challenging the Department’s response to grievances, please indicate:**

In FY24 there were five unfair labor practices complaints filed.  
Source: AFSCME Local 2743

In FY24 there were two grievances filed.  
Source: AFSCME Local 2743

**a. Whether a formalized process is in place to request a hearing by the Commissioner;**

A formalized process is in place to request a hearing by the Commissioner through administrative procedures outlined in the District Personnel Manual (DPM) or through the applicable union’s collective bargaining agreement.

**b. If so, whether the Commissioner's decision is appealable; and**

The Commissioner's decision is appealable through the procedures outlined in the DPM or through the applicable union's collective bargaining agreement or by filing an appeal with the Office of Employee Appeals.

**c. If there is a formalized hearing process, whether that process is described on the Department's website.**

Depending on the allegations, there are several places where formal personnel hearings are held including:

- D.C. Office of Employee Appeals;
- D.C. Public Employee Relations Board; and
- D.C. Office of Human Rights

Each administrative venue has its own rules governing the process for review of an Initial Agency Decision.

As it relates to a constituent challenging the Department's response, the Consumer Services Division (CAD) provides informal dispute resolution to address disputes between consumers and financial services providers licensed by and operating in the District. While there is no formalized process to appeal the Department's findings, if a consumer challenges the Department's response, the issue is elevated for management review. If the consumer is not satisfied with management review, the consumer may seek judicial remedies through the courts. There is no provision for a Department hearing or appeal.

**33. Please describe the Department's procedures for investigating allegations of sexual harassment or misconduct committed by or against its employees. Please list and describe any allegations received by the Department in Fiscal Year 2024 and Fiscal Year 2025, to date, and whether those allegations were resolved.**

The Department follows the guidelines mandated under Mayor's Order 2023-131-Updated. The Department designated a Sexual Harassment Officer to investigate allegations of sexual harassment, train all employees on related laws and policies, and provide response training for all managers and supervisors.

On October 21, 2023, Mayor Muriel Bowser signed Mayor's Order 2023-131 on sexual harassment that discusses, among other things, what constitutes sexual harassment, how to report and respond to sexual harassment, and various protections available to employees involved in a sexual harassment complaint. All District government employees have received a copy of this policy and have received clear guidance that sexual harassment is strictly prohibited in District government.

The Department did not receive sexual harassment complaints in FY24 or FY25, to date.



District Government Sexual Harassment Policy, Guidance, and Procedures:

- Day 1 - Sexual Harassment Officer (SHO) receives complaint
  - Day 60 - SHO issues SHO Investigative Report
    - A description of the allegations
    - A description of the SHO's investigation
    - A description of the evidence the SHO obtained and evaluated
    - Whether the allegation(s) was substantiated or not by the available evidence
  - Day 74 - Agency Report and Notice of Agency Findings and Conclusions Completed
    - Accepts, modifies, or rejects the SHO's findings and substantiated recommendations
    - Describes the rationale for each modification or rejection
    - Includes conclusions as to whether the substantiated allegation(s) violates the Mayor's Order
  - Post-Day 60 - Agency issues its Notice of Agency Findings and Conclusions to complainant and alleged harasser
  - 5 Days Later - Agency shares the Notice of Agency Findings and Conclusions, the Agency Report and the SHO Investigation Report with Mayor's Office of Legal Counsel
- a. **Has the Department identified a primary and alternate sexual harassment officer ("SHO") as required by Mayor's Order 2023-131 ("Sexual Harassment Order")? If not, why not? If yes, please provide the names of the primary and alternate SHOs.**

Yes. Katrice Purdie, Chief of Policy and Administration, has been identified as the primary sexual harassment officer, and Marlene Simmons, Human Resources Specialist, has been identified as the secondary.

- b. **Has the Department received any requests from staff in an otherwise prohibited dating, romantic, or sexual relationship for a waiver of the requirements of provisions of the Sexual Harassment Order? What was the resolution of each request? If a waiver has been granted, are there limitations on the scope of the waiver?**

No, the Department has not received any requests.

**34. Please provide the number of FOIA requests received by the Department during Fiscal Year 2024 and Fiscal Year 2025, to date. Please include the number of requests which were granted, partially granted, denied, or pending. Please also provide the average response time, estimated number of FTEs required to process requests, and the estimated number of hours spent responding to these requests.**

**FY24 (October 1, 2023, through September 30, 2024)**

1.	Number of FOIA requests received during reporting period	27
2.	Number of FOIA requests pending on October 1, 2024	0
3.	Number of FOIA requests pending on September 30, 2023	0
4.	Number of requests granted, in whole	19
5.	Number of requests granted, in part, denied, in part	0
6.	Number of requests denied, in whole	1
7.	Number of requests withdrawn	0
8.	Other disposition	7
9.	Number of staff hours devoted to processing FOIA requests	210
10.	The average number of days unfilled requests have been pending before each public body as of September 30, 2021	10.22
11.	Estimated number of FTEs required to process requests	1

**FY25 to date (October 1, 2024, through November 18, 2024)**

1.	Number of FOIA requests received during reporting period	14
2.	Number of FOIA requests pending on October 1, 2024	0
3.	Number of FOIA requests pending on November 18, 2024	1
4.	Number of requests granted, in whole	8
5.	Number of requests granted, in part, denied, in part	0
6.	Number of requests denied, in whole	5
7.	Number of requests withdrawn	0
8.	Other disposition	0
9.	Number of staff hours devoted to processing FOIA requests	44
10.	The average number of days unfilled requests have been pending before each public body as of September 30, 2021	5.8
11.	Estimated number of FTEs required to process requests	1

- a. **For FOIA requests disposed of because no records or Department records containing the requested information exist, please describe the nature of the request.**

Regarding FY24, FOIA requests that were disposed of because no records or Department records containing the requested information exist--the nature of the requests pertained to documents not in the possession or control of the agency.

**35. Please provide a list of all studies, research papers, reports, and analyses that the Department prepared, or contracted for, during Fiscal Year 2024 and Fiscal Year 2025, to date. Please state the status and purpose of each and attach a copy.**

**Insurance Bureau**

The Insurance Bureau prepared a market conduct report on unintentional bias in automobile insurance. The final report was made public on November 19, 2024, and shared with the Council.

*See Appendix 13.*

**Office of Innovation**

The DISB Office of Innovation prepared the following reports:

- Fintech Regulatory Landscape in the District of Columbia and Recommendations for Improvement
- Financial Inclusion Gap: A Study of Underserved DC Populations
- AI Technology Regulatory Landscape in the United States
- Startup Accelerator Ecosystem Report
- Startup Ecosystems and Venture Landscapes in the DMV Area

*See Appendices 14, 15, 16, 17, and 18.*

**36. Please list all reports or reporting currently required of the Department by the District of Columbia Code or Municipal Regulations. Please indicate whether the Department complies with these requirements, and if not, why (e.g., the purpose behind the requirement is moot, etc.).**

<b>Title of Report</b>	<b>Report sent to</b>	<b>Source of Requirement</b>	<b>Frequency of Report</b>	<b>Due Date</b>	<b>Submitted in FY24</b>
Annual Financial Report of Insurers	Mayor	D.C. Official Code § 31-206	Annual	March 31	Yes
Annual Financial Report of Insurers	Congress	D.C. Official Code § 31-207	Annual	1 <sup>st</sup> day Congress is in session	Yes
Report of Health Insurance Ratemaking	Council	D.C. Official Code § 1-3311.08	Annual	June 1	N/A (1)
Health Benefit Plans Behavioral Health Compliance	Council	D.C. Official Code § 31-3175.03(b)	Annual	October 1	Yes
Annual Report on Life Insurers	Mayor	D.C. Official Code § 31-4301(f)	Annual	Date not specified	Yes
Uninsured Motorist Fund	Council	D.C. Official Code § 31-2408.01(j)(2)	Annual	Date not specified	Yes
Student Loan Ombudsman	EOM and Council	D.C. Official Code § 31-106.01(d)	Annual	March 1	Yes (2)(3)
Student Loan Servicers	EOM and Council	D.C. Official Code § 31-106.02(j)	Annual	January 30	Yes (3)
Opportunity Reports Report	Council	D.C. Official Code § 1-307.74	Every 2 years	October 3	Yes (3)
Financial Institution Community Development Plan	EOM and Council	D.C. Official Code § 26-431.05(b)	Annual	Date not specified	Yes
Applications for Licenses for International Banks	Council	D.C. Official Code § 26-636(e)	Annual	Date not specified	Yes

Interstate Banking and Branching	Council	D.C. Official Code § 26-702.01(b)(22)	Annual	Date not specified	Yes
FOIA Reporting	EOM	D.C. Official Code § 2-538(a)	Annual	February 1	Yes
Filer Designation	BEGA	D.C. Code § 1-1162.25(c)	Annual	March 1	Yes
Filer Review	BEGA	D.C. Code § 1-1162.25(d)	Annual	June 1	Yes
Sexual Harassment Data	EOM	D.C. Code § 1-5406.01	Annual	December 3	Yes

*(1) This report is required to be filed if the National Association of Insurance Commissioners makes changes to the Affordable Care Act, and since the NAIC has not made any changes to the ACA, the Department did not file this report.*

*(2) DISB has legislation pending to change the submission date of this report to June 30 to allow adequate time to review data from student loan servicers.*

*(3) Pending Mayoral approval as of January 2025.*

**37. Please provide an update on the status of the Department’s annual report on financial institution compliance with community development plans required pursuant to D.C. Code § 26-431.05(b).**

The Department completes ongoing reviews of both of its chartered depository institutions for safety and soundness and adherence to the District’s community development requirements for chartered depository institutions. Due to limited examination resources and as permitted by the DC Code § 26-431.07(b), the Department accepted the performance evaluations conducted by federal regulators.

Industrial Bank continues to maintain a satisfactory Community Development Plan and received a rating of ‘Outstanding’ at its last Community Reinvestment Act (CRA) examination conducted in April 2022. Founders Bank, the District’s other chartered depository institution, received a rating of ‘Satisfactory’ at its 2022 CRA examination. The Department will continue to monitor and review both institution’s progress with their respective Community Development Plan in FY25.

*See Appendix 19.*

**38. Please identify any boards or commissions associated with the Department, and provide a chart listing the names, confirmation dates, terms, wards of residence, and attendance of each member. Include any vacancies. Please also attach agendas and minutes of each board or commission meeting in Fiscal Year 2024 or Fiscal Year 2025, to date, if minutes were prepared. Please inform the Committee if the board or commission did not convene during any month. Finally, please indicate whether the board or commission met virtually or in person.**

**DC Financial Literacy Council Members**

<b>Names</b>	<b>Position</b>	<b>Ward</b>	<b>Term Expiration</b>	<b>Other Designations</b>	<b>Attendance Record</b>
Jeffrey A. Banks	Chairperson	3	04-02-2028	United Bank, Vice President	FY24 – 4 of 4
Sybongile Cook	Secretary to Council	2	04-02-2028	Office of the Deputy Mayor for Planning and Economic Development Appointee to Council & Director of Business Development & Strategy	FY24 – 2 of 4
Michelle Hammonds	Government Representative	5	04-02-2028	DC Government Representative to the Council & Director for DISB Office of Financial Empowerment and Education	FY24 – 4 of 4
William L. (Chip) Lusk, Jr.	Commissioner		11-19-2026	CEO, IDB Global Federal Credit Union	FY24 – 3 of 4
Anthony V. Stevens	Commissioner	8	04-02-2028	Financial Representative Northwestern Mutual	FY24 – 3 of 4

Melissa Mazard	Commissioner	4	04-02-2028	Self-employed	FY24 – 3 of 4
Benedict Richardson	OCFO Appointee	N/A	04-02-2028	Office of the Chief Financial Officer, Office of Finance and Treasury Appointee to Council	FY24 – 4 of 4
Jennifer Burkett	DCPS Appointee	N/A	04-02-2028	Director, Math Strategy and Advancement  Office of Teaching and Learning  Social Emotional Academic Development	FY24 – 3 of 4

#### **Calendar Year 2024 Financial Literacy Council Public Meetings**

<b>MEETING</b>	<b>DAY, DATE AND MONTH</b>	<b>TIME</b>	<b>LOCATION</b>
First Quarter Meeting	3 <sup>rd</sup> Thursday, January 18, 2024	3:00 p.m. - 5:00 p.m.	Virtual
Second Quarter Meeting	3 <sup>rd</sup> Thursday, April 18, 2024	3:00 p.m. - 5:00 p.m.	Virtual
Third Quarter Meeting	3 <sup>rd</sup> Thursday, July 18, 2024	3:00 p.m. - 5:00 p.m.	Virtual
Fourth Quarter Meeting	3 <sup>rd</sup> Thursday, October 17, 2024	3:00 p.m. - 5:00 p.m.	Virtual

### **39. Please describe how the Department solicits feedback from customers.**

The Department uses the feedback received from regulated entities and individuals, the public, and other stakeholders to propose legislation and rulemakings; improve the Department's operations; and target, improve and expand the Department's outreach and public engagement activities.

Specifically related to insurance, the Insurance Advisory Committee has been an invaluable tool to bring stakeholders from diverse backgrounds together to discuss significant insurance regulatory issues. The diversity of the group has led to compromise, consensus, conclusions, and valuable recommendations to the Department. The health insurance rate hearings gave the Department an opportunity to hear directly from consumers and understand how the change in insurance rates affects them and their businesses and explore ways to obtain cost savings for consumers. The Department's DEI Committee has asked for specific feedback from insurance stakeholders that is helping to shape a path forward regarding DEI recommendations.

The Department solicits feedback from customers using several methods. Whenever the Department holds public hearings and proposes a new rule, it solicits public comments through public notices in the D.C. Register, on its website, and announcements via social media. As a rule, the Department gives due consideration to all comments received from the public.

Also, the Department obtains information from the public regarding issues of concern and potential unlawful conduct by regulated service providers through the Department's consumer complaint process. Additionally, Department staff, such as the Student Loan Ombudsman, the Foreclosure Prevention and Mediation Administrator, and the Consumer Protection Advocate, regularly engage the public through large community events and small group or individual meetings. The Department also participates in educational outreach programs that include housing, mental health parity flood insurance forums, Bank on DC Program, and Coffee & Capital workshops. The Department also invites customer feedback through its web based "Ask the Commissioner" link.

The Department continues to utilize the Insurance Advisory Committee (IAC) ([disb.dc.gov/page/insurance-advisory-committee-iac-meetings-agenda](https://disb.dc.gov/page/insurance-advisory-committee-iac-meetings-agenda)) to obtain feedback on insurance matters. The committee includes representatives from the insurance industry, insurance producers, the medical community, and consumer advocates. The IAC provides suggestions to, and reviews legislation and regulations proposed by, the Department. Finally, through the IAC, the Department solicits feedback from insurance industry stakeholders on proposed DEI initiatives.

Furthermore, the Department held a public hearing on August 20, 2024, on the 2025 health insurance rates for policies to be sold on DC Health Link. At the hearing, the Department heard from health insurance carriers, DC Health Link's Executive Director, District residents, producers, and small business owners, in addition to the Department's consulting actuary. All health insurance rate filings are posted to the Department's website to allow input from the public prior to resolving the filings.



Finally, the Office of Financial Empowerment and Education administers post event surveys to obtain feedback regarding financial education workshops and seminars. The surveys are anonymous and provide participants with an opportunity to give feedback on the topics covered and propose topics for future sessions. Highly requested topics of interest included investments, budgets, understanding credit and retirement. This information is used to develop the annual calendar of Financially Fit DC workshops and webinars. Additionally, the Bank on DC program collected post event surveys to understand what participants learned or took away from financial education sessions. Specifically, from sessions with Marion S. Barry Summer Youth Employment Program (MBSYEP) participants, ages 14 – 24, OFEE received feedback that participants learned: how to manage money responsibly, the difference between needs and wants, the benefits of managing money responsibly and how to create emergency funds.

**a. Please explain what the Department has learned from this feedback, including specific examples; and**

The Department uses the feedback received from regulated entities and individuals, the public, and other stakeholders to propose legislation and rulemakings; improve the Department's operations; and target, improve, and expand the Department's outreach and public engagement activities.

Specifically related to insurance, the Insurance Advisory Committee has been an invaluable tool to bring stakeholders from diverse backgrounds together to discuss significant insurance regulatory issues. The diversity of the group has led to compromise, consensus, conclusions, and valuable recommendations to the Department. The health insurance rate hearings gave the Department an opportunity to hear directly from consumers and understand how the change in insurance rates affects them and their businesses and explore ways to obtain cost savings for consumers. The DEI Committee has solicited specific feedback from insurance stakeholders that is helping to shape a path forward regarding DEI recommendations including comments related to the Department's unintentional bias study in private passenger automobile insurance.

**b. Explain how the Department has changed its practices due to such feedback.**

Feedback has been used to develop consumer guides to assist residents in making more informed choices when it comes to financial decisions. DISB issues consumer alerts regarding financial scams to help inform and protect District residents. Consumer feedback from outreach events is used to develop additional educational programs and regulatory initiatives. The Department values the feedback it receives from the public and its licensees. The Department will continue to solicit feedback as it works to protect and advance the interests of the District and its residents; promote modern and innovative regulations; and support efficient business operations.

**40. Please attach copies of the required annual small business enterprise (“SBE”) expenditure reports for the Department for Fiscal Year 2023, Fiscal Year 2024, and Fiscal Year 2025, to date.**

*See Appendix 20.*

- a. D.C. Official Code § 2-218.53(b) requires each District agency to submit supplemental information with their annual SBE expenditure report, including a description of the activities the Department engaged in to achieve their fiscal year SBE expenditure goal and a description of any changes the Department intends to make during the next fiscal year to achieve their SBE expenditure goal. Has the Department submitted the required information for Fiscal Year 2024? If so, please provide a copy as an attachment. If not, please explain.**

**FY23 (as of 3/21/24)**

SBE Goal: \$95,270.82

SBE Spend: \$1,582,443.86

SBE Goal Completion: 1661%

**FY24 (as of 12/12/23)**

SBE Goal: \$4,734,634.64

SBE Spend: Pending

SBE Goal Completion: Pending

**41. Please provide a copy of the Department’s Fiscal Year 2024 performance plan. Please explain which performance plan objectives were completed in Fiscal Year 2024 and whether they were completed on time and within budget. If they were not, please provide an explanation.**

*See Appendix 21.*

## **Personnel**

### **42. Is the Department operating under a full or partial hiring freeze? If so, why?**

No, the Department is not operating under a full or partial hiring freeze.

### **43. Please separately list each Department employee whose salary was \$100,000 or more in Fiscal Year 2024 and Fiscal Year 2025, to date. Please provide the name, position number, position title, program number, activity number, salary, and fringe for each. In addition, please state the amount of any overtime or bonus pay received by each employee on the list.**

*See Appendix 22.*

### **44. Please list, in descending order, the Department's top 25 overtime earners during Fiscal Year 2024 and Fiscal Year 2025, to date. For each, please state the employee's name, position number, position title, program number, activity number, salary, fringe, and the aggregate amount of overtime pay earned.**

*See Appendix 23.*

### **45. Please provide each collective bargaining agreement that is currently in effect for Department employees and include the bargaining unit and the duration of each agreement.**

Two collective bargaining agreements are currently in effect for Department employees:

- Master Agreement between the American Federation of State, County and Municipal Employees (AFSCME), District Council 20, AFL-CIO and the Government of the District of Columbia (effective through September 30, 2010) (Includes: AFSCME Local 2401 and AFSCME Local 2743 at DISB).
- Compensation Collective Bargaining Agreement between the District of Columbia Government and Compensation Units 1 And 2 (effective October 1, 2021, through September 30, 2025).

Most attorneys are represented under the American Federation of Government Employees (AFGE), Local 1403, Compensation Unit 33.

- Compensation Agreement between the District of Columbia and the Office of the Attorney General and the American of Government Employees, Local 1403, AFL-CIO (effective October 1, 2020, through September 30, 2023) (currently being negotiated).

*See Appendices 24, 25, and 26.*

**46. Does the Department conduct employee satisfaction surveys or otherwise solicit such information from employees? If so, please explain how such information is collection and evaluated, including whether responses are anonymous and/or confidential. Please explain what steps are taken to ensure that all employees are comfortable in the work environment.**

In FY24, the Department used surveys to solicit feedback on the all-staff retreat, wellness programming and DEI committee participation. The surveys were anonymous, and the feedback is being used to plan FY24 and FY25 staff engagement and programming. In addition, to support a comfortable work environment, senior leadership and management employ a liberal communications approach. Staff are encouraged to engage with management at all levels. Managers are required to hold regular meetings to facilitate information sharing. The Commissioner also meets with Labor monthly to share and discuss any issues or developments. This forum facilitates an active labor management dialogue.

**47. Please provide the total number of complaints or grievances from employees or former employees that the Department received or was made aware of in Fiscal Year 2024 and Fiscal Year 2025, to date, including, but not limited to, matters concerning program implementation and work environment.**

The Department received two grievances filed in FY24 and none have been filed in FY25, to date.

Regarding complaints, the Department received five unfair labor practice complaints in FY24, and none have been filed in FY25, to date. No administrative complaints or grievances have been filed to date in FY25.

FY24

- Unfair labor practices complaints filed: 5
- Grievances filed: 2

**48. Please provide a list of any additional training or continuing education opportunities made available to Department employees. For each, provide the subject of the training, the names of the trainers, and the number of Department employees who participated. Please discuss whether the Department accepts requests from employees to engage in training opportunities.**

**Insurance Bureau Trainings/Courses**

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
National Association of Insurance Commissioners Insurance Summit	An Introduction to Generative AI: How These Models Are Changing the Future of Insurance	NAIC Staff	1
National Association of Insurance Commissioners Insurance Summit	Consumer Messaging: Building Trust & Spreading Awareness Through Social Media Storytelling	NAIC Staff	1
National Association of Insurance Commissioners Insurance Summit	Data Defense: Understanding Information Security Program Concepts	NAIC Staff	1
National Association of Insurance Commissioners Insurance Summit	From 'Black Box' to 'Own View of Risk'	NAIC Staff	1
National Association of Insurance Commissioners Insurance Summit	Gen Z and Financial Literacy: Preventing a Protection Gap	NAIC Staff	1
National Association of Insurance Commissioners Insurance Summit	Global Strategies Against Insurance Fraud	NAIC Staff	1
National Association of Insurance	Mining for Consumer Insurance Gaps	NAIC Staff	1

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
Commissioners Insurance Summit			
National Association of Insurance Commissioners Insurance Summit	Stormy Weather Ahead: Navigating the Rising Tide of Severe Convective Storm Losses	NAIC Staff	1
National Association of Insurance Commissioners Insurance Summit	Understanding State Guaranty Systems: Their Function and Collaboration with Regulators to Protect Consumers	NAIC Staff	1
National Association of Insurance Commissioners Insurance Summit	Financial Examination and Analysis topics	NAIC staff and financial examination professionals	5
National Association of Insurance Commissioners Insurance Summit	Actuarial Topics	NAIC Staff and Regulators	1
National Association of Insurance Commissioners Insurance Summit	Licensing Topics	NAIC Staff and Regulators	2
Training Course	Online ARM Micro-Course	The Institutes	1
Training Course	Online AIS Micro-Course	The Institutes	1
Training Course	Online AINS Micro-Course	The Institutes	1
Training Course	AIC 300: Claims Principles Micro-Course	The Institutes	1
Training Course	AIC 304: Property Claims Micro-Course	The Institutes	1
American Academy of Actuaries Annual Meeting	Actuarial Professional Education	AAA Members and subject matter experts.	3
Update on the NAIC Generator of Economic	Economic Scenario Generator for insurance modeling	Regulatory Actuaries	1

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
Scenarios (GOES) Project			
Generative AI: Opportunities and Pitfalls for Actuaries	Generative Artificial Intelligence	Actuaries and subject matter experts	1
Where Does Bias Hide? Defining Data Biases and Unfairly Discriminatory Considerations	Defining Data Biases	Actuaries and subject matter experts	1
NAIC Education & Training	CAT 101: Introduction to Catastrophe Modeling	NAIC instructor-led/Self-guided	2
NAIC Webinar	Best Practices in Company Licensing	NAIC Staff	1
NAIC Webinar	Modernize Premium Tax Filing with OPTins	NAIC Staff	1
NAIC Webinar	Company Licensing Application Review Process	NAIC Staff	1
NAIC Webinar	Regulator's Guide to the Surplus Lines Industry	NAIC Staff	1
NAIC Webinar	Lessons Learned from Peer Review	NAIC Staff	1
Pennsylvania Insurance Department	Financial Examination and Analysis topics	NAIC Staff and financial examination professionals	1
Foundations of DEI for Regulators (Webinar)	Insurance Regulation	NAIC Staff	1
Introduction to Critical Thinking (Webinar)	Insurance Regulation	NAIC Staff	1
Market Conduct Examinations (Webinar)	Insurance Regulation	NAIC Staff	1
Producer Licensing (Webinar)	Insurance Regulation	NAIC Staff	1

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
FAST Enhancements (Webinar)	Financial Analysis	NAIC Staff	1
Financial Condition Examination Handbook Updates and Hot Topics (Webinar)	Insurance Regulation	NAIC Staff	2
NAIC Accreditation (Webinar)	Insurance Regulation	NAIC Staff	1
P&C Annual Statement Updates (Webinar)	Insurance Regulation	NAIC Staff	1
NAIC Capital Market Updates (Webinar)	Insurance Regulation/Finance	NAIC Staff	1
Bringing Focus to the Risk-Audit Relationship (Webinar)	Auditing	Wolters Kluwer	2
The Role of Technology in Today's Boardroom (Webinar)	Specialized Knowledge	Johnson Lambert	1
Skepticism, Bias, and Critical Thinking (Webinar)	Auditing	Wolters Kluwer	3
ESG and the Role of Internal Audit	Auditing	Wolters Kluwer	1
Managing the Internal Audit Function (Domains 1 and IV of 2024 Standards) (Webinar)	Auditing	Wolters Kluwer	1
How internal audit can harness	Auditing	Wolters Kluwer	1



<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
the power of integrated assurance. (Webinar)			
Enhancing audit productivity: Leveraging Generative AI for the next-level auditing. (Webinar)	Auditing	Wolters Kluwer	2
Do Generative AI and Audit Analytics Intersect	Auditing	Wolters Kluwer	1
Simplifying the Shift to Principles-based Bond Accounting for Statutory Insurers (Webinar)	Accounting	Johnson Lambert	1
Analytics and the Public Sector (Webinar)	Auditing	Wolters Kluwer	2
AI, IT security, and internal audit in the age of intelligent threats (Webinar)	Auditing	Wolters Kluwer	1
2024 Insurance Industry Statutory Accounting Update (Webinar)	Accounting	Johnson Lambert	1
Implementing an integrated approach to assurance provision (Webinar)	Auditing	Wolters Kluwer	2
Crypto hacks, headlines and scandals	Auditing	Wolters Kluwer	2

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
Actions and Traits for high performing audit teams	Auditing	Wolters Kluwer	1
Impactful Internal Audit Committee Reporting	Auditing	Wolters Kluwer	1
Effective quality assessment – Beyond the IIA Standards	Auditing	Wolters Kluwer	1
Where ethics, integrity, compliance and audit intersect (Webinar)	Ethics	Wolters Kluwer	3
Ethics Webinar	Ethics in the Real World	Noble Consulting	2
Overview of the Global Internal Audit Standards 2024 (Webinar)	Auditing	Wolters Kluwer	3
The Ripple Effect: Safeguarding Reputation in the Age of Social Media and Contagion Risk (Webinar)	Auditing	Wolters Kluwer	2
12 reasons controls break down and what we can do about it.	Auditing	Wolters Kluwer	2
Society of Financial Examiners 2024 Conference	Auditing/Regulatory ethics/Computer Science/Specialized Knowledge & Application/Accounting	NAIC Staff and financial examination professionals	2
NAIC – Education & Training	Regulation of Insurance Products - 181	NAIC – Instructor Lead / Self-Guided	1

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
NAIC – Education & Training	Foundation of Insurance Regulation - 161	NAIC – Instructor Lead / Self-Guided	1
NAIC – Education & Training	Introduction to Catastrophe Modeling	NAIC – Instructor Lead / Self-Guided	1
NAIC – Education & Training	Regulator’s Guide to the Surplus Lines Industry	NAIC – Instructor Lead / Self-Guided	1
AM Best - Webinar	U. S Auto Market - Trends	LexisNexis Risk Solutions -	1
NAIC Education & Training	Back to Basics: P&C Guaranty Funds	CIPR and The Institutes Griffith Foundation	1
DC ESS Training	Retirement 101	DC HR Personnel	1
NAIC & FEMA	FEMA NAIC Flood Conference	Aaron Brandenburg and FEMA Representatives	1
Training - HRLearning	4-Hour Virtual Seminar on Mastering Excel Pivot Tables	Dennis Taylor	1

#### **Securities Bureau Trainings/Courses**

<b>Subject of the Training</b>	<b>Names of the Trainers</b>	<b>Number of Securities Bureau staff who participated in person or virtually</b>
North American Securities Administrators Association (NASAA) Training Tracks on  1. Fundamentals of State Securities Regulation  2. Broker-Dealer Training  3. Investment Adviser Training	NASAA members and experts	4

<b>Subject of the Training</b>	<b>Names of the Trainers</b>	<b>Number of Securities Bureau staff who participated in person or virtually</b>
4. Corporation Finance Training		
2024 SEC Northeast Regional Securities Conference	Staff from SEC, FINRA, CFTC, DOJ, State Securities Regulators, Federal and State Prosecutors and Other Law Enforcement Agencies	4
2024 NASAA Spring Meeting: SEC Section 19d Conference and Public Policy Symposium	NASAA members, SEC staff, CFTC staff and Industry experts	12
2024 NASAA Enforcement Training	NASAA members, SEC staff, CFTC staff and Industry experts	2
2024 NASAA Administrators Professional Development Symposium	NASAA Members, FINRA staff and Professional Development Consultants	1
2024 NASAA Broker Dealer Training	NASAA members, SEC staff, CFTC staff and Industry experts	7
2024 NASAA Investor Education Training	NASAA Members, SEC staff, FINRA staff and Industry experts	2
2024 NASAA Investment Adviser Training	NASAA members, SEC staff and Industry experts	6
2024 NASAA Fall Conference	NASAA members, SEC staff, FINRA Staff, CFTC staff and Industry Experts	3

<b>Subject of the Training</b>	<b>Names of the Trainers</b>	<b>Number of Securities Bureau staff who participated in person or virtually</b>
2024 DC FINTECH Week	Industry experts, US House Members and Staff, Federal Regulators	1
PLI SEC Reporting Skills Training	Private Attorneys	2
Numerous NASAA Members Only Webinars on Recent Trends and Developments	NASAA Members, FINRA Staff, Industry Experts	15
Certified Fraud Examiner (CFE) Test Preparation Courses	CFEs	1

#### **Banking Bureau Trainings/Courses**

<b>Subject of the Training</b>	<b>Names of the Trainers</b>	<b>Number of DISB employees who participated</b>
2024 NMLS Annual Conference	NMLS/CSBS	7
Cybersecurity Audit Training	CSBS	4
State Examiner System (SES) Training	CSBS	12
Cybersecurity & IT Supervisory Forum	CSBS	1
CSBS State Federal Supervisory Forum	CSBS	1
Artificial Intelligence in the Audit Process	FDIC/FFIEC	4
Deposit Insurance Assessments	FDIC	4

#### **Risk Finance Bureau Trainings/Courses**

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
Society of Financial Examiners 2024 Conference and Training	Financial Examination topics	Society of Financial Examiners staff and financial examination professionals	6

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
National Association of Insurance Commissioners (NAIC) Financial Summit	Financial Examination and Analysis topics	NAIC staff	5
NAIC Accreditation Webinar	Accreditation Updates	NAIC staff	2
NAIC Financial Analysis Webinar	Financial Analysis Solvency Tools Enhancements	NAIC staff	3
Exam Peer Review NAIC Training	Financial Examination topics	NAIC staff	2
Financial Analysis Solvency Tools Update Webinar	Financial Analysis topics	NAIC staff	3
Financial Examiners Handbook Updates Webinar	Financial Examination topics	NAIC Staff	3
Captive Insurance Companies Conference	Captive insurance topics	Captive insurance industry professionals	3
Pennsylvania Insurance Department, Bureau of Financial Examinations annual training	Financial and Examination topics	Pennsylvania Insurance Department staff	5
World Captive Forum	Various topics on captive insurance	Captive insurance regulators and industry professionals	3
National Risk Retention Association Conference	Various topics on captive insurance	Captive insurance regulators and industry professionals	3

<b>Training</b>	<b>Training Subject</b>	<b>Trainer Information</b>	<b>Agency Employees Trained</b>
Vermont Captive Association Conference	Various topics on captive insurance	Captive insurance regulators and industry professionals	3
Spring Ethics Webinar - Avoiding the Misstep	Ethics	Noble Insurance Consulting personnel	1
New Chief Financial Regulator Orientation Webinar	Financial Regulation topics	NAIC Staff	3
Lessons Learned from Peer Review webinar	Financial and Examination topics	NAIC Staff	3
Captive Insurance Council of the District of Columbia Conference	Various topics on captive insurance	Captive industry professionals	8

#### **ECPD Trainings/Courses**

<b>Subject of the Training</b>	<b>Names of the Trainers</b>	<b>Number of DISB employees who participated</b>
2023 North American Securities Administrators Association (NASAA) Conference	Various NASAA members	2
USAA Enforcement Training	NASAA members	7
Suicide Prevention for Youth and Teens	NWC3	
Elder Fraud	The National White Collar Crime Center (NW3C)	2
Targeting Investment Fraud	NW3C	3
Financial Crimes Against Seniors	NW3C	2
Cyber Training Sprint	DAO LE Crypto Group	3
National Association of Insurance Commissioners (NAIC)	NAIC members	1

<b>Subject of the Training</b>	<b>Names of the Trainers</b>	<b>Number of DISB employees who participated</b>
Basic Cyber Investigations: Digital Footprints	NW3C	2
TRM Labs Crypto Training	TRM	7
ETHICS	DCHR/BEGA	7
Coalition Against Insurance Fraud (CAIF) Annual Training	CAIF and industry members	1
MD Certified Fraud Examiner Fraud Conference	ACFE Members	1
Intermediate Cyber Investigations: Virtual Currency	NW3C	2
Financial Crime Conference	FDIC	3
SAR TRAINING	FINCEN	1
Anti-Money Laundering	Pillsbury	1
Advancing Responsible AI Innovation	GWU	1
Racial Equity	DCHR/CHAIN BRIDGE	7
Sexual Harassment	DCHR	7
Building Trust...Giving and Receiving Feedback	Percipio	2
Anti-money Laundering	Securities Industry and Financial Markets Association (SIFMA)	1
Fraud Director's Conference	Fraud Directors Assoc.	
SEIZURE -- what can we take	Crypto Coalition	2
Northeast Regional Securities Conference	Securities and Exchange Commission (SEC)	1
HIPPA and Cyber Security Training.	HFPP	4
Cyber Security Training	OCTO	7
CDI Fraud Referral InfoSession	CAIF	1
Crypto Crime	Chainalysis	2
Cybersecurity Training Program	NASAA	4
Mastering Accurant Address Verification	Lexis-Nexis	1
NMLS CHRI Handling Training	CSBS NMLS	1
Unlocking the full value of gen AI	McKinsey	1
Financial Exploitation and Family Dynamics	NCLER	1
19(d)	NASAA	1
ICP-Do you take Cash App?	NW3C	3
The \$MATIC Polygon Investigation	Breadcrumbs	2



<b>Subject of the Training</b>	<b>Names of the Trainers</b>	<b>Number of DISB employees who participated</b>
Basics Regulators Should Know About Cybersecurity	NASAA	1
Pig Butchering 101	NASAA	5
Protecting Older Investors from Scams	NASAA	2
Homegrown Violent Extremist - Threat to Law Enforcement: The Jesse Hartnett Ambush Story.	Magloclen	1
The Latest Criminal Use for AI	NW3C	1
Trend Talk: Water Mitigation	CAIF	1
Tron Protocol	Breadcrumbs	1

### **Office of General Counsel Trainings/Courses**

In FY 2024, DISB held the following training sessions for managers offered by the Office of Labor Relations and Collective Bargaining

- 08/29/2024 --- Manager Workshop: How to Manage in a Unionized Environment
- 08/29/2024 --- Manager Workshop: Progressive Discipline

Continuing Education Trainings:

<b>Subject of Training</b>	<b>Type of Training</b>	<b>Name of Trainer</b>	<b>Number of Employees</b>
An Update for Your Cross-Border Code of Conduct or Business Ethics for Today's Era of ESG, CSR, DEI and Ethical Investing	Ethics	PLI	1
Securities Arbitration 2023: Ethical Considerations for Advocates and Neutrals in the FINRA Arbitration	Ethics	PLI	1
Ethics in Discovery	Ethics	PLI	1
Tougher Supervision: What It Means for Banks and Their Non-Bank Vendors	Legal	PLI	1
What To Expect In Banking Regulation 2024	Legal	PLI	1

<b>Subject of Training</b>	<b>Type of Training</b>	<b>Name of Trainer</b>	<b>Number of Employees</b>
The Ethics of Working From Home	Ethics	PLI	1
Winning an Historic \$112 Million Insurance Bad Faith Jury Verdict-Trial Strategy	Legal	PLI	1
NLRB General Counsel Says Noncompete Violate the NLRA: What Your Company and Clients Need to Know and Do Now	Legal	PLI	1
IP Discussions-Motion Pictures	Legal	PLI	1
The Basics of US Insurance Regulation-What Every Corporate and Financial Lawyer Needs to Know About How States Regulate Insurance Companies 24	Legal	PLI	1
Successfully Navigating the Administrative Process in Employment Cases	Legal	PLI	1
NASAA in Person Work Group Meetings	Securities Law	NASAA	1
PLI The SEC Speaks	Securities	PLI	1
SEC Northeast Regional Conference	Securities Law	SEC	1
AI Speaks Conference	AI issues	AI Scoop	1
Westlaw AI Assisted Research Training	Research Techniques	Westlaw	1
NASAA Annual Spring Meeting	Securities Law	NASAA	1
DC Blockchain Summit	Crypto/Blockchain	Digital Chamber of Commerce	1
DC Bar Mandatory Ethics Course	Ethics	D.C. Bar	1
Is ChatGPT and Engine of Copyright Infringement?	Copyright Law; AI	Cornell Alumni	1
NASAA Annual Fall Meeting	Securities Law	NASAA	1

<b>Subject of Training</b>	<b>Type of Training</b>	<b>Name of Trainer</b>	<b>Number of Employees</b>
February NMLS CSBS Conference in San Antonio		CSBS	1
April District 1 CSBS Conference		CSBS	1
Spring Symposium NASAA		NASAA	1
NASAA Project Group Emerging Trends Meeting		NASAA	1
CSBS Regulatory Summit in San Antonio		CSBS	1
Legal Sufficiency Reviews		DC Government	1
Using Compliance Programs as a Shield for Corporate Criminal Liability		Cornell Law School	1
2023 NASAA Corporation Finance Training		NASAA	1
2024 NELI Conference	Employment Law	NELI	1
Common Hearsay Objections	Legal		1
Intro to Legislative Drafting	Legal		1
Expert Depositions	Legal		1
Ethics, Confidentiality, and Social Media	Ethics		1
PLI Crypto Enforcement: The Regulators Speak	Legal	PLI	1
PLI Ethics for the Negotiating Lawyer	Ethics	PLI	1
PLI Insurance Law Mid-Year Update	Legal	PLI	1
How to Structure a Winning Argument	Legal		1
Navigating Ethical Legal Challenges in Banking Law	Ethics	PLI	1
Enforcement 2024: Perspectives from Government Agencies	Banking & Ethics	PLI	1

<b>Subject of Training</b>	<b>Type of Training</b>	<b>Name of Trainer</b>	<b>Number of Employees</b>
Ethics in House Corporate Counsel	Ethics	PLI	1

**Office of Communications Trainings/Courses**

<b>Date</b>	<b>Event</b>	<b>Location</b>	<b>No. of DISB Office of Communications Employees</b>
10/13/23	Public Relations Society of America (PRSA) International Conference ICON 2023	In-Person	3
10/19/23	DISB Emergency Information	Virtual	3
12/26/23	OCTO Cyber Security Risk	Virtual	3
01/23/24	Apple Photography Class	In-Person	2
02/05/24	PIO All-Hands: Changes to Mayoral Event Memos	Virtual	2
02/21/24	Who Not How?	Virtual	2
03/19/24	Crisis Communications Plan Orientation	Virtual	3
05/13/24	Board of Ethics and Government Accountability Training	Virtual	4
05/21/24	DMOI Media Pitching Training	In-person	1
06/13/24	Sexual Harassment Training	Virtual	4
06/27/24	Foundations of DEI with Change Bridge	In-Person	2
08/05/24	PRSA Certification Program: Driving Change Through Internal Communications—Paul Drehoff	Virtual	1
09/24	DIFS Training	Virtual	1
09/16-20/24	NAIC Fall Meeting	In-Person	1
10/08/24	DMPED Media Pitch Training	In-Person	1

10/14-17/24	Public Relations Society of America (PRSA) International Conference ICON 2024	In-Person	4
10/24	New Employee Cybersecurity Training	Virtual	1
11/14/24	DISB Staff Retreat	In-Person	4
12/11/24	Cybersecurity Training	Virtual	4
12/19/24	PIO Training: Social Media Best Practices	Virtual	3

**49. Please discuss any training deficiencies the Department identified during Fiscal Year 2024 and Fiscal Year 2025, to date, and any plans the Department has to address those deficiencies.**

The Department did not have training deficiencies in FY24 and FY25, to date. DISB continues to ensure all staff are availing themselves of training opportunities. The Department leverages District, federal and private sector partnerships to provide valuable training opportunities. Additionally, as indicated by DCHR, participation in training/professional development is a routine part of the mid-year and annual evaluation process.

## **Agency Operations**

**50. Please list each new program implemented by the Department during Fiscal Year 2024 and Fiscal Year 2025, to date. For each initiative, please provide:**

- a. A description of the initiative;**
- b. Funding required to implement the initiative and the source of such funding; and**
- c. Any documented results of the initiative.**

## **Enforcement and Consumer Protection Division (ECPD)**

Throughout FY25, the Anti-Fraud Citizens Academy will provide a more comprehensive outreach for DC residents to increase their awareness of potential scams, how not to be a victim, and what to do if they are victimized. During FY24, ECPD, along with the Office of Communications and the Office of the Chief Technology Officer published the live Scam Tracker on the DISB website, two months ahead of schedule.

There is currently no estimate for the required funding. The program is in the development stage, and any fiscal impact is expected to be minimal.

**51. Please explain the impact on the Department of any legislation passed at the federal level during Fiscal Year 2024 and Fiscal Year 2025, to date, which impacted Department operations. If regulations are the shared responsibility of multiple agencies, please note.**

## **Insurance Bureau**

There was no impact related to new federal legislation.

## **Securities Bureau**

There was no impact related to new federal legislation.

## **Banking Bureau**

There was no impact related to new federal legislation.

**52. Please list all regulations to which the Department is subject at the federal level. Please explain how the Department complies with those regulations and explain any non-compliance or lapses in compliance.**

The Department is responsible for complying with all applicable federal laws and regulations. The financial services entities that the Department licenses also are responsible for complying with applicable federal statutes and regulations, and the Department plays a role in ensuring that these entities meet those standards.

Examples of federal regulations that the Department is subject to include:

*Insurance*

- Regulations associated with the Health Insurance Portability and Accountability Act (HIPAA), the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Patient Protection and Affordable Care Act (ACA), as well as the US and EU/UK covered agreements.

*Securities*

- Regulation Best Interest.
- Regulations associated with the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, and the Investment Company Act of 1940.

*Banking*

- Regulations associated with the Dodd-Frank Wall Street Reform and Consumer Protection Act, including the Appraisal Management Company rule.
- The SAFE Act (Secure and Fair Enforcement for Mortgage Licensing Act of 2008).

**Insurance Bureau**

U.S./EU and U.S./UK Covered Agreements: The U.S. negotiated covered agreements with the EU and UK (with potentially additional covered agreements to follow) to address reinsurance issues. The covered agreements promote U.S. interests by allowing U.S. insurers with EU/UK operations to avoid burdensome worldwide group capital, governance, and reporting requirements, as well as EU/UK local presence and collateral requirements for U.S. reinsurers. The covered agreements also commit the United States to eliminating state-based reinsurance collateral requirements as applied to cessions to EU/UK reinsurers that meet the consumer protection standards specified in the Agreement.

**Securities Bureau**

The Department's authority to regulate investment advisers, broker-dealers and securities issuers is primarily set forth in District law and regulations. District law and regulations govern securities entities and transactions concurrent with or exempt from federal securities laws, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, and the Investment Company Act of 1940, and regulations issued pursuant to each.

## **Banking Bureau**

The Department's authority to regulate depository financial institutions and non-depository financial institutions that include mortgage lenders and brokers, money transmitters, check cashers, and money lenders is primarily set forth in District law and regulations. District law and regulations govern both depository financial institutions and non-depository financial institutions and their respective transactions concurrent with or exempt from federal banking laws, including the Banking Act of 1933, the Banking Act of 1935, the Federal Deposit Insurance Act of 1950, Bank Secrecy Act of 1970, Real Estate Settlement Procedures Act of 1974, Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, and the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, and the accompanying regulations issued pursuant to each.

**53. Please list all regulations for which the Department is responsible for oversight or implementation in the District. Please list by chapter and subject heading, including the date of the most recent revision.**

Chapter 37	Department of Insurance, Securities and Banking Infractions (5/27/2005)
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## **Title 26 – District of Columbia Municipal Regulations**

### ***Insurance***

Chapter A1.	Licensure as Insurance Producer (10/4/2013)
Chapter A2.	Restrictions on Solicitations and Sales (10/21/1988)
Chapter A3.	Prohibitions on Arbitrary Cancellation (10/21/1988)
Chapter A5.	Motor Vehicle Insurance: Required Insurance (10/21/1988)
Chapter A6.	District of Columbia Automobile Insurance Plan (12/31/2004)
Chapter A8.	Taxicab Insurance (7/23/2004)
Chapter A9.	Ambulance Insurance (10/21/1988)
Chapter A10.	Life Insurance (10/21/1988)
Chapter A11.	Annuity Mortality Tables (4/7/2000)
Chapter A13.	Insurance Placement Facilities (1/7/2005)
Chapter A14.	Insider Trading (10/21/1988)
Chapter A15.	Proxy Solicitation (10/21/1988)
Chapter A16.	Insurance Holding Company System Regulations (4/22/1994)
Chapter A17.	Motor Vehicle Insurance: Administration Fund Bureau and Administration Fund (10/21/1988)
Chapter A18.	Uninsured Motorist Fund (10/21/1988)
Chapter A19.	Insurance Coverage for Drug Abuse, Alcohol Abuse, and Mental Illness (7/14/1989)
Chapter A20.	Certification for Participation in the Medical Liability Captive Insurance Program (1/28/2011)
Chapter A21.	Sinking Fund (7/28/1989)
Chapter A22.	Medicare Supplement Insurance Minimum Standards (11/13/2009)
Chapter A23.	Reinsurance (4/22/1994)
Chapter A24.	Company Organization, Management and Securities (4/22/1994)



Chapter A25.	Annual Statement Filing Requirements (5/19/1995)
Chapter A26.	Long Term Care Insurance (4/11/2008)
Chapter A27.	Variable Life Insurance Contracts (2/24/1995)
Chapter A28.	Credit for Reinsurance Regulations (5/3/1996)
Chapter A29.	Statements of Actuarial Opinion and Memorandum Regulation (3/11/2005)
Chapter A30.	Valuation of Life Insurance Policies (9/26/2008)
Chapter A31.	Investment Guidelines for Health Maintenance Organizations (HMOs) (6/8/2007)
Chapter A35.	Health Maintenance Organizations (HMOs) (7/11/2003)
Chapter A36.	Privacy of Consumer Financial Information (2/14/2003)
Chapter A37.	Captive Insurance Companies (9/20/2013)
Chapter A38.	Rules of Practice and Procedure for Hearings (8/8/2003)
Chapter A39.	Licensure as a Public Insurance Adjuster (4/25/2003)
Chapter A40.	Reciprocal Insurance Companies (1/18/2008)
Chapter A41.	Title Insurance Rate Making (3/18/2011)
Chapter A42.	Uniform Credentialing and re-Credentialing Form (8/11/2006)
Chapter A43.	Uniform Consultation Referral Form (5/25/2007)
Chapter A44.	Child-Only Policies (3/18/2011)
Chapter A45.	Oversight Role and Fiduciary Obligations of Members of the Board of Directors of a Hospital and Medical Services Corporation (9/17/2004)
Chapter A46.	Procedures for the Determination of Excess Surplus (11/13/2009)
Chapter A50.	Unfair Trade Practices (4/16/2004)
Chapter A51.	Standard Non-forfeiture Law for Individual Deferred Annuities (5/28/2004)
Chapter A52.	Military Sales Practices (12/7/2007)
Chapter A53.	Medical Malpractice Liability Hearing Rules and Rate Filing Requirements (12/12/2008)
Chapter A56.	Certified Capital Companies (3/11/2011)
Chapter A58.	Senior-Specific Certifications, Designations and Credentials (7/30/2010)
Chapter A82.	Continuing Care Requirement Communities (10/20/2006)
Chapter A84.	Suitability in Annuity Transactions (12/24/2010)
Chapter A88.	Health Benefit Plans Prompt Payment (6/16/2006)

### ***Securities***

Chapter B1.	Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives (12/6/2013) (*New NOPR published 12/20/2024)
Chapter B2.	Registration of Securities Offerings (11/30/2001)
Chapter B3.	Rules of Practice and Procedures for Hearings (10/11/2002)

### ***Banking***

Chapter C1.	General Provisions (8/19/1988)
Chapter C2.	Applications (8/19/1988)
Chapter C3.	Powers (8/19/1988)
Chapter C4.	Administrative Procedures (8/19/1988)
Chapter C6.	Fees and Assessments (2/15/2008)

Chapter C11.	Mortgage Lenders, Mortgage Brokers and Mortgage Loan Originators (12/24/2010)
Chapter C18.	Automated Teller Machines (12/5/2003)
Chapter C20.	Predatory Lending (11/29/2002)
Chapter C21.	Opportunity Accounts (5/31/2002)
Chapter C22.	Money Transmitters (12/5/2003)
Chapter C25.	Consumer Retail Credit (1/11/1991)
Chapter C26.	Loaning Money (12/12/1988)
Chapter C27.	Foreclosure Mediation (6/27/2014)
Chapter C28.	Capital Access Program (9/30/2011)
Chapter C29.	State Small Business Credit Initiative (11/24/2023)
Chapter C30.	Student Loan Servicers (8/10/2018)
Chapter C31.	Appraisal Management Companies (12/5/2019)

**54. Please identify any statutory or regulatory impediments to the Department's operations.**

There are no statutory or regulatory impediments to the Department's operations or mission.

**55. Please identify all electronic databases maintained by the Department, including the following:**

- a. A detailed description of the information tracked within each system;
- b. The age of the system and any discussion of substantial upgrades that have been made or are planned to the system; and
- c. Whether each system is publicly accessible, in whole or in part.

**Insurance Bureau Electronic Databases**

**State-Based System (SBS)** – SBS was created in 2000 by the National Association of Insurance Commissioners in collaboration with a few states and the District of Columbia.

SBS is a comprehensive system used to license and renew insurance producers and companies. It has expanded to include consumer complaints, enforcement and online continuing education for resident producers. SBS is being used to report information to the U.S. Department of Health and Human Services (HHS), as part of health care reform. Currently, 33 states use the SBS system. NAIC has upgraded the SBS system to the latest version called SOLAR, and the District went live with the new system on November 9, 2016.

The Insurance Bureau, as well as Compliance Analysis Division staff, access SBS on a daily and continuous basis. Consumers can access the status of insurance companies and producers through SBS directly from the DISB website. The public is also able to identify registered agents for insurers through SBS from the DISB website.

**National Insurance Producers Registry (NIPR)** – NIPR provides 24/7 input services for producers wanting licensure in the District, including allowing biographical updates and the ability to upload any required supporting documentation. Initial and renewal licensing processed through NIPR feeds into SBS on a real-time basis. Insurance company appointments and renewals (producers) are processed through NIPR electronically. All fees collected by NIPR are transmitted via EFT daily to the DC Treasurer.

Insurance Bureau staff have access to NIPR on an as-needed basis. The public can access NIPR information through SBS, as discussed above. Producers directly access NIPR to renew licenses and update information. Enhancements to NIPR are approached on the same basis as described above for SBS. DISB has fully participated in all NIPR initiatives since 2000. NIPR makes periodic updates to the system.

**System for Electronic Rate and Form Filing (SERFF)** – SERFF provides an interface for insurance companies to submit rate and form filings for review and approval by DISB actuaries and analysts. This paperless process for reviewing and approving filings also provides for electronic communication between submitters and reviewers if necessary. SERFF is being used to report information to HHS as part of health care reform. DISB has established a search portal application on its website for District residents and other consumers to have direct access to approved rate and policy form filings. DISB started using SERFF in 2003. NAIC makes periodic updates to the system. The NAIC will roll out an updated version of SERFF in early 2025.

**Internet-State Interface Technology Enhancement (I-SITE)** – I-SITE stores financial and other information for all insurance companies licensed in the District. I-SITE has one national database used by all participating jurisdictions. I-SITE was redesigned to the new *I-site+* that provides improved search capabilities, easier navigation, enhanced tools and additional user preferences. The public has access to some information. I-SITE was created in 1995 and is periodically updated, most recently in 2016.

**Online Premium Tax for Insurance (OPTins)** – OPTins is a secure web application, using 128-bit SSL encryption, which facilitates the submission of premium tax, surplus lines, and other state-specific filings and payments to participating states. There is no public access for OPTins. DISB started using OPTins in 2011 and it is periodically updated by the NAIC.

- **TeamMate Software (Teammate)** – The Insurance Bureau’s and Risk Finance Bureau’s Financial Analysis and Examination Divisions use TeamMate Software to perform and maintain its financial analyses and examination files of insurance and captive companies. TeamMate software was updated to the latest version (v12) for all analysts and examiners. There is no public access to TeamMate. TeamMate was created in 1997 and is periodically updated, most recently in 2022.

- **TeamMate+** –The Insurance Bureau’s Financial Analysis and Examination Divisions use TeamMate+ Software to perform and maintain its financial analyses and examination files for Insurance companies. The Insurance Bureau started using the initial version of TeamMate+ in 2024 and there have been no updates to date. TeamMate+ was created in 2022. The public cannot access TeamMate+.

## **Securities Bureau Electronic Databases**

**Tyler Technologies (formerly MicroPact) STAR System** – The STAR system has been used at the Department since 2001. STAR is maintained by the Corporation Finance and Licensing Divisions of the Securities Bureau. The system has modules that track licensing activity pursuant to Title II of the Securities Act of 2000 (the “DCSA”) and registration filings and notice filings related to securities offerings subject to the requirements of Titles III and IV of the DCSA. The corporate filings are primarily SEC Uniform Investment Company Notice Filing Form NF for mutual fund offerings, Securities and Exchange Commission Form D for Regulation D offerings and similar notices of securities offerings in other categories that are not subject to the registration requirements. The securities firm licensing information is tracked in the database. It includes the name and identifying numbers of the licensee or applicant, the licensing category and the status of the license.

The licensing functionality was enhanced in FY13 by enabling the importation of licensing data directly from FINRA. Securities offering information tracked in the database includes the issuer’s name; description of securities issued; the number of securities offered; names and ID numbers of broker dealer firms and agents; sales information; and the status of DISB’s processing of these filings. The Licensing and Corporation Finance Divisions staff have access to this system, in addition to DISB IT staff. The current version of the client application was rolled out in December 2015. Renewed annually, the Securities Bureau has two contracts with the vendor, Tyler Technologies. These contracts are for routine system maintenance and hosting of the STAR servers. STAR is not accessible to the public in whole or in part.

In September 2024, the Department entered a contract with Dorger Software Inc. to replace Tyler Technologies’ STAR System with a new DC-customized corporation finance and licensing database built using a license for a Valence off-the shelf product. The new system is expected to improve tracking and reporting capabilities, better assign privileges to staff based on their use, improve security protocols, and enhance interactions with other systems such as EFD and BlueExpress. The project is expected to be completed in FY25. Current plans are to go live by June 30, 2024. This new system may include public access to limited information about Corporation Finance filings with the Department. That feature is still under consideration for development and deployment.

**BlueExpress** – BlueExpress is the database system maintained by Bank of New York/Mellon (BNY/Mellon) and used by the Securities Bureau Corporation Finance Division in cooperation with DISB IT Administrators that provides electronic filing services for financial institutions. The STAR system imports securities filing data from the BlueExpress system. Information tracked within the system includes the name of the licensed firm or issuer, names and ID numbers of officers and directors, names and ID numbers of broker dealer firms and agents, and descriptions of securities issued and other sales information. Access to BlueExpress is afforded to investment company filers who have executed an MOU with DISB to use the system. BlueExpress is not otherwise accessible to the public as a whole or in part.

The BlueExpress system has been in use at DISB since 2002. No upgrades are expected from BNY/Mellon on behalf of filers that use the system.

**Electronic Filing Depository (EFD)** – EFD is used by the Corporation Finance Division (CorpFin). Developed and operated by the North American Securities Administrators Association (NASAA), EFD is an online database that allows for the electronic submission of certain state securities filing material. EFD currently allows an issuer to submit Form NF for Unit Investment Trust (UIT) offerings and Form D for Regulation D, Rule 506 offerings, and pay related fees to state securities regulators. The public can search for issuer filings through EFD’s public facing portal. CorpFin began receiving Form D filings through EFD when the system was launched in December 2014.

The EFD Form NF is a state-specific notice filing document that provides certain information related to a UIT or Mutual Fund offering being conducted within a particular jurisdiction.

Rule 506 of Regulation D is a “safe harbor” for the private offering exemption of Section 4(a)(2) of the federal Securities Act and provides an exemption for offerings to verified accredited investors. Issuers relying on the Rule 506 exemption do not have to register their securities offerings with the SEC or state securities regulators. But they must file a “Form D” with the SEC and state securities regulators where they offer the securities, including the District.

EFD was created to provide an efficient, streamlined system for state Form D filing requirements. Issuers benefit from a uniform process to submit their filings to the states. Additionally, the EFD website enables the public, free of charge, to search and view Form Ds for the offerings in the system. As a result, investor protection is strengthened by the improved transparency the system provides for Form D filings. CorpFin currently receives Form D, Form NF, and other state filings through the EFD system. Those filings are then processed into the STAR system. Like the BlueExpress system, EFD interacts electronically with the STAR system.

CorpFin continues to expand how EFD and the STAR system integrate and communicate with each other electronically, as NASAA continues its work to expand the types of filings for which filers can submit through the EFD (e.g., SEC Regulation A/A+ and the mutual fund Form NF). The Securities Bureau now uses the BlueExpress system to accept Form NF filings electronically. NASAA’s EFD vendor will change in January 2025.

**NEMO (NASAA Exam Modules)** – NEMO has been developed by NASAA and is maintained by NASAA. NEMO provides Investment Adviser and Broker-Dealer compliance audit (examination) support to the Examinations Division of the Securities Bureau. The modules of the system include the Pre-Exam Checklist, the Interview(s), the Exam Builder and other appropriate sub-modules. These modules are used to assess the level of completion during an examination. NEMO is accessible to the Securities Bureau’s Examinations Division staff members and DISB IT Administrators. Due to sensitive examination and personal information contained in these databases, it is not available to any other DISB employees, nor is it accessible to the public in whole or in part. The NEMO system has been in use since 2007. NEMO is continuously updated to reflect changes in the law, products and examination techniques.

**FINRA Central Registration Depository (CRD) and Investment Adviser Registration Depository (IARD) Systems** – CRD and IARD are systems administered by the Financial Industry Regulatory Authority (FINRA). The data consists of records of state and federally licensed broker-dealer (BD) firms and their agents and other associated persons, and Investment Adviser (ADV) firms and their representatives. The basic information is filed on BD and ADV forms. Numerous other forms report actions such as withdrawals, terminations and disciplinary actions. Access is available to FINRA staff, SEC staff and staff members of the participating state securities regulatory agencies including DISB to the “state” portions. Members of the public have limited access to the registration status, employment history and disciplinary history of licensees through “Broker Check” and “IAPD.” The CRD system has been in use for more than 20 years and the IARD system has been in use for more than 10 years. The systems are continuously upgraded by FINRA in consultation with SEC staff and NASAA committees and project groups representing the interests of state users.

### **Banking Bureau Electronic Databases**

**FINRA Nationwide Multistate Licensing System (NMLS)** – The NMLS is the system of record for non-depository, financial services licensing or registration in participating state agencies, including the District of Columbia. The Banking Bureau uses the system to manage and regulate companies and individuals seeking to apply for, amend, renew and surrender license authorities. The system was launched in 2008 and is upgraded regularly. On September 1, 2014, DISB transitioned to NMLS to process and store all other non-depository licensing and activity information. Banking Bureau staff and the non-depository financial services industry have access to the system as it is also used to file license applications and engage in other license-related activity. The public has limited access for license verification purposes. The State Regulatory Registry LLC (SRR), a limited liability corporation, manages the development and operations of the NMLS as a licensing and registration system for the non-depository financial services industries.

**STAR System** – Prior to transitioning to NMLS in FY14, the Banking Bureau used the STAR Consumer Services (STAR CS) systems for all non-depository licensing activity. Currently, this system is used only to retrieve prior years licensing activity. Staff in the Banking Bureau have access to the STAR CS module. STAR CS is not open to public access.

**CaseAware** – CaseAware is case management software designed for mortgage attorneys. The Banking Bureau uses this software for scheduling and tracking foreclosure mediation sessions, as well as generating reports about the DISB Foreclosure Mediation Program. The most recent upgrade was completed in 2019. CaseAware is not open to public access.

## **Risk Finance Bureau Electronic Databases**

**Internet-State Interface Technology Enhancement (I-SITE)** – I-SITE stores financial and other information for all risk retention groups licensed in the District. Unlike the other databases described above, I-SITE has one national database used by all participating jurisdictions. I-site was redesigned to the new *I-site+* that offers improved search capabilities, easier navigation, enhanced tools and additional user preferences. RFB staff have access to I-SITE on an as-needed basis. The public can access risk retention group financial information and complaint information that is stored in I-SITE through the NAIC’s Consumer Information Source, which is accessible from the DISB website. I-SITE was created in 1995 and is periodically updated, most recently in 2000.

**Teammate Software (Teammate)** – The Insurance Bureau’s and Risk Finance Bureau’s Financial Analysis and Examination Divisions use Teammate Software to perform and maintain its financial analyses and examination files of insurance and captive companies. Teammate software was updated to the latest version (v11) for all analysts and examiners. Teammate was created in 1997 and is periodically updated, most recently in 2022. The public cannot access Teammate.

**Risk Finance Bureau Licensing Database** – The Risk Finance Bureau maintains its licensing database in Excel files. Every member of the Risk Finance Bureau has access to the licensing files. This database was created in 2003, and no significant upgrades have been made to this database. The public cannot access this database.

**TeamMate+** –The Risk Finance Bureau’s Financial Analysis and Examination Divisions use TeamMate+ Software to perform and maintain its financial analyses and examination files for risk retention groups. The Risk Finance Bureau started using the initial version of TeamMate+ in 2024 and there have been no updates to date. TeamMate+ was created in 2022. The public cannot access TeamMate+.

## **Enforcement and Consumer Protection Division (ECPD) Electronic Databases**

**WingSwept Case Management System** – ECPD has used a Case Management System (CMS) for five years that went live in early December 2017. The system contains sensitive case management information, including investigative plans, written evidence, and other investigative information. The system includes allegations, suspect’s names, and protected criminal investigative information and is firewalled from other DISB Bureaus. Only ECPD investigation personnel have access to the system. The new system takes things one step further in allowing for an option to preclude all access to certain cases except for the case investigator(s) and supervisor(s).

## **Office of the General Counsel (OGC) Electronic Databases**

**Freedom of Information Tracking System Database** – As of June 14, 2024, OGC is using the new DC FOIA public portal called “GovQA”, a product of Granicus, to process FOIA requests via GovQA - DC Open at [myfoiadc.govqa.us/WEBAPP/home/](https://myfoiadc.govqa.us/WEBAPP/home/). The public can register via the portal at myfoia.dc.gov and submit requests online, send/receive messages directly to the FOIA office, receive request status notifications, and receive responses to requests directly to their private Records Center for viewing or downloading.

**Agents for Service of Process Database** – The Insurer’s Service of Process Act of 1994 requires that an insurer licensed to engage in business in the District of Columbia appoint a suitable person in the District, who is not more than 10 miles beyond the territorial limits of the District, as agent for service of legal process. Currently, more than 1,800 registered agents are designated by licensed insurers to receive services of process. The SBS system contains the name of the company, the address of the company, and the name of the registered agent and has been in use by OGC since 2016. The public can contact the DISB OGC to obtain the necessary information to serve process on the proper agent of the licensee. All information is updated by the OGC. This information can be accessed by the public via a link on the DISB website. Insurers also send updated information to the OGC to update contact information as it changes.

**Memoranda of Understanding / Agreements Database** – The OGC maintains memoranda of understanding and agreements database between DISB and other entities and has been in use since 2006. Information includes involved parties, purpose, date fully executed, expiration dates, supporting documents and comments. The public does not have access to this database.

**Legal Files Case Management Software** – Legal Files Software is a case management system that will enable the Office of the General Counsel to organize and share access to DISB matters. This software is crucial to help OGC attorneys and staff manage their legal cases and keep DISB matters organized. The public does not have access to this database.

## **Office of Communications Electronic Databases**

**Meltwater** – Meltwater is a media monitoring and distribution service that allows the Department to develop lists/databases of media outlets, i.e., all journalists in the District and surrounding localities who write about financial matters. The Department has used this service for approximately five years. It is not available to the public through DISB.

**Lumen5** – Lumen5 is a video creation platform that allows the Department to produce engaging video content for social posts, stories and ads. The Department has used this service for approximately two years. It is not available to the public through DISB.



### **Office of Innovation (OOI) Electronic Databases**

**PitchBook** – PitchBook is a comprehensive data platform widely recognized for its in-depth insights into the global venture capital, private equity, and M&A landscapes. It's an invaluable tool for the Office of Innovation, particularly for tracking and supporting fintech startups and companies. By using PitchBook, the Office gains access to detailed information about the fintech market, including investment trends, funding rounds, and industry analyses. This wealth of data assists in understanding the financial health, growth trajectories, and competitive landscapes of fintechs. PitchBook's ability to provide real-time data and analytics helps the Office make informed decisions, identify emerging opportunities, and craft strategies to effectively support and collaborate with fintech entities, ensuring they are always at the forefront of financial innovation.

### **Office of Financial Empowerment and Education (OFEE) Electronic Databases**

**Smartsheet** – OFEE utilizes Smartsheet as a database and project management program. The information tracked includes community outreach event logistics, Bank on DC account referral requests, and speaker requests. Smartsheet is a secure cloud-based platform that is not accessible to the public. The system has been in use by DISB since 2012.

**LifeCents** – LifeCents is an online financial education platform that is white labeled to support Financially Fit DC. The platform gathers demographic information for users. Additionally, data is collected in an aggregate fashion regarding the topics of budgeting, credit, homeownership, planning for retirement and building wealth. The learning platform is public facing. The demographic information is private, cloud based and password protected. The system has been in use since 2017. Regular maintenance and updates are conducted. In FY24, the platform was upgraded to enhance the user experience and provide a new demographic portal.

### **Department-wide Electronic Databases**

**IBM FileNet Document Management System (FileNet)** – FileNet is used as a file repository to store all scanned paper documents associated with a document class type. DISB has approximately 10 document classes in the system used to import documents for insurance and securities filings, premium tax documents, licensing, financials, legal cases, etc. All DISB staff have logins that allow them to view scanned documents in their respective division/document class. The Department has had this system since the year 2000 and upgraded the P8 to version 5.5.7 in 2022. The public does not have access to the system.

**56. Please provide a detailed description of any new technology acquired by the Department in Fiscal Year 2024 and Fiscal Year 2025, to date, including the cost and its purpose. Please explain if there have there been any issues with implementation.**

Technology	Fiscal Year	Cost	Where Used	Use
New DC-customized Corporation Finance and Licensing database	FY24	\$575,000	Securities Bureau	As explained in response to Question 58, in September 2024, the Department entered into a \$575,000 contract extended over FY24 and FY25 with Dorger Software Inc. to replace Tyler Technologies' STAR System with a new DC-customized corporation finance and licensing database built using a license for a Valence off-the shelf product. The new system is expected to improve tracking and reporting capabilities, better assign privileges to staff based on their use, improve security protocols, and enhance interactions with other systems such as EFD and BlueExpress. The project is advancing expeditiously and without any issues and is expected to be completed in FY25. Current plans are to go live by June 30, 2025. This new system may include public access to limited information about corporation finance filings with the Department. That feature is still under consideration for development and deployment
AV Redesign project	FY24	\$248,779.56	Agency wide	Refresh the audio-visual infrastructure in the Eleanor Holmes Norton Conference and Training rooms.
Laptops/Tablets	FY24	\$88,632.50	Agency wide	Refresh older Dell laptops used by DISB staff as part of the workstation refresh project

Dual 24” monitors with 3-year warranty	FY24	\$18,913.20	Agency wide	Replace older 22” monitors
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**57. Please describe any efforts by the Department in Fiscal Year 2024 and Fiscal Year 2025, to date, to improve the transparency of Department operations.**

Transparency in operations is directly correlated to open communication with all constituents through a variety of mediums. The Department continuously refreshes and updates its website with enhanced navigation, design, and content. Information on all public facing programs and resources is updated, along with the ability for residents and businesses to search programs, submit complaints and for regulated entities to search rules and regulations. The Department continues to use its website, social media platforms, advertising and marketing materials, and events (both virtual and in person) to communicate the mission, vision and operations of the Department and improve transparency of Department operations. During FY24, the Department added a scam tracker resource page and a Spanish language version of its consumer complaint to its website. The public is also invited to ask the Department questions about operations, programs, and resources through its Ask The Commissioner email inbox—[disb.askthecommissioner@dc.gov](mailto:disb.askthecommissioner@dc.gov).

**58. Please list the top five priorities for the Department, and provide a detailed explanation for how the Department expects to achieve or work toward those priorities in Fiscal Year 2025.**

The Department’s top five priorities for Fiscal Year 2025 are as follows:

**1. Provide high quality consumer protection to District residents and businesses.**

(a) DISB will address the next steps outlined in the Department’s Unintentional Bias Report by developing a strategic plan to implement the recommendations in the report to include:

- An additional study on the types and causes of claims by Black and Hispanic drivers to see if infrastructure or other changes may help reduce the claim differential;
- Creation of a balancing test to look at factors that are both correlated with losses and race;
- Studying the impact of the differential in Black and Hispanic driving infractions;
- Conducting a review of telematics to identify appropriate consumer protections;
- Analyzing ways that wealth-related factors may contribute to the Black/white average premium gap; and
- Evaluating the reasons why quotes from agents were lower than direct online quotes and why Black drivers are less likely to get quotes from agents.

(b) Continue to expand consumer financial education to help residents build and preserve wealth, protect property and access mental and behavioral health benefits.

**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.**

(a) Establish an advisory group to develop a strategic marketing and outreach plan to attract and keep financial services firms to the District with a twofold purpose: 1) to attract legacy companies and financial services innovators and 2) to expand the District's role as a highly resourced national financial services hub.

(b) Conduct recruitment workshops for diverse fintechs through strategic partnerships with prominent organizations including the Deputy Mayor for Planning and Economic Development and the Department of Small and Local Business Development.

(c) Develop an online business insurance information center where businesses can access resources to address insurance coverage for various types of business needs including restaurants, festivals, parades, conferences, etc.

**3. Support small businesses and create and retain jobs in the District.**

DISB supports small businesses in the District by providing financial support through DISB's DC BizCap program. DISB is also coordinating with DMPED to provide financial support through DMPED's Vitality Fund. DISB is committed to supporting small business owners, especially those from underrepresented communities. In FY 24, DISB worked with ORM to provide the CBE community with information about the insurance requirements that CBEs need to purchase to do business with the District government.

**4. Increase pathways to the middle class.**

DISB will continue to provide residents with financial education and counseling, savings programs, bank accounts, foreclosure prevention services, and estate planning to help residents create and preserve wealth. DISB provides a variety of services to accomplish the goal, including the following programs: Opportunity Accounts, Earned Income Tax Credit, Foreclosure Mediation, Financially FitDC, Bank On DC, and the Financial Empowerment Center.

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

DISB will create and maintain a highly efficient, transparent and responsive District government by reviewing its laws and regulations to ensure that they are current and implemented in a way that is transparent and fair, without compromising consumer protection. DISB will also review its policies, procedures, organizational structure, budget and staffing to ensure that DISB is providing effective and cost effective programming in support of its mission.

**a. How did the Department address its top five priorities last year?**

**1. Conduct outreach to District residents about water damage and the need for flood insurance.**

DISB coordinated several outreach and educational efforts to help DC residents get flood ready and resilient. These efforts included publishing flood and water damage related resources, targeted advertisement in Metro stations and public LED messaging boards in partnership with DC Public Library during DC Flood Awareness Week.

**2. Expand the Financially Fit DC program with a workshop series.**

DISB expanded its Financially Fit DC program with a workshop series for residents which included: The Fundamentals of Credit, Credit Scoring Models, and Credit Repair. The series was tailored to the needs of a diverse community through user-friendly website resources, educational materials, and outreach.

DISB also provides a know your credit toolkit to connect residents to resources about credit and promoted it through a social media campaign.

**3. Modernize the District's banking code and regulations.**

DISB prepared legislation to update the Money Transmitters Act. DISB also drafted senior safe legislation that will provide safeguards and procedures for securities firms and financial institutions that report suspected financial abuse of seniors and vulnerable residents. This legislation is awaiting EOM approval. DISB will prepare legislation to update the Check Cashers, Money Lenders and Mortgage Lenders and Brokers Act in FY25.

**4. Conduct outreach to seniors, their families, and caretakers regarding the importance of estate planning.**

DISB held a series of virtual and in person estate planning workshops at senior wellness centers to educate seniors and families about how to protect and pass on generational wealth.

**5. Proactively monitor and provide onsite inspections of cryptocurrency ATMs, also known as BTMs.**

DISB conducted over 70 onsite targeted inspections of cryptocurrency ATMS and BTMS to ensure kiosks are in compliance with DC and federal requirements. DISB's action brought 11 unregistered operators into compliance.

**59. Please identify any legislative requirements that the Department lacks sufficient resources to properly implement. Please identify any statutory or regulatory impediments to your agency's operations or mission.**

There are currently no legislative requirements that the Department lacks sufficient resources to implement.

**60. Please describe the Department's current legislative priorities, whether consideration by the Committee is warranted, and if the Department foresees introducing additional measures for the Council's consideration during Fiscal Year 2025.**

**Insurance**

- Amendments to Holding Company Law - Group Capital and Liquidity Stress Testing: This bill is an NAIC accreditation requirement with an effective date of January 1, 2026. The revisions implement a Group Capital Calculation (GCC) for the purpose of group solvency supervision and a Liquidity Stress Test (LST) for the purpose of macroprudential surveillance.
- The Department is in the internal review phase of legislation to modernize filing options and align the District with NAIC model laws.

**Securities**

- The Department plans to propose adoption of the NASAA **Model Act to Protect Vulnerable Adults from Financial Exploitation**. The act will give industry participants and District regulators new tools to help detect and prevent financial exploitation of vulnerable adults. The act will mandate reporting to DISB and District adult protective services when a qualified individual has a reasonable belief that financial exploitation of an eligible adult has been attempted or has occurred. The act will also provide exemptions for an industry participant to place a hold on transactions and cash disbursements that the institution believes are the result of suspected abuse. The act also authorizes disclosure to third parties only in instances where an eligible adult has previously designated the third party to whom disclosure may be made.

**Banking**

- The Department is conducting the ongoing Banking Code Modernization project, which will update legislation and regulations to reflect new technologies in banking regulation, updated model laws and regulations, and consumer protection and DISB's enforcement capabilities.

While these bills are the most pressing legislative priorities for the agency, DISB also anticipates additional legislative proposals in FY25 intended to increase consumer protection and address diversity, equity and inclusion shortcomings within the provision of financial services. DISB will follow up with the Committee on these additional legislative priorities when more information becomes available.

## **Program Specific Questions**

### **61. Please provide a detailed update on the State Small Business Credit Initiative (SSBCI) including any disbursements and changes to allocations.**

The State Small Business Credit Initiative (SSBCI) was established as a part of the Federal Small Business Jobs Act of 2010 which established a \$1.5 billion fund to provide capital to small businesses who create jobs. DISB was allocated \$13.2 million dollars from the SSBCI and established the District of Columbia Business Capital Access Program (DC BizCAP) which administers the Collateral Support Program (CSP), the Loan Participation Program (LPP), and the Innovation Finance Program (IFP).

Since inception, DISB has provided more than \$22.5 million of SSBCI funding to 47 qualifying businesses. The support provided by DISB was used to help these small businesses access more than \$63 million in private capital. As a result of the support provided through the SSBCI program participating small businesses were able to create or retain more than 2,418 District based jobs.

In FY2023, DISB provided \$2.95 million of SSBCI funding through the CSP. The support provided by DISB was used to help these small businesses access more than \$5.5 million in small business loans through partnerships with banks and lenders. As a result of the capital provided through SSBCI participating small businesses were able to create and retain more than 81 District based jobs. In FY2024, DISB provided funding to eight District small businesses in Wards 2, 4, 5, 6, and 8. The District's SSBCI 1.0 fund has \$197,000 available in CSP, \$313,000 available in LPP, and \$330,000 available in IFP to support District small businesses. The SSBCI 2.0 fund was originally allocated \$2.648 million in CSP, and \$8 million in LPP. Currently the District has \$1.2 million available in CSP and \$5.625 million in available in LPP in the SSBCI 2.0 fund.

As a part of DISB's commitment to assisting individuals in Wards 7 and 8, DC BizCAP has continued its focus to align lenders, technical assistance providers, and other small business resources to both residents and small businesses in those Wards. DC BizCAP also works with partners to develop workshops, webinars and seminars focused on access to capital, capital readiness, and other small business resources. Additionally, since the COVID-19 pandemic DC BizCAP has provided \$1.6 million dollars of SSBCI support to four minority owned businesses in Ward 8. As a result, the supported businesses obtained \$4.9 million in private capital and created or retained 56 jobs.

#### **a. Has the Department already disbursed funds? If so, how much and for what purposes?**

Yes, \$1.25 million in collateral support has been disbursed to two businesses. This resulted in small businesses obtaining \$3.5 million in private capital by way of commercial loans. The funds were used to provide working capital for the expansion of two District small businesses. Currently, DC BizCAP has a pipeline of \$5.1million which will provide more than \$15.9 million in private capital to District-based small businesses.

**b. Did the Department select a CDFI to administer the Loan Participation Program funds? If so, which CDFI? If not, why not?**

The Department is currently administering the District's Loan Participation Program (LPP) that includes the DC Small Business Commercial Real Estate Program (DC SBCRE), the DC Startup Small Business Loan Program (DC SUBL), and the DC Space and Equipment Loan Program (DC SELP). All three programs are advertised on the Department's website. Budget authority was recently granted, and the Department plans to open solicitation for a CDFI to administer the District's Loan Participation Program funds. The formal requisition will be released before the end of Q2 of FY2025.

**c. Was the remaining \$8.5 million transferred to the Office of the Deputy Mayor for Planning and Economic Development (DMPED)? If so, when?**

Yes, it was transferred in Q4 FY24.

**d. Has the Department engaged with Ward 7 and 8 businesses to participate in this initiative during Fiscal Year 2024 and Fiscal Year 2025, to date?**

As a part of the Department's commitment to assist small business owners in Wards 7 and 8, DC BizCAP has continued to align lenders, technical assistance providers, and other small business resources to both residents and small businesses in those Wards. Through DC BizCAP, the Department also works with those partners to develop workshops, webinars and seminars focused on access to capital, capital readiness, and other small business resources. Additionally, since the COVID-19 pandemic, DC BizCAP has provided one million dollars of SSBCI support to three minority owned businesses in Ward 8. As a result, the supported businesses obtained \$4.6 million in private capital and created or retained 45 jobs.

**62. Last year, the Committee received concerned testimony from public witnesses on an insurance company that may insure and underwrite fossil fuel projects. The Department subsequently shared that it does not have the authority to restrict insurer decision-making on fossil fuel projects. Has the Department had any follow-up conversations with the public and/or conversations with insurers regarding guidance around investments and climate change?**

This is an issue that the Department has best addressed nationally through the NAIC. The District serves as an active member of the NAIC's Climate and Resiliency Task Force. Among the charges of the task force is "Evaluation of the potential solvency impact of insurers' exposures, including both underwriting and investments, to climate-related risks." The conversations regarding insurance, investments, and climate change among members of the NAIC and insurance companies are ongoing.



**63. Please provide an update on the Department's efforts to conduct the actuarial study in Fiscal Year 2024, required by the Expanding Access to Fertility Treatment Amendment Act of 2023.**

The Department completed its actuarial study, which concluded the cost of the new mandate included in the Expanding Access to Fertility Treatment Amendment Act of 2023 would be between \$400,000 and \$6 million with a midpoint of approximately \$2 million for the first year. The defrayal for Calendar Year 2025 will be paid in 2026. Additionally, the Department was able to change its EHB Benchmark Plan beginning in 2026, so there will be no defrayal cost beyond the first year.

**64. As part of the Committee's FY 2025 policy recommendations included in its [budget report](#) (pg. 42), it provided four recommendations to DISB. Does the Department have any additional updates to provide on motor vehicle theft and how that has affected automobile insurance coverage in FY 24 and FY 25, to date?**

According to MPD data, motor vehicle thefts in the District were down 25% in calendar year 2024 compared to 2023, and so far in 2025 are down 7%<sup>1</sup>. Auto insurance rate increases have been moderating recently and the decrease in thefts is part of the reason for this.

**65. The Student Loan Ombudsman position continues to remain vacant. Please provide an update on the Department's efforts to hire for this position.**

The Department hired a candidate for the Student Loan Ombudsman position. The candidate will start at DISB in March 2025.

**66. Please provide an update on the Department's efforts to update the DC Banking Code. When does the Executive plan to introduce legislation?**

The first legislative items within the Banking Code Modernization project are undergoing Mayoral review. The Executive will share the introductory timeline with the Council once its review is complete.

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<sup>1</sup> <https://mpdc.dc.gov/dailycrime>

**67. Please provide an update on the Department’s efforts to increase estate planning in the District, and particularly in wards 5, 7, and 8 in FY 24 and FY 25, to date.**

In FY24 and FY25 to date, DISB held a series of estate planning workshops and legal clinics. The series was held virtually and in person at multiple locations including the Lamond-Riggs/Lillian H. Huff Neighborhood Library in Ward 5 and the Washington Senior Wellness Center in Ward 7. DISB also held two webinars on estate planning via its Financially Fit DC initiative. Promotion of the series includes GovDelivery announcements to over 13,800 subscribers, social media posts to DISB’s Facebook and X accounts, and digital advertising garnering 293,119 impressions with the Washington City Paper and 3,121 impressions with The Washington Informer.

<b>EVENT TITLE</b>	<b>EVENT DATE</b>	<b>LOCATION</b>	<b>WARD</b>	<b>TYPE OF EVENT</b>	<b>SPONSOR</b>	<b>INFO TABLE/ PRESEN-TATION</b>
FFDC: Estate Planning	10/26/23, 11:00 – 12: 00	Virtual	All	Financial Education	OFEE, Griffin Law	Presentation
FFDCAW: Estate Planning	10/27/23, 11:00 – 12: 00	Virtual	All	Financial Education	OFEE, Mission Square	Presentation
LGBTQIA+ Estate Planning Lunch & Learn	04/17/24, 12:00 – 1:30	Reeves Center 2000 14th Street NW	1	Financial Education	OFEE, CAD, MOLG-BTQA	Both

**68. Please provide an update on how the Department keeps residents informed about the risk of cryptocurrencies, their platforms, and fintech innovation? How is the Department monitoring innovative technologies such as blockchain, cryptocurrency, and nonfungible tokens?**

DISB ran a cryptocurrency educational campaign that aired from December 2023 to February 2024 on local radio stations WLZL-FM, WPGC-FM, WIAD-FM, and WJFK-FM. The campaign also included print and digital ads with The Senior Beacon, The HillRag and posts on DISB’s social media accounts.

During the first calendar quarter of 2024, a grant awarded to the Bureau by the Investor Protection Trust (“IPT”) enabled the Office of Communications to develop three radio public service announcements alerting regional audiences to scams including digital assets and mobile investment apps, and ways District residents can file complaints with DISB. Staff regularly collaborate to identify new topics for financial scams that can be promoted on social media and other platforms, often using templates from organizations like NASAA, the SEC and FINRA.

Additionally, the Office of Financial Empowerment and Education has provided workshops on Blockchain and Crypto 101 through the Financially Fit DC initiative. Residents and District employees had the opportunity to learn more about blockchain technology, cryptocurrencies and how they work.

Investments in digital assets such as cryptocurrencies, non-fungible tokens (NFTs) and metaverse products have seen a convergence between securities and banking regulation. Arguably, most of these investment opportunities and platforms for their trading involve both the issuance of a security, securities broker-dealer and clearing firm activities, and sometimes investment advisory services subject to compliance with federal and state securities law and regulations as well as money transmitter activities subject to state licensing and regulatory requirements.

Since 2021, DISB has engaged actively with other state securities and banking regulators through multi-jurisdictional working groups comprised of members of the North American Securities Administrators Association (NASAA) and the Money Transmitter Regulators Association (MTRA) to monitor developments and regulatory compliance in this industry both generally and by numerous specific companies. The working groups operate pursuant to several Memoranda of Understanding and Common Defense Agreements referenced in other responses. These working groups alert DISB to emerging trends and offer task sharing at the investigative and legal or enforcement levels. They have been instrumental in DISB bringing enforcement actions along with other federal and state regulators against several companies, including BlockFi, Voyager Digital, Celsius and NEXO. They have also facilitated DISB's participation in or monitoring of several bankruptcy proceedings by industry participants alongside other state and federal regulators. Finally, these working groups have informed industry guidance and consumer alerts issued by DISB.

DISB has proactively sought to inform industry participants of their regulatory obligations in these rapidly evolving technologies. In August 2022, a bulletin was issued regarding the obligations of certain businesses engaged in transmission of crypto currencies to comply with DISB money transmitter licensing and compliance requirements. A second bulletin was issued in March 2023 alerting operators of crypto currency kiosks sometimes referred to as Bitcoin ATMs or BTMs that DISB was commencing investigations of these businesses to assure their compliance with its money transmitter licensing and compliance requirements. Also in August 2022, a bulletin was issued regarding cryptocurrency interest-bearing account obligations for registration under and compliance with federal and state securities law and regulation.

DISB has also issued several consumer alerts related to emerging digital products and services. These alerts raised awareness among consumers of investment scams. One alert, for example, focused on "pig-butcher", so called because of the way that the scammer develops an online personal relationship with the victim then steals savings from them through transmission of digital assets. Additional alerts warned consumers about online investment trading platforms that promise huge profits but instead steal assets. Data indicates that underserved communities, particularly communities of color, have experienced predatory practices by purveyors of digital products and services and as a result experienced proportionately greater losses.

ECPD acquired access in FY23 to TRM Labs forensic software that allows for tracing cryptocurrency transactions. The vendor makes available advanced training as part of the package. They also have staff who assist with complicated investigations.

Staff throughout DISB have also completed extensive training regarding these evolving products and services, their risks and efforts to enforce legal compliance. NASAA, MTRA, FINRA and other organizations provide numerous training opportunities in this evolving industry.

In May 2023, DISB established a Crypto Working Group comprised of the two Deputy Commissioners and executive staff from the Insurance, Securities and Banking Bureaus, the Enforcement and Consumer Protection Division, the Compliance and Analysis Division, the Office of Innovation, the Office of Communications and the Office of General Counsel. The Crypto Working Group's mission is to: (1) provide a forum for DISB senior leadership to monitor and discuss activities involving cryptocurrencies; (2) identify and recommend the development of statutes, regulations and policies governing cryptocurrency transactions to ensure adequate consumer protection without stifling innovation; (3) monitor enforcement actions taken by federal and state regulators and criminal actions initiated by federal, state and local prosecutors involving cryptocurrencies; and (4) prepare consumer alerts and regulatory guidance.

**69. What steps is the Department taking to help District residents make wise investment decisions and avoid financial fraud?**

The Securities Bureau maintains an inventory of 10 DC-customized investment-related guides and other financial informational materials that are available in print and online. These materials are shared at public outreach events or presentations sponsored or attended by the DISB Office of Communications, OFEE and CAD staff. Securities Bureau staff often attend and table at these events and assist with DISB presentations. The OFEE programs and services focus on financial literacy and understanding of investment services and products. CAD promotes alerts about scams with outreach targeted to vulnerable communities. The Department issues consumer alerts throughout the year related to financial fraud and, in FY24, published its online Scam Tracker.

**70. Please provide updates on the Department's work to address climate change and the incident of severe weather events?**

The Department is engaged in several initiatives to aid residents in mitigating and remediating potential impacts of climate change and extreme weather events. These activities include work streams from the DC Flood Task Force, a District project charged with identifying equitable ways to reduce flood and water damage risk from coastal, interior, riverine and sewer back-up floods, as well as reduce financial impacts of flooding on low and fixed-income homeowners. DISB designed five proposals that were adopted which included: 1) the Water Damage Remediation Grant Program; 2) the Water Damage Remediation Insurance Program; 3) a Flood Outreach Program; 4) a Premium Discount Program; and 5) an Enhanced Water Damage Coverage requirement. These projects are in various stages of development and certain of these ideas will move to the execution phase in FY25.

The agency is also engaged in national efforts to check the impact and help mitigate climate change risk on the financial sector. The Department participates in the National Association of Insurance Commissioners (NAIC) Climate Resiliency Task Force, the Climate Risk Disclosure Survey Work Stream, and the North East Zone Climate Resiliency Working Group. These groups issue guidance, share best practices, and assess ways that the insurance sector measures and executes strategies designed to mitigate climate related risks and the potential impact these risks pose to companies.

Regarding its Flood Outreach Program, in FY24, the Department coordinated with sister agencies and external partners to produce and publish a flood insurance related podcast, created an online storm center with related data and information for consumers, participated and presented at flood/water damage community forums, and launched a targeted WMATA advertising campaign during DC Flood Awareness Week (June 10-14, 2024).

**71. Please provide updates on the Financial Empowerment Center program in Fiscal Year 2024 and Fiscal Year 2025, to date.**

The DISB Financial Empowerment Center (FEC) is facilitated through the not-for-profit organization United Planning Organization (UPO) located in Ward 8. The center consists of five financial coaches and one program manager. The FEC aims to empower DC residents in achieving their financial goals. In particular, the FEC focuses on ensuring clients are 1) comfortable using traditional low-cost banking services; 2) have an error-free credit report and a reasonable and adequate credit score; 3) are regular and consistent savers; and 4) have a plan to manage and reduce debt. In each of these areas, the financial counselors are trained to meet the client where they are, set goals and coach them to achieve outcomes.

The FEC saw expansion in the program through 66 community outreach events, which helped generate increased interest in one-on-one coaching. The financial counselors conducted webinars and held seminars with community-based organizations such as Martha's Table, So Others Might Eat (SOME) and through UPO's Community Impact division. Additionally, the FEC engaged 375 prospects, enrolled 160 clients and conducted 700 client meetings. As a result of these financial coaching sessions, 66 residents were able to open or use bank accounts, 27 residents increased their credit scores, 85 addressed debt issues and 141 established savings habits to better their financial resiliency.

DISB and the FEC will continue to engage with District residents and expand partnership in FY25. One area of focus will be on the expansion of partnerships with District agencies and external organizations to best serve the community, connect with residents in vulnerable populations, and ensure success with accountability partners and support systems. These partners include the Mayor's Office of Returning Citizens, Court Services and Offender Supervision Agency (CSOSA), the Department of Human Services, Office of Neighborhood Safety and Engagement, SSOME, and Martha's Table.

## **72. Please provide an update on the Opportunity Accounts program.**

The DISB Office of Financial Empowerment & Education (OFEE) was created in 2020 to empower District residents with resources and actionable information on ways to manage expenses, increase generational wealth and maximize income. OFEE partners with community stakeholders, financial institutions, government agencies and non-profit organizations to provide innovative financial education initiatives that safeguard the financial future of Washingtonians by promoting inclusiveness and resilience through financial education, access to information and tangible financial services to allow for better financial decision making.

One of the items that OFEE manages is the Opportunity Accounts program. Opportunity Accounts is a 4:1 matched savings program that helps qualified District residents save up to \$7,500. The funds can be used to help pay for a variety of expenses, including education, first-time home purchases, small business development and retirement. Qualified residents make regular deposits of up to \$1,500 in a savings account. The participants must be District residents, have earned income, have less than \$10,000 in net assets (excluding primary residence and one vehicle), and have a maximum household income that does not exceed 85% of the District of Columbia median income (\$86,464 for 2024).

In late FY24, DISB began the process of contracting with a new vendor to administer the Opportunity Accounts program. The contract with the new program administrator is in place as of January 24, 2025. Program participants were able to make deposits during the transition period.

## **73. Please provide an update on the “Financially Fit DC” initiative in Fiscal Year 2024 and Fiscal Year 2025, to date.**

Financially Fit DC is an initiative of Mayor Bowser that launched in January 2017 with the goal to make the District the most financially fit city in the nation. It is a comprehensive program designed to empower all District of Columbia residents to take control of their financial health. There are five core components:

1. Making a budget
2. Managing credit
3. Buying a home
4. Planning for retirement
5. Building wealth

This initiative consists of an online platform and curated financial education workshops provided both virtually and in person.

In FY24, the initiative consisted of two core target audiences, District residents and District government employees. Financially Fit DC and Financially Fit DC at Work host monthly financial webinars for both residents and employees which target financial topics such as budgeting, managing credit, estate planning, investing and retirement. By producing these workshops as webinars, residents and employees can watch webinars live or on-demand within the Financial Fit DC platform. DISB held 101 workshops, information sessions and tabling events, and the initiative engaged with 4,148 residents and employees during FY24.

In FY24, the Financially Fit DC initiative continued to develop partnerships with nonprofit organizations and District agencies to expand engagement. The DISB OFEE team expanded its reach with veterans while working with Access Housing, Inc., a veterans' organization that assists veterans that are transitioning from homelessness to housing stability. OFEE set up a series of workshops to provide financial education, access to banking, saving strategies, and investing information. Additionally, DISB has expanded its work with the DC Public Library by creating the Wealth Mindset Series. This series of workshops served to connect residents to financial wellness in a holistic way. DISB also supported Child and Family Services at the DC Superior Court for monthly Wealthy Wednesday outreach events. This provided an opportunity to connect residents who are in the justice system with resources and money management tools. The Financially Fit DC initiatives look to provide financial education resources in accessible ways to meet District residents where they are and provide more financial resiliency through knowledge, exposure and connection to local resources.

**74. Please provide updates on the following information related to foreclosures:**

- a. Resources the Department currently makes available to residents who are struggling with mortgage payments or facing foreclosure, including a description of how residents can access those resources and what community outreach efforts have been made to make residents aware of the availability of such resources;**

Through the Department's Housing Counseling Services (HCS) contract, DISB provides a foreclosure prevention hotline to answer broad questions concerning the foreclosure process. The hotline is used as an entry point to engage District residents in the foreclosure prevention process. The foreclosure mitigation process consists of presenting residents with all viable options to prevent foreclosure. Counselors provide in-depth budget analysis to fully understand the residents' financial situation.

Once viable options have been established, HUD-certified housing counselors work with the borrowers as well as the lenders to assist in pursuing the best loss mitigation options. This is done by completing loss mitigation packages, attending mediations, attending court hearings, and participating in conference calls with lenders. The Department can provide up to five hours of legal assistance to a resident who may be facing predatory lending matters or who is currently facing an immediate foreclosure. Additionally, the Department hosts a weekly foreclosure prevention clinic to provide an overview of loss mitigation options and to explain the foreclosure process.

To engage delinquent homeowners with the Department's services, the Department conducts outreach through fairs, community meetings, mailings, advertisements on Metro, radio and print. The Department also monitors the District of Columbia Recorder of Deeds online services system to locate delinquent homeowners. Typically, the Department assists delinquent borrowers until a sustainable plan of action has been established or until the homeowner decides he or she no longer wants to receive the Department's services. In some circumstances, retaining the home is not a viable option. In this instance, the Department continues to work with the individual to help them release their home in the most advantageous way. These liquidation options include Short Sale, Deed-in-Lieu, Cash for Keys and Graceful Exits.

During FY24, the Department's foreclosure prevention marketing efforts included media outreach that comprised 18 English language PSAs and six Spanish language PSAs to a total of 1,029 media contacts. With respect to social media, there were 103 postings on the X platform, 64 Instagram postings and 31 Facebook postings. The total number of social media contacts made during the quarter was 32,065. Additionally, there were ten email blasts of the monthly webinar schedule to a total of 874 contacts. During the fiscal year, HCS media outreach included the production and airing of a Foreclosure Prevention radio advertisement on WHUR-FM radio for three weeks and a foreclosure prevention commercial on WTOP-FM radio for two weeks. Additionally, HCS participated in a radio interview on WHUR's Daily Drum on October 23, 2023, where staff referenced foreclosure prevention services and the DISB Student Loan Ombudsman. DISB also sent out a total of 1,010 outreach letters to homeowners who had received a foreclosure notice.

Regarding community outreach events, HCS staff participated in ten events that were a combination of in-person and virtual events and hosted 46 webinars where information was shared regarding DISB foreclosure prevention services with 1,080 total attendees. The Foreclosure Mediation Administrator directly assisted 85 homeowners and held six virtual and in-person events in FY24 with a total of 450 residents in attendance.

**b. The number of foreclosures reported in Fiscal Year 2024 and Fiscal Year 2025, to date;**

The Department only has authority to receive, investigate and process the Notices of Default (initial foreclosure filings for residential mortgages) from the lenders who are pursuing foreclosure through the non-judicial track on residential mortgages, pursuant to the Saving D.C. Homes from Foreclosure Amendment Act of 2010. For a lender to foreclose on a residential mortgage, the lender is required by law to record a final mediation certificate prior to filing a Notice of Foreclosure Sale (notice that sets the auction date). The Department relies on the Recorder of Deeds to provide data on the number of Trustees Deeds (actual foreclosures) where ownership changes hands.

Currently, the Recorder of Deeds classifies all foreclosures with Trustee Deeds. A Trustee Deed is when an actual foreclosure sale takes place and ownership changes. There are challenges with drilling down to residential foreclosures since commercial foreclosures are included and residential foreclosures with business entities as homeowners are also represented. The Department implemented a process to drill down on residential foreclosures by performing a manual scrub to bifurcate foreclosures zoned as commercial properties and differentiate foreclosures between business entities and natural person ownership. Previously, DISB was able to only report on all foreclosures at the macro level. The Department continues to track foreclosure filings and delinquency numbers using industry reporting and judicial foreclosure docket review. The Department is also working with the DC Superior Court to get more robust statistics and reporting. Presently, DISB is unable to receive the foreclosure filings from the DC Superior Court, however, representatives from the Department serve on the judicial foreclosure working group and can gauge what resources are needed to support homeowners during the judicial foreclosure process.



In FY22, the Department developed a process to differentiate commercial foreclosures from residential foreclosures specifically focusing on foreclosures of homeowners rather than including LLCs. This new process has allowed for the capture of the change of ownership on foreclosures.

***Total Number of Notices of Trustees Deed (Actual Foreclosures) - Residential Only***

	<b>Total – Notice of Trustees Deeds</b>
<b>FY24</b>	69
<b>FY25, 10/31/24</b>	2

**c. Whether the foreclosure rate is still increasing in the District, and if the Department has determined why and what action has been taken or is planned to correct course; and**

The foreclosure rate continues to increase. As of September 2024, the District has a 2.1% serious delinquency rate compared to the national average of 0.09%. This increase is due to the moratorium on foreclosures that was in place from March 2020 through September 30, 2022. As a result, the Department placed housing counselors and legal assistance providers onsite at the courthouse during the foreclosure docket held on Thursdays and Fridays at the DC Superior Court. These resources are pivotal to assisting homeowners in their judicial foreclosure cases. DC Superior Court has applauded, recognized and appreciated the level of assistance and resources the Department is providing through its Foreclosure Prevention services contract with Housing Counseling Services.

The Department continues to engage homeowners facing foreclosure and holds weekly foreclosure prevention clinics. The Department worked closely with DHCD, DCHFA, and local community-based organizations to ensure homeowners in financial distress have access to all tools and services available in the District to prevent foreclosure. Additionally, the Department has worked closely with DHCD on escalating time sensitive HAF applicants facing foreclosure. The Foreclosure Prevention Administrator continued to meet with senior citizens and all homeowners directly to assist with applying to the HAF Program. It should be noted that the delays in HAF reviews and payments have caused our delinquency numbers to continue to rise. Through the Department's efforts, 113 homeowners have been assisted in receiving funds from the HAF Program. The HAF Program closed in July 2024 and has since reopened to disburse payments for homeowners placed on the waiting list. DHCD estimates that they have about \$1 million in funding to assist homeowners on the waiting list.

**d. Which Wards and/or neighborhoods are impacted the most by foreclosures.**

Below is a breakdown, by ward, which shows the percentage of residents served over the past four fiscal years through the DISB/HCS contract. These figures do not necessarily correspond to overall foreclosure rates across all wards of the District. It should be noted that the largest increase in delinquency was observed in Ward 4 and Ward 1. Ward 2 saw the largest decrease in delinquency year over year. Ward 7 had the highest delinquency rate overall.

Ward	2024	2023	2022	2021
1	9%	7%	7%	10%
2	3%	6%	5%	2%
3	4%	5%	5%	3%
4	16%	14%	8%	18%
5	19%	18%	23%	16%
6	6%	7%	6%	11%
7	27%	27%	25%	27%
8	16%	16%	21%	13%

**75. Please provide an update on the agency's foreclosure mediation program, including the number of residents that contract DISB for foreclosure assistance, the number of cases opened, and outcomes of Department assistance in FY 24 and FY 25, to date.**

The majority of large lenders opt to go through the courts to foreclose in the District via the judicial foreclosure process. The DISB Foreclosure Mediation Program typically receives foreclosure notices from smaller local lenders. For most of FY24, the lending community continued to wait for the HAF Program decisioning prior to starting the foreclosure process if the homeowner did in fact apply for HAF assistance. The Department saw an uptick in non-judicial foreclosures in FY24 and already received five Notices of Default (NODs) in the first month of FY25. This trend is expected to continue.

***Number of Notices of Default and Mediation Certificates Issued by DISB***

	Notices of Default	Mediation Certificates Issued
<b>FY24</b>	9	6
<b>FY25 to date</b>	5	2

Through a Department-supervised contract, Housing Counseling Services (HCS), a local non-profit, provides free comprehensive housing counseling, training, and advocacy to tenants, homebuyers and homeowners facing home foreclosure. Funds are allocated for legal aid and for supporting a hotline for distressed homeowners. Since the passage of the Saving D.C. Homes from Foreclosure Amendment Act of 2010, the District of Columbia has seen a decrease in non-judicial foreclosure filings. The mediation program has prevented foreclosures by supporting agreements between lenders and homeowners for loan modifications, repayment plans, reinstatements, short sales and other alternatives.

The entry point of the program begins with the foreclosure prevention hotline. The hotline is designed to assess the situation of callers, address their concerns, and schedule their first interaction with a counselor at a weekly foreclosure prevention webinar. The webinar provides an overview of the foreclosure prevention process (court procedure, lender interaction, personal obligation). Once a borrower participates in the webinar, they are then assigned an individual counselor who works with the borrower to assist them with viable options to prevent foreclosure. Counselors work directly with borrowers to evaluate and assist with options, based on affordability, offered by the lender to satisfy delinquency. In cases where a lender has started the judicial foreclosure process, counselors attend court hearings and mediations as well as provide attorney referrals. An attorney referral provides up to five hours of free legal assistance and review to help the borrower accurately comprehend their legal standing. Attorney referrals for up to five hours of review can also be provided if predatory lending is suspected. Outreach for the program is done through mailings, radio, print, social media and Metro campaigns.

The foreclosure prevention hotline continued to receive a high volume of callers with 1,087 total in FY24. The Department was able to successfully assist 264 homeowners in obtaining a loss mitigation solution and preventing foreclosure.

### **Foreclosure Prevention Results**

	<b>FY25- October</b>	<b>FY24</b>	<b>FY23</b>	<b>FY22</b>
<b>District residents served</b>	109	692	716	547
<b>Positive outcomes - foreclosure prevented</b>	13	264	213	122
<b>Loan modifications</b>	1	37	12	49
<b>Mortgages brought current</b>	12	123	19	31
<b>Forbearance</b>	0	19	6	27
<b>Outreach letters sent</b>	107	1,010	1,351	469
<b>Hotline calls</b>	117	1,087	1,181	925
<b>Judicial hearings assisted</b>	399	3,980	2,742	251
<b>Attorney referrals</b>	7	95	101	1
<b>Total value of properties saved</b>	\$6,481,280	\$137,730,481	\$102,365,983	\$53,555,713

**76. In Fiscal Year 2024 and Fiscal Year 2025, to date, how many judicial foreclosure hearings has the Department assisted or provided referrals?**

While the Department is unable to provide information on the actual number of judicial foreclosure filings, there was a backlog of foreclosure filings due to the COVID-19 public health emergency. A moratorium was placed on all owner-occupied residential properties in 2020, which was lifted on September 30, 2022. The number of filings, hearings and referrals increased drastically in DC Superior Court. DISB assisted with a total of 3,980 hearings and provided 95 attorney referrals in FY24. The Department expects to see an increase in foreclosure filings and judicial cases in FY25 due to almost three years of no foreclosure activity. As of November 30, in FY25, DISB has assisted with a total of 399 judicial hearings and provided seven attorney referrals.

**77. Please provide any updates on how the Department works to prevent or address deceptive mortgage practices.**

The Department's Banking Bureau addresses deceptive mortgage practices through three processes. First, the Banking Bureau conducts regular examinations of mortgage brokers and lenders ("mortgage licensees"). As part of the examination process, the Banking Bureau reviews statements and claims made by mortgage licensees in advertising that may be misleading to District residents. Mortgage licensees found to be in violation of the law are subject to fines and penalties from the Commissioner. Second, the Banking Bureau tracks complaints from consumers, which allows the Banking Bureau to conduct more targeted examinations and take enforcement action when necessary. If a complaint trend is detected, an examination can be conducted outside of the regular examination cycle. Finally, the Banking Bureau continues to engage in financial literacy education at community events hosted by DISB and other agencies.

Additionally, the Banking Bureau continues to prepare and issue consumer alerts regarding mortgage scams and deceptive practices within the mortgage industry and to provide information on mortgage lending products.

**78. Please provide an update on the District's Business Capital Access Program ("DC BizCAP") in Fiscal Year 2024 and Fiscal Year 2025, to date.**

The State Small Business Credit Initiative (SSBCI) was established as a part of the Federal Small Business Jobs Act of 2010 which established a \$1.5 billion fund to provide capital to small businesses who create jobs. DISB was allocated \$13.2 million dollars from the SSBCI and established the District of Columbia Business Capital Access Program (DC BizCAP) which administers the Collateral Support Program (CSP), the Loan Participation Program (LPP), and the Innovation Finance Program (IFP).

Since inception, DISB has provided more than \$22.5 million of SSBCI funding to 47 qualifying businesses. The support provided by DISB was used to help these small businesses access more than \$63 million in private capital. As a result of the support provided through the SSBCI program participating small businesses were able to create or retain more than 2,418 District based jobs.

In FY2023, DISB provided \$2.95 million of SSBCI funding through the CSP. The support provided by DISB was used to help these small businesses access more than \$5.5 million in small business loans through partnerships with banks and lenders. As a result of the capital provided through SSBCI participating small businesses were able to create and retain more than 81 District based jobs. In FY2024, DISB provided funding to eight District small businesses in Wards 2, 4, 5, 6, and 8. The District's SSBCI 1.0 fund has \$197,000 available in CSP, \$313,000 available in LPP, and \$330,000 available in IFP to support District small businesses. The SSBCI 2.0 fund was originally allocated \$2.648 million in CSP, and \$8 million in LPP. Currently the District has \$1.2 million available in CSP and \$5.625 million in available in LPP in the SSBCI 2.0 fund.

As a part of DISB's commitment to assisting individuals in Wards 7 and 8, DC BizCAP has continued its focus to align lenders, technical assistance providers, and other small business resources to both residents and small businesses in those Wards. DC BizCAP also works with partners to develop workshops, webinars and seminars focused on access to capital, capital readiness, and other small business resources. Additionally, since the COVID-19 pandemic DC BizCAP has provided \$1.6 million dollars of SSBCI support to four minority owned businesses in Ward 8. As a result, the supported businesses obtained \$4.9 million in private capital and created or retained 56 jobs.

- a. Please provide the number of small businesses and entrepreneurs who have engaged with this program and include the Wards where these businesses are located; and**

In FY2021, there were seven transactions completed for a total of \$2,005,072 in capital deployed for small business loans and investments. In FY2022 there were nine transactions completed for a total of \$3,405,000 for small business loans and investments. In FY2023 there were four transactions completed for a total of \$2.9 million in small business loans and investments. In FY2024, DISB has funded eight transactions for a total of \$2.5 million in small business loans and investments.

The transactions were allocated as follows.

<b>Ward</b>	<b># of Transactions</b>
1	2
2	18
3	7
4	8
5	17
6	9
7	0
8	4
Total	65

**b. Please describe what outreach has been done to make District-based businesses, especially Certified Business Enterprises, aware of this program.**

Since FY2022 through the present date DISB has formed additional partnerships with small business trade associations, government agencies, Community Development Financial Institutions (CDFIs), venture capital firms and private lenders to continue to get the word out regarding the program. This includes webinars, in-person seminars and consultative workshops.

As previously noted, the American Rescue Plan of 2021 reauthorized and amended the Small Business Jobs Act of 2010 to provide an additional \$10 billion to fund the SSBCI as a response to the economic effects of the COVID-19 pandemic. The District of Columbia has been allocated an additional \$62 million in SSBCI funding which will be used to improve and create new programs for District based small businesses. Within this new SSBCI allocation, DISB will be working directly with CDFI's and venture capital firms to provide access to capital to small businesses operated by socially economically disadvantaged individuals (SEDI) operating in the District.

Moreover, in partnership with the Howard University Small Business Development Center, the Washington, D.C. Economic Partnership, the Coalition for Nonprofit Housing and Economic Development, the Anacostia Economic Development Corporation, the Department of Small and Local Business Development, the DC Department of Licensing and Consumer Protection, DC Women's Business Center, the Latino Economic Development Center (LEDC) and the Office of the Deputy Mayor for Planning and Economic Development, the Department has provided program information and support to entrepreneurs and to those District government agencies which also serve small businesses in webinars, seminars, and other events focused on empowering and educating individuals and businesses regarding DC BizCAP.

In FY2025, the Department will continue this outreach by expanding its partnerships within the ecosystem. DISB is aligning its work under DC REACH to identify new products, programs and policy recommendations DISB should consider in working with small businesses in pursuit of capital. The primary focus will be deploying the funds issued through the SSBCI and DC Capital Readiness Program and the Department will continue to develop and implement additional programs to support the capital needs of the District's small business community.

**79. In Fiscal Year 2024 and Fiscal Year 2025, to date, how has the Department collaborated with the Department of Small and Local Business Development and the Department of Licensing and Consumer Protection on the District's BizCAP Program?**

In FY24, the Department, in collaboration with the Department of Licensing and Consumer Protection (DLCP), rebranded the "Coffee and Capital" series to "Capital to Cash Flow," where attendees hear from organizations like the Office of the Deputy Mayor for Planning and Economic Development (DMPED), National Community Reinvestment Coalition (NCRC), other small business capital providers, and small businesses who have successfully obtained funding through the program.

In May 2024, DISB, the Department of Small and Local Business Development (DSLBD), the Greater Washington Chamber of Commerce, and DC Healthlink co-hosted the first annual DC Small Business Summit and Expo: PowerUp for Success. The expo's target audience included aspiring and seasoned business owners looking to obtain the financial resources necessary to grow and operate their companies. The event featured panel discussions, consultations with lenders and experts, computer training, technology demonstrations, an awards luncheon, and networking opportunities. More than 1,000 people registered and more than 700 attendees were present at the event.

The Department has also collaborated with DSLBD in instances when borrowers may approach the Department directly for help with commercial funding but need technical assistance before obtaining capital. The technical assistance provided by DSLBD has contributed to the success of the program.

In addition, Department staff conduct regular discussions with DSLBD and DLCP staff about DC BizCAP funding options for entrepreneurs and the small business eco-system. DC BizCAP has regular interactions with these sister agencies in the ordinary course of attending District of Columbia economic development events and in referring small businesses to District government offices for assistance.

**80. Please detail how many businesses have benefited from participation in the Department's small business programs in Fiscal Year 2024 and Fiscal Year 2025, to date, and include the ward where each business is located.**

Since the inception of DC BizCAP, the District has provided State Small Business Credit Initiative (SSBCI) capital to support 62 loans and investments which were issued to 48 District-based small businesses. Over the course of FY24 and FY25, to date, DC BizCAP engaged with more than 1,300 individuals who represent businesses in all eight wards through workshops, webinars and seminars focused on access to capital, capital readiness and other small business resources.

Ward	Number of Transactions
1	2
2	18
3	7
4	7
5	17
6	8
7	0
8	3
<b>Total</b>	<b>62</b>

**81. How many banks are domiciled in the District? Please identify the Ward where each bank is located. Please provide the names of the banks and whether they are the following:**

- a. A bank chartered in the District;**
- b. A national bank; or**
- c. A federal savings bank.**

***Banks Domiciled in the District of Columbia***

There are four banks domiciled in the District of Columbia. Of the four, two are District-chartered and two are national banks.

<b>Institution Name</b>	<b>Charter Type</b>
Industrial Bank	District
Founders Bank	District
City First Bank of D.C., National Association	National
The National Capital Bank of Washington	National

***All Banks with Branches in the District of Columbia***

As of September 30, 2024, there are 34 banks with 183 branches in the District. Please see Bank Branch Attachment for branches by ward.

*See Appendix 27.*

**82. Please provide the number of applications for licenses for international banks to do business in the District that the Department has received in Fiscal Year 2024 and Fiscal Year 2025, to date.**

The Department has not received applications for licenses for international banks to do business in the District in FY24 or FY25 to date.

**83. Did the Department submit its formal accreditation application to the Conference of State Bank Supervisors (“CSBS”)? If not, please explain and discuss the Department’s efforts to obtain accreditation.**

The CSBS Accreditation Program involves an in-depth review of an agency’s policies, procedures and operations to determine if it meets the standards set forth by the CSBS Performance Standards Committee. Accreditation through CSBS ensures an agency uses standardized processes for licensing and examination of the financial services industry and certifies that the agency follows the best practices for the regulation of financial services.



The Department planned to submit its formal accreditation application to CSBS by the end of the second quarter of FY24 but was not able to due to several circumstances. The Department did not have the resources to complete the application due to staffing vacancies. Additionally, CSBS did not have a review team available to conduct the onsite review as planned. The Department has a goal of completing and submitting the accreditation application by the third quarter of FY25 with hopes of having the onsite review scheduled for the fourth quarter of FY25 if CSBS has a review team available.

The CSBS Accreditation Program helps an agency to strengthen its bank, mortgage and money services business (MSBs) regulations by meeting a shared set of principles. While accreditation is completely voluntary, it demonstrates that an agency meets the shared standards for state bank regulation and supervision along with the licensing and supervisions standards for the mortgage industry and the money services business industry.

**84. Please provide the data accumulated by the Department's banking division for the biennial report for Fiscal Year 2023, Fiscal Year 2024, and Fiscal Year 2025, to date.**

<b>DISB - Banking Bureau Licensing Statistics</b>			
<b>Category</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25 to date*</b>
Mortgage Lenders/Brokers	1,725	1,593	1,571
Mortgage Loan Originators	6,610	5,530	5,735
Check Cashers	45	35	35
Money Transmitters	190	209	208
Retail Seller and Consumer Sales Finance Companies	95	87	98
Money Lenders	82	74	74
Student Loan Servicers	58	53	53
Appraisal Management Companies	84	77	78
<b>Total</b>	<b>8,889</b>	<b>7,944</b>	<b>7,852</b>

**85. Please provide the data accumulated by the Department’s risk finance bureau for the two most recent biennial reports.**

<b>New Captive Insurance Companies (“Captives”) Licensed by Fiscal Year</b>	
<b>FY24</b>	<b>FY25, to date</b>
22	3

**Captives Insurance Premiums by Calendar Year (millions)**

	<b>CY22</b>	<b>CY23</b>	<b>CY24</b>
Gross Premiums Written	\$2,260	\$2,751	Not yet available
Net Premiums Written	\$1,406	\$1,738	Not yet available
Net Premiums Earned	\$1,392	\$1,599	Not yet available
Underwriting Profit	\$62	\$94	Not yet available

**Assets and Capital and Surplus of Captives by Calendar Year (millions)**

	<b>CY22</b>	<b>CY23</b>	<b>CY24</b>
Cash and Invested Assets	\$6,569	\$6,975	Not yet available
Total Assets	\$10,281	\$10,432	Not yet available
Total Capital and Surplus	\$2,282	\$2,675	Not yet available

**Captives Premium Tax and Fee Revenue by Calendar Year**

	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>
Premium Taxes	\$3,246,660	\$3,447,116	\$3,723,905
Fines and Fees	\$63,280	\$69,290	\$70,320

**Certified Capital Company (CAPCO) Program Fee Revenue by Calendar Year**

	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>
Annual Fees	\$20,000	\$20,000	\$20,000

**86. Please provide the data accumulated by the Department's securities division for the two most recent biennial reports.**

**Corporation Finance**

	<b>FY23</b>		<b>FY24</b>		<b>FY25*</b>	
	<b>Filings</b>	<b>Fees Collected</b>	<b>Filings</b>	<b>Fees Collected</b>	<b>Filings</b>	<b>Fees Collected</b>
Mutual Funds Notices Filings (Paper)	505	\$199,859	385	\$214,419.08	114	\$51,022.60
Mutual Funds Notices filing (Electronic)	22,675	\$10,759,129	23,653	\$10,360,882.29	2,157	\$1,006,802.22
Registrations	62	\$89,075	86	\$129,500	5	\$7,500
Exemption Filings	1,521	\$348,651	1,479	\$331,938.68	136	29,900
<b>Totals</b>	<b>24,763</b>	<b>\$11,396,714</b>	<b>25,603</b>	<b>\$11,036,740.05</b>	<b>2,412</b>	<b>\$1,095,224.82</b>

*\*Through October 31, 2024.*

**Licensing Statistics**

	<b>FY23</b>		<b>FY24</b>		<b>FY25*</b>	
	<b>UNITS</b>	<b>FEES</b>	<b>UNITS</b>	<b>FEES</b>	<b>UNITS</b>	<b>FEES</b>
Broker-Dealer Agent	203,015	\$9,067,360	195,504	\$8,763,810	2,498	\$112,395
Investment Adviser Representative	4,958	\$220,860	4,625	\$207,585	63	
Broker-Dealer Firms	1,608	\$401,750	1,550	\$387,500	2	\$500
Investment Adviser Firms	138	\$34,250	144	\$36,000	0	
Investment Adviser Firms (Notice Filings)	1,557	\$389,250	1,546	\$386,500	10	\$2,500
Agent of Issuers	1	\$45	1	\$45	0	0
Fingerprinting Fees	121	\$2,238.50	146	\$2719.50		
<b>Total</b>	<b>208,398</b>	<b>\$10,115,753.50</b>	<b>203,516</b>	<b>\$9,784,159.50</b>	<b>2,573</b>	<b>\$118,230</b>

*\*Through October 31, 2024.*

**Examinations**

<b>Category</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25*</b>
Carried over cases	2	0	2
Opened cases	7	8	0
Completed cases	9	6	0
Pending cases	0	2	0

*\*Through October 31, 2024.*

**Fines**

	<b>FY23</b>	<b>FY24</b>	<b>FY25*</b>
NEXO	\$ 330,188	\$94,339.62	
DISTRICT CAPITAL	\$ 10,090		
ROBINHOOD		\$ 200,000	
RAYMOND JAMES		\$75,000	
TRADESTATION CRYPTON, INC		\$29,411.76	
<b>TOTAL</b>	<b>340,278</b>	<b>\$398, 751.38</b>	

*\*Through October 31, 2024.*

**87. Please provide the data accumulated by the Department’s insurance bureau for the two most recent biennial reports.**

Below is the insurance premium volume through 2023. The 2024 annual statements from the insurers operating in the District are not due until March 1, 2025.

<b>District of Columbia Premium</b>	<b>2023</b>	<b>2022</b>	<b>%Change</b>
<b>P&amp;C Premium</b>	2,220,746,346	2,099,410,501	5.78%
<b>Title Premium</b>	52,938,729	84,935,033	-37.67%
<b>Life Premium</b>	2,653,300,325	3,567,859,493	-25.63%
<b>Health Premium</b>	6,348,694,304	6,412,169,859	-0.99%
<b>Total</b>	11,275,679,704	12,164,374,886	-7.31%

<b>District of Columbia Deposits</b>	<b>CY</b>	<b>PY</b>	<b>%Change</b>
<b>Deposit</b>	817,971,011	1,146,749,931	-28.67%

*\*Data based on calendar year financial information.*

Approximately 1,300 insurance companies are licensed to operate in the District. There are 12 domestic companies that are incorporated in the District and 1,349 licensed companies that are incorporated in other states (“foreign companies”). They provide \$177 million in taxes and fees to the District’s General Fund. *See* the table below.

<b>District Insurance Sector Taxes and Fees (in thousands) *</b>		
<b>Revenue Source</b>	<b>2023</b>	<b>2022</b>
Taxes		\$148,457
Fees		\$28,821
<b>Total</b>		<b>\$177,278</b>

*\*Data based on calendar year financial information.*

Through the National Association of Insurance Commissioners/State Based System services, DISB continues to improve and increase licensing and related processes by converting the previous paper and manual process to an electronic format. For the convenience of producers, birth month renewals have been implemented and notices are transmitted electronically via e-mail. Insurance producers are now able to print their license as soon as they are approved, rather than waiting to receive it in the mail. This speeds up the process of issuing licenses and reduces the cost and workload on licensing staff to prepare and mail more than 100,000 licenses every two years. *See* the table below.

<b>District Insurance Licenses</b>		
	<b>2024*</b>	<b>2023</b>
<b>Individual</b>		
Resident	1,520	1,508
Nonresident	127,377	122,586
<b>Total</b>	<b>128,897</b>	<b>124,094</b>
<b>Business Entity</b>		
Resident	142	157
Nonresident	8,372	8,240
<b>Total</b>	<b>8,514</b>	<b>8,397</b>
<b>Grand Total</b>	<b>137,411</b>	<b>132,491</b>

*\*Through November 19, 2024.*

**88. Please provide the data accumulated by the enforcement and consumer protections bureau for the biennial report for Fiscal Year 2024 and Fiscal Year 2025, to date.**

**Enforcement and Consumer Protection Division (ECPD) DATA**

Referrals  (Referrals from insurance, securities, banking entities, the general public, professional organizations, and law enforcement agencies)	FY 2024 Total	FY 2025 As of 1/23/25
Auto/Property Insurance	763	212
Health Insurance	77	22
Life Insurance	10	5
Insurance – Other	2	3
Insurance Agent or Adjuster	56	14
Banking Regulatory and/or Fraud	82	5
Securities	9	2
Workers' Compensation/Disability	22	7
<b>Total</b>	<b>1012</b>	<b>270</b>

<b>Results of Investigations</b>	<b>FY 2024 Total</b>	<b>FY 2025 As of 1/23/25</b>
Cases (Investigations) Opened	233	37
Cases Closed <sup>i</sup>	302	96
<b>REFERRALS FROM ECPD</b>		
DISB Cases Referred to FBI Office	2	0
DISB Cases Referred to U.S. Secret Service	1	0
DISB Cases Referred to U.S. Attorney's Office	2	0
DISB Cases Accepted by U.S. Attorney's Office	2	0
U.S. Attorney's Office-DISB criminal case convictions	0	0
DISB Office of General Counsel Administrative Actions	0	0

Total Restitution/Forfeitures	0	0
Total Incarceration/Probation Periods	0	0
Recoveries	0	0
Fines	\$1100.00	0

*(i) Cases closed may include cases opened in previous fiscal years.*

**89. Please discuss the agency's collaboration with the Health Benefit Exchange, and provide any FY 2024 and FY 2025 updates if applicable.**

Commissioner Woods serves as a non-voting, ex-officio member of the Health Benefit Exchange Authority (HBX) Executive Board. DISB, through a memorandum of understanding with the HBX, also performs functions related to plan management for the HBX insurance marketplace. This includes review and certification of qualified health plans (QHPs), ongoing monitoring for market compliance, and resolution of complaints from both insurers and residents regarding plan offerings on DC Health Link, the District's online marketplace for individual and small group health plans. Additionally, DISB, through a separate memorandum of understanding with the HBX, carries out the assessment of insurers to fund DC Health Link. As the District of Columbia's insurance regulator, DISB reviews and approves all health insurance policy form and rate filings, including those plans sold on DC Health Link.

The Department has received a grant through The Centers for Medicare and Medicaid Services' Center for Consumer Information and Insurance Oversight (CCIIO) to conduct the following work beginning in FY25:

- Hire a consultant to review health benefit plans and formularies to identify discriminatory benefit designs in District non-grandfathered plans that can result in disparities in health outcomes;
- Assess the extent to which discriminatory benefit designs and formularies contribute to health disparities in the District;
- Identify areas where changes in benefit design and formularies can improve health equity;
- Propose new benefit design review tools and procedures that seek to eliminate discrimination against individuals based on race, color, national origin, disability, age and sex, as well as age, expected length of life, present or predicted disability, quality of life, or other health conditions; and
- Require the consultant to follow the activities of the American Academy of Actuaries' recently formed Health Equity Work Group (HEWG) and report to the working group, including on the HEWG conclusions and recommendations.

The HBX is implementing the grant on behalf of the District and DISB. Through these efforts, DISB actively collaborates with the HBX on implementation of the Patient Protection and Affordable Care Act (42 U.S.C. §§ 18001, *et seq.* (2010)) (ACA).

In FY25, the Department received a second grant through CCIIO for \$609,000 to conduct the following work:

- Expand access to reproductive health services for the District's Black and Brown women by removing the cost barrier to infertility treatments through the development and implementation of administrative requirements for newly mandated coverage.
- Improve benefit design of standard plans (equity-based benefit design) in the individual and small group markets to reduce financial burdens, increase utilization, and narrow disparities in reproductive and maternal and women's health by proposing changes to cost sharing (or other changes) and facilitating the evaluation of equity-based benefit design.
- Enhance consumer understanding of the essential health benefits (including new infertility treatment services), preventive services, and the design of standard plans by undertaking consumer testing and research and improving consumer-facing materials.

The HBX is implementing the grant on behalf of the District and DISB.

Finally, the Department collaborated with the HBX to submit a successful application to CCIIO to change the benchmark plan that serves as the basis for the determination of Essential Health Benefits in the District to incorporate the new fertility mandate enacted by the Council. The change in EHB means that the District will not have to defray the cost of the new mandate for policies sold on DC Health Link after 2026.



**90. Please provide updates on the activities of the Student Loan Ombudsman, including the number of education presentations held, the number of District residents in attendance, and any efforts by the Commission to increase public awareness of educational presentations.**

In October of 2023, the Department of Education began the on-ramp period for return to repayment. During this time, borrowers who missed payments would not be reported to credit bureaus, placed in default, or referred to debt collection agencies. The Office of the Student Loan Ombudsman (SLO) responded to District borrowers' needs by offering one-on-one student loan counseling sessions with individual borrowers to determine the best course of action and next steps in their journey to repayment.

In addition, the Department of Education announced the one-time Income Driven Repayment (IDR) adjustment which was intended to address past servicing errors that may have caused some borrowers to pay more than their intended repayment term. This adjustment meant borrowers could receive credit towards loan cancellation for certain forbearances and deferments, make monthly payments more affordable, and receive credit for maximum number of eligible payments based on their loan history. However, thousands of borrowers were not eligible for this one-time IDR adjustment due to possession of non-direct loans. The Department's acting Student Loan Ombudsman took action to spread the message about the need to consolidate Perkins, FFEL, and HEAL loans prior to the deadline of April 30, 2024, by issuing a consumer alert as well as posting a webinar to the agency's website for mass consumption.

As borrowers began to see their Public Service Loan Forgiveness (PSLF) counts adjusted towards the end of 2023, the Acting Student Loan Ombudsman partnered with DCHR to provide bi-weekly presentations about the requirements and benefits of the PSLF Program to newly hired District of Columbia Government employees.

**Outreach Data - FY24 (October 1, 2023- September 30, 2024)**

<b>Quarter</b>	<b>Number of Events</b>	<b>Total Wards Served</b>
1	12	4 (Wards 3, 6, 7, 8)
2	3	3 (Wards 1, 3, 4)
3	8	6 (Wards 2, 3, 5, 6, 7, 8)
4	8	3 (Wards 2, 3, 6)

The Office of the Student Loan Ombudsman is committed to outreach and support for all District residents who are working diligently to get ahead while managing their monthly student loan payments and/or identifying funding sources for their children. To meet this challenge, the Student Loan Ombudsman collaborates with District agencies and programs including, but not limited to:

- College Bound
- DC College Savings Plan
- Department of Behavioral Health
- The Office of the Attorney General
- The Student Borrower Protection Center
- The Consumer Financial Protection Bureau
- The Department of Education
- Department of Consumer and Regulatory Affairs
- Department of General Services
- Department of Human Resources
- Department of Youth Rehabilitation Services
- District of Columbia Housing Authority
- District of Columbia Public Schools
- Mayor's Office of Community Relations and Services
- Mayor's Office on Latino Affairs
- Metropolitan Police Department
- Office of the Attorney General for the District of Columbia
- Office of the Deputy Mayor for Education
- Office of the Inspector General
- Office of the State Superintendent of Education
- University of the District of Columbia

In total, the SLO held 31 educational presentations in FY24 for approximately 2,772 residents.

**a. Please provide updates on the number of individuals who have had their public loans forgiven due to some of the federal programs initiated in recent years.**

In FY24, the Student Loan Ombudsman successfully assisted borrowers in student loan forgiveness that translated into real dollars for District residents and families working to build intergenerational wealth, buy a home, open a business, or save for retirement. The SLO's direct assistance to District residents resulted in the discharge of \$1,642,000 in student loan debt, a 28% increase over the previous fiscal year.

Furthermore, the Student Loan Ombudsman worked directly with the Department of Education to obtain reporting on the PSLF Program as a whole pertaining to District of Columbia borrowers. Since October 1, 2021, 5,510 District of Columbia borrowers have received a total of \$510.5 million dollars of forgiveness through the PSLF Program and the one-time Income Driven Repayment adjustment process, which concluded in July 2024.

**91. Please discuss how the Department tracks, analyzes, and intervenes to prevent student loan default or compassionate repayment options, highlighting any recent changes or updates. Please provide the following information relating to student loan default:**

- a. Resources the Department currently makes available to residents who are struggling with student loan payments or facing default, including a description of how residents can access those resources and what community outreach efforts have been made to make residents aware of the availability of such resources;**

The Department tracks and analyzes student loan default rates through its annual reports, which provide data on student loan borrowers who default on their private loans. DISB also works closely with the Department of Education on federal public loan delinquency reporting.

It should be noted that in FY24, federal loans remained in an on-ramp status. This led to no negative credit reporting through September 2024. The CARES Act, passed in March 2020, provided relief to federal student loan borrowers by suspending loan payments and interest accrual through September 30, 2021. This relief was extended by the Biden administration through October 1, 2023.

To prevent default, the Department of Education developed an additional repayment plan called the SAVE plan to ease the financial burden for borrowers on an Income-Driven Repayment plan. The Student Loan Ombudsman (SLO) continues to meet with borrowers to ensure they fully understand their repayment options and assist in applying for the right repayment plan. The SLO met with 85 borrowers individually in FY24, which represented a total of \$6.2 million in debt burden.

The Office of the Student Loan Ombudsman is committed to preventing student loan defaults and providing guidance in repayment options for borrowers who are struggling to manage their loan payments. The SLO continues to meet directly with borrowers and navigate the repayment options and forgiveness programs available to assist in their student loan journey. In addition, DISB student loan repayment curriculum walks borrowers through the different options of repayment, forbearance, deferment and forgiveness.

- b. The number of student loan default reported in Fiscal Year 2024 and Fiscal Year 2025, to date;**

As mentioned above, there was a payment pause on federal student loans up until October 1, 2023. There was also an on-ramp process that prevents negative credit reporting on federal loans for one year after repayment. Although borrowers may miss payments, the Department did not see delinquencies appear on credit reporting for District of Columbia borrowers. These measures were implemented by the Department of Education to allow borrowers to ease into repaying their loans after multiple years of no payments required.

**c. Whether the student loan default rate is increasing in the District, and if so, whether the Department has determined why and what action has been taken or is planned to correct course; and**

We believe that many borrowers may default on their student loans due to the payment shock with repayment. The Department offers various resources to residents who are struggling with student loan payments or facing default. These resources include individual meetings to discuss loan repayment plans, loan consolidation, income-driven repayment plans and loan forgiveness programs. The Department of Education also instituted the Fresh Start initiative that allows borrowers who were in default previously to come out of default and start fresh with no consequences. The Student Loan Ombudsman Office assisted several borrowers in taking advantage of this program. The Department will continue to monitor default rates and remain proactive with services to DC residents.

**d. Which wards and/or neighborhoods are impacted the most by student loan default and why?**

The Department's annual reporting requirements are furnished at the city level; however, DISB tracks requests for individual assistance. In FY24, Ward 7 and 8 had the most requests for student loan assistance.

Although it is difficult to pinpoint one specific reason some wards or neighborhoods are impacted more than others by student loan delinquencies, data shows that certain areas have a higher concentration of individuals with higher amounts of student loans, while others may have a higher unemployment rate or lower income levels, making it more difficult for individuals to pay off their loans.

Additionally, the specific schools attended by individuals in each area can impact the default rate for that location. Ultimately, it's important to take a nuanced approach when analyzing the impact of student loan default on different communities, as the issue is complex and multifaceted. The Student Loan Ombudsman Office focused on community outreach in FY24 to target high school students, counselors and administrators on the value of financial aid and assistance as an alternative to student loans.

**92. Please provide data on private student loan default in calendar year 2023 and 2024, including by ward.**

DISB's annual report is based on the previous calendar year's loan activity. Below is Calendar Year 2023 defaulted student loan data. Federal loans were not delinquent due to the pause in payment and the suppression of negative credit reporting. The information furnished by the servicers is at the citywide level and DISB tracks ward-level information in the complaint/inquiry request reporting process.

This year, the Department observed an 8% increase in defaulted student loans compared to last year's report.

- Private Loans in Collection – 339
- Private Loans 30-90 Days Delinquent – 485
- Private Loans 91-180 Days Delinquent – 235
- Total Private Loans that are Delinquent/In Collections – 1,059

**93. Has the Department seen any noteworthy effects of the resumption of federal student loan payments beginning in October 2023?**

The Office of the Student Loan Ombudsman saw an increase in individual appointment requests due to the resumption of repayment. Forty percent of appointment requests regarded assistance with repayment plan options and the SAVE Program.

**94. Please describe any programs or procedures to prevent or address deceptive student lending practices and provide an update on the FY 24 multi-state examination on Nelnet.**

The Department conducts comprehensive examinations of student loan servicers to ensure compliance with relevant federal and District of Columbia laws and regulations. These reviews promote transparency and protect borrowers from unfair or deceptive practices.

By conducting these examinations, regulators seek to identify systemic issues, encourage best practices, and hold entities accountable for unethical behavior to foster a fair and supportive environment for student borrowers. Additionally, the Office of the Student Loan Ombudsman monitors the Consumer Financial Protection Bureau (CFPB) complaint portal for any Unfair, Deceptive, or Abusive Acts or Practices-(UDAAP) complaints and works with the Department's Compliance and Analysis (CAD) team on complaints received internally or from the District of Columbia Office of the Attorney General.

The Department participated in a multistate examination of Nelnet Inc., a Nebraska Corporation, that originates and services student loans, predominantly Federal Family Education Loans (FFEL). The multistate examination team reviewed the financial condition of the company, the governance and management team, the policies and procedures and the company's operations. There were no major issues, but a few areas were identified for improvement.

Several concerns regarding borrower interactions with the company were identified and brought to the attention of the management team. The top concern is to ensure that borrowers are advised as to the best option for their circumstances regarding repayment options. For example, a borrower seeking assistance via the call center is initially offered short-term forbearance instead of other options such as loan consolidation or an income-driven repayment (IDR) plan which would be better options. This concern will be reviewed at the next examination to ensure it was properly addressed by the company.

In the District of Columbia, Nelnet is servicing approximately 8,948 borrowers, representing approximately \$26 million in student loan balances as of December 31, 2023.

**95. Please provide an update on the Department's early efforts to implement the New Student Loan Borrower Bill of Rights Amendment Act of 2024.**

The Banking Bureau has implemented the regulatory requirements outlined in the New Student Loan Borrowers Bill of Rights Amendment Act of 2024 into examination manual and processes. Additionally, the Department continues to monitor local and federal complaints to ensure borrowers are protected by the heightened standards of the Bill. The Department has revised its online Student Loan Borrower's Bill of Rights and is exploring options to enhance the Student Loan Ombudsman webpage to better serve District student loan borrowers throughout the entire student loan lifecycle.

**96. Please provide information on any rate increases across all insurance products of more than 10% in the last three fiscal years.**

*See Appendix 28.*

**97. Please provide an update on how the process of approving rate increases across insurance products has changed. What is the process for notifying consumers? And what is the process of easing the burden of large increases on consumers, especially for low-income residents? How does the Department advise consumers to approach renewal policies and shopping around for new policies?**

Homeowners' and auto rate filings are now subject to prior approval rather than file and use, which means that insurers are no longer able to implement rate filings prior to the completion of the Department's review. All rate filings above 10% are reviewed by Commissioner Woods prior to their approval. DISB encourages insurers to gradualize-in larger rate increases.

Insurers historically gave customers advance notice of premium increases, but with the recent updates to the law, insurers are now required to provide that notice at least 45 days in advance. This requirement will give sufficient time for residents to investigate other options if they do not like their insurer's proposed premium.

There are two shopping guides, one for homeowners insurance and one for auto insurance, available through DISB's website that encourage consumers to shop around for coverage. Also, there are resources about shopping around available from consumer organizations and the insurance companies themselves.

*See Appendices 29 and 30.*

- 98. Have private passenger and homeowner insurers continued to comply with the requirement to provide insured individuals with written notice of their renewal policies? What are the effects of the Motor Vehicle and Homeowner Insurance Prior Approval Rate Filing Amendment Act of 2023? Have any rates been determined to be excessive or unfairly discriminatory? Have consumers continued to reach out about the rates included in their notices?**

Insurers are complying with the requirement to provide notice at least 45 days in advance of renewal, which will give sufficient time for residents to investigate other options if they do not like their proposed premium.

At a minimum, the new law has slowed the pace of rate increases as insurers now must wait until DISB's review is completed to implement increases, which gives the Department the opportunity to evaluate the filings and push insurers to grade in large increases. Generally speaking, most rate filings are actuarially supported, but staff do scrutinize the filings and when objections are found, insurers work with the actuaries to clarify the issue or make changes to the filing, so filings are more often modified rather than being rejected for being excessive or unfairly discriminatory.

- 99. Please provide the number of consumer complaints the Department received during Fiscal Year 2024 and Fiscal Year 2025, to date. Please distinguish the complaints by the following types:**

**a. Insurance;**

During FY24 (October 1, 2023 – September 30, 2024), DISB received 833 insurance complaints: 167 were confirmed; 639 were not confirmed; 27 are pending resolution.

During FY25, to date, (October 1, 2024 – November 13, 2024) DISB received 81 insurance complaints: 1 was confirmed; 19 were not confirmed; 61 are pending resolution.

**b. Securities; and**

During FY24 (October 1, 2023 – September 30, 2024), DISB received 8 securities complaints, 0 confirmed; 8 were not confirmed.

During FY25, to date, (October 1, 2024 – November 13, 2024), DISB received 1 securities complaint, 0 confirmed; 1 was unconfirmed; 1 is pending resolution.

**c. Banking.**

During FY24 (October 1, 2023 – September 30, 2024), DISB received 164 banking complaints, 13 confirmed; 151 were not confirmed.

During FY25, to date, (October 1, 2024 – November 13, 2024), DISB received 22 banking complaints, zero confirmed; 16 unconfirmed; 6 are pending resolution.

<b>Industry Sector</b>	<b>Complaints Received FY24</b>	<b>Complaints Received for FY25 to date</b>
Insurance	833	81
Securities	8	1
Banking	164	22
<b>Total</b>	<b>1,005</b>	<b>104</b>

**100. Please identify any trends in the complaints received in Fiscal Year 2024 and Fiscal Year 2025, to date.**

Please see below regarding the number of insurance-related consumer complaints received by DISB from each ward for FY24 and FY25 to date.

<b>Ward</b>	<b>Number of Insurance-Related Consumer Complaints in FY24</b>	<b>Number of Insurance-Related Consumer Complaints in FY25 (as of November 13)</b>
1	75	10
2	65	5
3	58	7
4	74	12
5	77	6
6	53	2
7	55	4
8	57	4



In FY24, the insurance companies that generated the greatest number of consumer complaints were: State Farm Fire and Casualty Company (55); CareFirst Blue Choice, Inc (48); State Farm Mutual Auto Insurance Company (27); CareFirst, Inc (25); and Cigna Health and Life Insurance Company (24).

In FY25 to date, the insurance companies that generated the greatest number of consumer complaints to date are: Cigna Health and Life Insurance Company (8); and State Farm Fire and Casualty Company (5).

The DISB Compliance and Analysis Division (CAD) observed an increase in non-renewals of homeowner policies and auto policies between FY24 and FY25. CAD will continue to monitor this trend to determine what factors are the cause of the non-renewals and premium increases and take regulatory action if appropriate.

Claim handling represents the single largest category of complaints for FY24 and FY25, to date.

### ***Health Insurance Complaints***

Complaints regarding claim delays, claim denials, co-pay, deductible, co-insurance issues, medical necessity denial, and out of network benefits represent the highest number of complaint types in FY24 and FY25, to date. In FY24, health insurance complaints accounted for 40% of insurance complaints, and in FY25, to date, the trend continues with 43% of insurance complaints attributed to health insurance.

### ***Auto Insurance Complaints***

Auto insurance complaints continue to be the second-highest category of complaints. In FY24, 23% of insurance complaints related to auto insurance claim handling, pricing and coverage termination. In FY25, to date, 18% of insurance complaints are auto insurance-related.

### ***Homeowners' Insurance Complaints***

In FY24, 19% of insurance complaints were attributed to homeowners' insurance complaints, and 22% in FY 2025, to date.

### ***Banking Complaints***

Banking complaints represent 16% of the total number of complaints in FY24. Mortgage servicing and customer account servicing complaints account for approximately 50% of all banking complaints, year over year.

**101. Please provide a list of all Consumer Alerts issued by the Department in Fiscal Year 2024 and Fiscal Year 2025, to date, and please describe:**

- a. The nature of each alert; and**
- b. How the Department intervened or otherwise responded.**

**FY24**

1. **Investment Fraud** — warned of a rapidly expanding scam known as “pig butchering”.
2. **Medicare Open Enrollment Scams** — warned of scammers stealing personal information and money through fraudulent open enrollment requests.
3. **Holiday Scams** — provided information on popular holiday scam tactics.
4. **AI and Investment Fraud** — warned of increase of investment fraud using AI.
5. **Consolidation Deadline for Student Loan Cancellation Program** — announced deadline to consolidate certain loans in order for borrowers to be eligible for loan cancellation.
6. **Gift Card Scams** — warned of fraudulent schemes designed to trick individuals into giving away money, personal information or valuable items under the pretense of receiving a gift or prize.
7. **Change Healthcare Cybersecurity Incident** — announced cybersecurity incident that impacted the submission of some health insurance claims and pharmacy benefits.
8. **Sweepstakes Scams** — warned of scammers impersonating government officials and contest sponsors to request fees before a victim can receive their winnings.
9. **Skimmer Scams** — warned of rise of skimmers placed on automated self-checkout machines to steal payment information.
10. **Virtual Currency Kiosks “Bitcoin ATMs”** — warned of requests to send virtual currency to scammers using kiosks.
11. **Bogus Digital Asset Exchanges** — warned of fraudulent investments in virtual currencies.
12. **Jury Duty Warrant Scams** — warned of scammers threatening victims with arrest if they do not pay a cash bond.
13. **Student Loan Scams** — warned of scammers impersonating student loan debt departments to steal money.
14. **Fresh Start for Defaulted Loans Ends September 30** — announced deadline for federal student loan program.
15. **Money Mule Scams** — warned of scammers asking victims to move illegally acquired money on behalf of someone else.

**FY25 to date**

1. **QR Code Scams** — warned of scammers using fraudulent QR codes to steal personal information.
2. **Shop Safely Online** — provided information on staying vigilant when online shopping.
3. **Check Washing Scams** — warned of rise of scams where checks are altered to a higher amount.

**102. Please describe the activities of the Financial Coaching for Returning Citizens project in FY 24 and FY 25, to date.**

Financial Coaching for Returning Citizens funding for FY23 totaled \$533,486.00 in federal recovery funds from the District of Columbia's share of the American Rescue Plan Act (ARPA). With this allocation of funds, DISB expanded the existing Financial Empowerment Center programming to provide financial coaching and supportive resources for returning citizens. This included updating a specific Financially Fit DC curriculum for online learning dedicated to returning citizens populations. In FY24, DISB continued the expanded program to provide additional financial training to returning citizens; the program includes one-on-one financial coaching to assist returning citizens and other vulnerable populations, and allow access to financial education, coaching and other programs through the Financial Empowerment Center. DISB also hosted the third annual Returning Citizens Financial Empowerment Summit to connect residents to financial education. DISB also expanded its work with DC Department of Corrections (DOC) and the Department of Human Services (DHS) through the READY Center. DISB provided financial education and access to bank accounts through the DHS SEED Project; the Department held four financial education workshops at the DC Jail and hosted two banking fairs in FY24.

Funds were used to support two DISB FTEs; two financial coaches at the DISB Financial Empowerment Center; provide financial education for returning citizens; and work with non-profit organizations to engage with returning citizens.

In FY25, DISB will continue to partner with the Department of Corrections READY Center to provide access to bank accounts through the Bank on DC Program and provide financial education with online and in-person financial workshops, access to the Financially Fit DC Program, and provide the Returning Citizens Financial Toolkit to residents. DISB retained two FTEs for this program.

**103. Please provide an update on the status of the matched savings program pilot for Park Morton residents which began in May 2023.**

The Park Morton Pilot is a matched savings program in partnership with the Office of the Deputy Mayor for Planning and Economic Development (DMPED) and the DC Housing Authority (DCHA). The program kicked off in May 2023.

The Park Morton Pilot was established in addition to DISB's existing matched saving program and targeted residents that were members of the DC Housing Authority community at Park Morton Public Housing Apartments. DISB, in partnership with DC Housing Authority and DMPED, provided a holistic approach to bring financial literacy and education to this community through resident engagement, financial coaching, the Bank on DC Program, and the matched savings program, to allow for multiple touchpoints.

DCHA issued a survey to residents to gather details on their financial needs and goals. Survey results helped inform the resident engagement process. During the resident engagement phase, the information on personal money management, saving for the future/ basics of banking, credit, and investing will be shared through a financial literacy series. Additionally, Park Morton residents were offered the option to participate in financial coaching through the DISB Financial Empowerment Center. The matched savings program will provide a 4:1 match, where participants may save up to \$1,500 that will be matched with up to \$6,000, for a total of \$7,500 in savings.

DISB and DCHA experienced challenges contacting Park Morton residents because they are now living at multiple locations across the District. Those that were able to be contacted were unable or unwilling to participate in the program. The program successfully engaged with more than 50 residents and registered 10 residents to participate in the savings program. All DISB programs are still available to Park Morton residents. DISB will continue to work with developers and community-based organizations to provide residents with access to financial literacy information.

**104. Are there any FY 2024 updates on REACH/OCC initiative? Have you released findings on the initiative?**

The Small Business Workstream of DC REACH is focused on the development and recommendation of resources that reduce specific barriers that prevent full, equal and fair participation in the nation's economy. In FY24, the Small Business Workstream finalized its recommendations and developed framework to achieve the prescribed goals. The recommendations include the development of a Capital Readiness Program, a small business directory, and a small business council. The workstream has issued a requisition for the Capital Readiness Program and expects the curriculum to be finalized by the end of FY25. The planning for the Small Business Directory is currently underway and DISB expects to launch it in mid-2025.