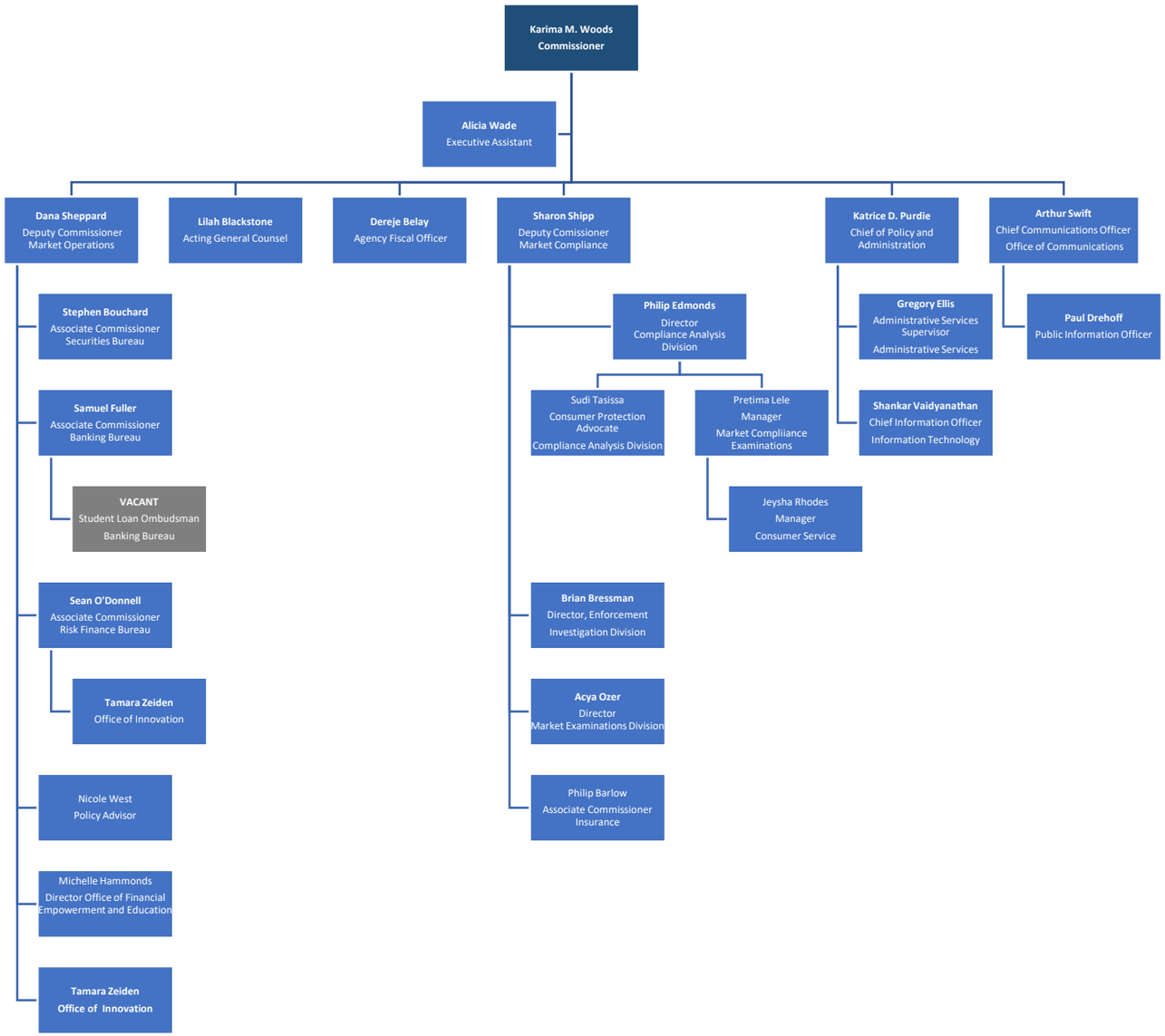
Council of the District of Columbia
Committee on Business and Economic Development

Department of Insurance, Securities and Banking
FY24 and FY25 Performance Oversight Hearing Appendices

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Appendix 1

DC DEPARTMENT OF INSURANCE, SECURITIES AND BANKING
Executive Office of the Commissioner



Appendix 2

Department of Insurance, Securities and Banking (SR0)

Schedule A - As of January 22, 2025

Vacant Status	Program	Program Description	CostCenter	Cost Center Description	Position Number	Title	Name	Hire Date	Length of Time (Years)	Reg/Temp/ Term	Sal Plan	Grade	Step	FTEs	Annual Salary	Fringe Benefits	Status of Vacant Positions
	100058	HUMAN RESOURCE SERVICES - GENERAL	30188	HUMAN RESOURCES DIVISION - SR0	00016013	Human Resources Specialist	Simmons,Marlene O	7/11/2005	19.53	Reg	DS0087	12	7	1	95,816.00	21,079.52	
					00022252	Human Resources Specialist	Pettigrew,Alice VonEva	5/26/2009	15.66	Reg	DS0087	12	5	1	90,805.00	19,977.10	
					00109040	Human Resources Specialist	McLeod,Shavon O	6/20/2023	1.58	Reg	DS0087	13	2	1	96,052.00	21,131.44	
	100058 Total													3	282,673.00	62,188.06	
	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	00015485	Information Technology Special	Guishard,Michael	11/2/2015	9.22	Reg	DS0077	13	9	1	134,139.00	29,510.58	
					00024853	SUPPORT SERVICES SPECIALIST	Duckett,Alfonzo	10/19/2015	9.25	Reg	DS0077	11	5	1	84,517.00	18,593.74	
					00025123	Administrative Services Progra	Ellis,Gregory	12/11/2006	18.12	Reg	DS0086	14	0	1	142,701.15	31,394.25	
					00025163	Staff Assistant	Pedroso,Tamisha S.	12/3/2012	12.13	Reg	DS0077	11	3	1	79,705.00	17,535.10	
					00025507	Program Support Specialist	Bond,Donna	12/16/2024	0.09	Term	DS0077	9	2	1	64,144.00	14,111.68	
					00027840	Chief Information Officer	Vaidyanathan,Shankar	5/7/2001	23.72	Reg	DS0086	15	0	1	164,415.09	36,171.32	
					00034872	Chief of Policy and Administra	Purdie,Katrice Diana	2/22/2005	19.92	Reg	DS0086	16	0	1	155,053.02	34,111.66	
					00035768	Information Technology Special	Anderson II,Lloyd J	3/22/2005	19.84	Reg	DS0077	14	6	1	146,393.00	32,206.46	
					00035827	Imaging Specialist	Patterson,Deserie	10/13/1998	26.28	Reg	DS0077	9	10	1	80,032.00	17,607.04	
					00035828	Management Analyst	Glass,Kendra	5/26/2015	9.65	Reg	DS0077	13	2	1	110,185.00	24,240.70	
	100071 Total													10	1,161,284.26	255,482.54	
	100092	LEGAL SERVICES - GENERAL	30185	OFFICE OF GENERAL COUNSEL - SR0	00041786	Attorney Advisor	Turner,Kimberly A	11/12/2019	5.19	Reg	LA0001	14	6	1	150,262.00	33,057.64	
					00041787	Attorney Advisor	O'Brien,David Peter	1/19/2016	9.00	Reg	LA0002	14	5	1	146,012.00	32,122.64	
					00041788	Attorney Advisor	Barakat,Omar	11/20/2023	1.16	Reg	LA0002	14	5	1	146,012.00	32,122.64	
					00041789	Deputy General Counsel	Blackstone,Liliah R	9/28/1998	26.32	Reg	LX0001	1	0	1	176,098.31	38,741.63	
					00075374	Attorney Advisor (Finance)	Davis,Christopher	5/20/2024	0.66	Reg	LA0002	14	4	1	141,715.00	31,177.30	
					00075376	Paralegal Specialist	Sassa,Makondi Claudine	3/31/2008	16.81	Reg	DS0077	13	5	1	120,451.00	26,499.22	
					00075544	Operations Manager	Mathis,Michelle D.	11/9/1992	32.21	Reg	DS0077	13	10	1	137,561.00	30,263.42	
					00076896	Paralegal Specialist	McBride,Keenan R.	9/10/2012	12.36	Reg	DS0077	9	8	1	76,060.00	16,733.20	
					00077717	Attorney Advisor	Bakker,Sara A	10/24/2022	2.24	Reg	LA0002	13	8	1	134,464.00	29,582.08	
	100092 Total													9	1,228,635.31	270,299.77	
	100151	EXECUTIVE ADMINISTRATION	30184	EXECUTIVE OFFICE - SR0	00001990	Program Analyst	Jean,Fania D	11/8/2021	3.19	Reg	DS0087	12	5	1	90,805.00	19,977.10	
					00012977	Deputy Commissioner for Market	Sheppard,Dana G	9/13/1993	31.37	Reg	DS0086	16	0	1	197,344.35	43,415.76	
					00034803	EXECUTIVE ASST	Wade,Alicia M	5/16/2011	13.68	Reg	DS0087	13	9	1	116,933.00	25,725.26	
					00039088	Commissioner Ins Sec&Banking	Woods,Karima M.	11/19/2012	12.17	Reg	DX0000	E5	0	1	188,944.72	41,567.84	
					00041792	Chief of Staff	Turner,Dolly	5/15/2015	9.68	Reg	DS0086	15	0	1	150,060.00	33,013.20	
					00085506	Policy Advisor	West,Nicole	7/17/2023	1.51	Reg	DS0087	14	2	1	113,522.00	24,974.84	
	100151 Total													6	857,609.07	188,674.00	
	100157	PUBLIC AFFAIRS	30186	OFFICE OF PUBLIC AFFAIRS	00003290	Public Affairs Specialist	Bryant,Tanya D	5/22/2000	24.67	Reg	DS0077	13	10	1	137,561.00	30,263.42	
					00036294	Public Information Officer	Drehoff,Paul	8/6/2018	6.45	Reg	DS0086	14	0	1	134,899.00	29,677.78	
					00041791	Public Affairs Specialist	Lindell,Jennifer	5/6/2024	0.70	Reg	DS0077	13	1	1	106,763.00	23,487.86	
					00073628	Chief Communications Officer	Swift,Arthur P	3/14/2022	2.85	Reg	DS0086	15	0	1	162,048.81	35,650.74	
					00082338	Student Intern	Connors,Aidan	2/26/2024	0.89	Temp	DS0087	7	1	1	44,859.00	9,868.98	
	100157 Total													5	586,130.81	128,948.78	
	150002	AGENCY ACCOUNTING SERVICES	10002	ACCOUNTING DIVISION	00004196	Accountant	May,Julia C	7/25/1990	34.51	Reg	DS0007	11	10	1	93,742.00	20,623.24	
					00022530	Accounts Payable Specialis	Branham,Valencia M	12/10/1990	34.13	Reg	DS0007	12	10	1	115,093.00	25,320.46	
					00043252	Accounts Payable Supervisor	Vanhorne,Lashawn M	12/3/1990	34.15	Reg	DS0007	13	10	1	133,559.00	29,382.98	
					00075090	Accountant	Carrera,Jasmin	2/12/2024	0.93	Reg	DS0007	11	10	1	93,742.00	20,623.24	
					00085225	Accountant	Tadesse,Tadele M	5/24/2021	3.65	Reg	DS0007	12	2	1	92,757.00	20,406.54	
	150002 Total													5	528,893.00	116,356.46	
	150003	AGENCY BUDGETING AND FINANCIAL MANAGEMENT SERV	10001	BUDGET DIVISION	00001761	Budget Officer	Beza,Tegbar D	1/7/2019	6.03	Reg	DS0007	14	2	1	126,428.00	27,814.16	
					00012917	Budget Analyst	Ware,Jovan Louise	11/30/2015	9.14	Reg	DS0007	12	3	1	95,549.00	21,020.78	
	150003 Total													2	221,977.00	48,834.94	
	150017	AGENCY/CLUSTER SHARED SERVICES	10003	ACFO DIVISION	00012491	Agency Fiscal Officer	Belay,Dereje	11/5/2012	12.21	Reg	DS0007	15	5	1	162,261.00	35,697.42	
	150017 Total													1	162,261.00	35,697.42	
	300133	BANKING LICENSING	30163	BANKING LICENSING DIVISION	00034846	Associate Commiss. for Banking	Fuller,Samuel V	1/9/2006	19.04	Reg	DS0086	16	0	1	158,320.11	34,830.42	
					00034868	Supervisory Banking Examiner	Turner,Randal	7/5/2022	2.54	Reg	DS0086	14	0	1	114,441.25	25,177.08	
					00034869	Banking Licensing Specialist	Ball,Chasity D	11/13/2018	6.18	Reg	DS0077	11	4	1	82,111.00	18,064.42	
					00035837	Banking Licensing Specialist	Goines,Robsine M	6/22/1998	26.59	Reg	DS0077	12	4	1	101,290.00	22,283.80	
					00037714	Licensing Manager	Walton,Brittany	7/22/2019	5.50	Reg	DS0086	14	0	1	114,441.00	25,177.02	
					00075387	Lead Bank Licensing Specialist	Rouse,Brian A	3/7/2005	19.88	Reg	DS0077	14	8	1	154,479.00	33,985.38	
	300133 Total													6	725,082.36	159,518.12	
	300134	BANKING MARKET EXAMINATION	30164	BANKING EXAMINATION DIVISION	00005191	BANK EXAMINER	McLendon,KoKeeta M	10/28/2019	5.23	Reg	DS0077	12	2	1	95,534.00	21,017.48	
					00034865	Senior Bank Examiner	Wagner,Peggy A.	7/14/2014	10.52	Reg	DS0077	13	6	1	123,873.00	27,252.06	
					00046081	Senior Bank Examiner	Smith,Leonard	4/21/2014	10.75	Reg	DS0077	13	6	1	123,873.00	27,252.06	
					00075373	BANK EXAMINER	Farquharson-Reid,Angela	9/10/2012	12.36	Reg	DS0077	12	10	1	118,558.00	26,082.76	
					00075386	Senior Bank Examiner	Bright,Eva M	9/29/2008	16.31	Reg	DS0077	13	9	1	134,139.00	29,510.58	
					00075388	Senior Bank Examiner	Cole,Miriam A	4/17/2018	6.76	Reg	DS0077	13	7	1	127,295.00	28,004.90	
					00075389	BANK EXAMINER	Joseph,Lester C.	10/15/2019	5.26	Reg	DS0077	12	7	1	109,924.00	24,183.28	
					00075551	Supervisory Bank Examiner	Irwin,Trey	5/30/2017	7.64	Reg	DS0086	15	0	1	127,028.82	27,946.34	
					00085204	Senior Bank Examiner	Davis,Dionne	3/7/2016	8.87	Reg	DS0077	13	6	1	123,873.00	27,252.06	
					00085205	Senior Bank Examiner	Clifton,Aaron	3/19/2018	6.84	Reg	DS0077	13	4	1	117,029.00	25,746.38	
	300134 Total													10	1,201,126.82	264,247.90	
	300135	BANKING MARKET OPERATION	30168	BANKING MARKET OPERATION DIVISION	00018144	Student Loan Examiner	Guishard,Angela	10/24/2022	2.24	Reg	DS0077	12	10	1	118,558.00	26,082.76	
					00074667	Foreclosure Prevention & Media	Arnold,Ben	10/25/2021	3.23	Reg	DS0087	14	10	1	141,707.00	31,175.54	
					00075396	DC BizCap Program Manager	Fenwick,Aaron R	6/8/2020	4.61	Reg	DS0086	14	0	1	148,753.00	32,725.66	
					00109037	Program Analyst	Shettleworth,Cordelle	11/6/2023	1.20	Reg	DS0077	12	1	1	92,656.00	20,384.32	
					00109039	Program Analyst	Mccargo,Andrea Nicole	12/19/2022	2.08	Reg	DS0077	12	3	1	98,412.00	21,650.64	
	300135 Total													5	600,086.00	132,018.92	
	300139	CONSUMER SERVICES	30169	CONSUMER SERVICES COMPLIANCE DIVISION	00010013	INSURANCE OPERATIONS SPEC	Dickens,Marionnetta	4/28/1986	38.75	Reg	DS0077	12	10	1	118,558.00	26,082.76	
					00013044	INSURANCE OPERATIONS SPEC	Carney,Brenda	5/20/2024	0.66	Reg	DS0077	12	4	1	101,290.00	22,283.80	
					00015980	Insurance Operations Specialis	Brown,Cameron	6/6/2022	2.62	Reg	DS0077	12	5	1	104,168.00	22,916.96	
					00022086	INSURANCE OPERATIONS SPEC	Slade,Arthur F	10/14/2008	16.27	Reg	DS0077	12	10	1	118,558.00	26,082.76	
					00075087	Consumer Services Specialist	Moore,David	12/3/2012	12.13	Reg	DS0077	12	10	1	118,558.00	26,082.76	
					00075393	Director Compliance Analysis	Edmonds,Philip	11/23/2020	4.15	Reg	DS0086	15	0	1	177,839.33	39,124.65	
					00075435	Consumer Services Specialist	Storr,Tywanda	9/12/2022	2.35	Reg	DS0077	12	3	1	98,412.00	21,650.64	
	300139 Total													7	837,383.33	184,224.33	
	300141	MARKET RESEARCH & ANALYSIS	30171	MARKET RESEARCH & ANALYSIS COMPLIANCE DIVISIO	00038798	Manager Consumer Services	Rhodes,Jeysha R.	10/11/2022	2.27	Reg	DS0086	14	0	1	114,441.00	25,177.02	
Filled					00043792	Consumer Protection Advocate	Tasissa,Sudi	9/9/2024	0.36	Reg	DS0087	14	3	1	117,045.00	25,749.90	
					00046078	Dep Commiss. for Market Compl.	Shipp,Sharon	9/10/2012	12.36	Reg	XS0001	10	0	1	172,210.16	37,886.24	
					00075077	Compliance Analyst	Ching,Tina	8/14/2023	1.43	Reg	DS0077	12	2	1	95,534.00	21,017.48	
					00075431	Market Compliance Examinations	Lele,Pratima	11/21/2022	2.16	Reg	DS0086	14	0	1	143,000.00	31,460.00	
					00075599	Market Conduct Data Analyst	Wade,Cheryl R	1/30/2012	12.98	Reg	DS0077	13	7	1	127,295.00	28,004.90	
					00078117	FINANCIAL EXAMINER INS	Davis,LaTasha	4/3/2017	7.80	Reg	DS0077	13	6	1	123,873.00	27,252.06	

Vacant Status	Program	Program Description	CostCenter	Cost Center Description	Position Number	Title	Name	Hire Date	Length of Time (Years)	Reg/Temp/ Term	Sal Plan	Grade	Step	FTEs	Annual Salary	Fringe Benefits	Status of Vacant Positions
	300141 Total													7	893,398.16	196,547.60	
	300142	ENFORCEMENT	30172	ENFORCEMENT DIVISION - SR0	00003370	FRAUD INVEST	Pendleton,Mark A	5/16/2016	8.68	Reg	DS0077	12	9	1	115,680.00	25,449.60	
	300142 Total													1	115,680.00	25,449.60	
	300143	INVESTIGATION	30173	INVESTIGATION DIVISION	00013699	Assistant Dir for Enforcement	Ross,Michael	11/21/2016	8.16	Reg	DS0086	15	0	1	132,255.18	29,096.14	
					00020539	FRAUD INVEST	Loproto,Robert B	9/5/2006	18.38	Reg	DS0077	12	10	1	118,558.00	26,082.76	
					00031812	FRAUD INVEST	Saxton,Shanta	5/18/2015	9.68	Reg	DS0077	12	7	1	109,924.00	24,183.28	
					00034870	Investigator Fraud	Tengen,Juliana N	10/19/1992	32.27	Reg	DS0077	13	10	1	137,561.00	30,263.42	
					00075430	DIR OF FRAUD	Bressman,Brian	2/21/2017	7.91	Reg	DS0086	16	0	1	177,990.33	39,157.87	
					00085206	Hearing Examiner	Little,Paige	8/26/2024	0.39	Reg	DS0087	13	4	1	102,018.00	22,443.96	
	300143 Total													6	778,306.51	171,227.43	
	300146	CITY FOR FINANCIAL EMPOWERMENT	30181	OFFICE OF FINANCIAL EMPOWERMENT & EDUCATION	00034863	Program Analyst	Hicks,Jazman	3/28/2022	2.81	Reg	DS0077	13	3	1	113,607.00	24,993.54	
					00037577	Program Manager (Financial Emp	Hammonds,Michelle	2/8/2016	8.95	Reg	DS0086	14	0	1	132,255.18	29,096.14	
					00075304	Program Support Specialist	Gibbs,Ebony I	10/29/2018	6.22	Reg	DS0077	9	3	1	66,130.00	14,548.60	
					00085528	Community Outreach Specialist	Savoy,Jasmine	10/24/2022	2.24	Reg	DS0077	12	6	1	107,046.00	23,550.12	
					00105600	Program Analyst	MABRY,KAMARIA S	5/9/2022	2.70	Reg	DS0077	13	2	1	110,185.00	24,240.70	
					00105603	Program Manager	Williams,Shahidah	5/29/2018	6.64	Reg	DS0086	13	0	1	105,023.24	23,105.11	
					00106058	Financial Programs Analyst	Dortch-Jones,Eric J.	5/28/2019	5.65	Term	DS0077	13	1	1	106,763.00	23,487.86	
	300146 Total													7	741,009.42	163,022.07	
	300151	HEALTH ACTUARIAL	30177	HEALTH ACTUARIAL DIVISION	00005439	ACTUARY	Flick,Stephen	7/5/2022	2.54	Reg	DS0077	13	8	1	130,717.00	28,757.74	
					00073451	ACTUARY	Shirley,Darniece L	1/3/2011	14.05	Reg	DS0077	13	10	1	137,561.00	30,263.42	
					00073453	INSURANCE EXAMINER	Chibessa,Hawi A	11/13/2018	6.18	Reg	DS0077	13	1	1	106,763.00	23,487.86	
					00082359	Insurance Fraud Investigator	Richardson,Bijan N	6/21/2022	2.58	Reg	DS0077	12	8	1	112,802.00	24,816.44	
	300151 Total													4	487,843.00	107,325.46	
	300152	INSURANCE FINANCIAL EXAMINATION	30180	FINANCIAL EXAMINATION DIVISION	00003501	ACTUARY	Dyson,Monica L	3/24/2003	21.84	Reg	DS0077	13	10	1	137,561.00	30,263.42	
					00004205	SUPV INSURANCE EXAM GEN	Liebers,Howard M	2/11/2013	11.94	Reg	DS0086	14	0	1	138,028.50	30,366.27	
					00008351	ACTUARY MGR	Nkojo,Robert I	4/21/2003	21.76	Reg	DS0086	14	0	1	131,475.71	28,924.66	
					00009105	Insurance Licensing Spec Mgr	Johnson-Parker,Sheila A	10/31/2005	19.23	Reg	DS0086	14	0	1	130,441.00	28,697.02	
					00011195	FINANCIAL EXAMINER INS	Alexander,Laura	11/21/2022	2.16	Reg	DS0077	13	3	1	113,607.00	24,993.54	
					00012196	FINANCIAL EXAMINER INS	BHATTI,MOBIN	4/24/2023	1.74	Reg	DS0077	13	2	1	110,185.00	24,240.70	
					00015197	INSURANCE EXAMINER	Johnson,Colin B	2/25/1994	30.92	Reg	DS0077	13	10	1	137,561.00	30,263.42	
					00016131	Insurance Licensing Specialist	Alexander,Kathy	6/10/2019	5.61	Reg	DS0077	12	4	1	101,290.00	22,283.80	
					00017344	INSURANCE LICENSE SPEC	Hicks,Willie C	6/28/1983	41.59	Reg	DS0077	12	9	1	115,680.00	25,449.60	
					00022192	INSURANCE LICENSE SPEC	Jordan-Robinson,Lucynthia D	8/25/1981	43.43	Reg	DS0077	12	10	1	118,558.00	26,082.76	
					00026346	INSURANCE EXAMINER	Benson,RaShaunda	10/31/2016	8.22	Reg	DS0077	13	3	1	113,607.00	24,993.54	
					00031831	Financial Examiner	Claros-Plater,Victoria	11/21/2022	2.16	Reg	DS0077	13	4	1	117,029.00	25,746.38	
					00035565	Senior Insurance Examiner	Belen,Carmen	7/29/2024	0.47	Reg	DS0077	14	8	1	154,479.00	33,985.38	
					00036236	Financial Examiner	Negash,Yohaness	10/17/2016	8.26	Reg	DS0077	14	7	1	150,436.00	33,095.92	
					00036295	Associate Commissioner For Ins	Barlow,Philip A	4/10/2000	24.79	Reg	DS0086	16	0	1	191,299.33	42,085.85	
					00036494	Property and Casualty Policy A	King,Angela Jenice	5/25/1994	30.67	Reg	DS0077	14	6	1	146,393.00	32,206.46	
					00037940	Insurance Licensing Specialist	Barrow,Kadesia	7/15/2024	0.51	Reg	DS0077	9	2	1	64,144.00	14,111.68	
					00075076	Financial Examiner & Analyst	Merlo,Samuel A	4/3/2006	18.81	Reg	DS0077	14	7	1	150,436.00	33,095.92	
					00078131	Insurance Examiner (General)	Reed,Anissa	4/25/2022	2.73	Reg	DS0077	11	1	1	74,893.00	16,476.46	
					00085202	ACTUARY	Christhilf,David	12/28/2015	9.06	Reg	DS0077	14	10	1	162,565.00	35,764.30	
					00109036	Insurance Analyst	Chen,Qinghao	11/6/2023	1.20	Reg	DS0077	11	2	1	77,299.00	17,005.78	
	300152 Total													21	2,636,967.54	580,132.86	
	300157	FINANCIAL ANALYSIS	30191	FINANCIAL ANALYSIS DIVISION	00036539	Director of Risk Finance	O'Donnell,Patrick S.	6/6/2005	19.63	Reg	DS0086	16	0	1	187,839.00	41,324.58	
	300157 Total													1	187,839.00	41,324.58	
	300160	RISK FINANCE-MARKET EXAMINATION	30192	RISK FINANCE EXAMINATION DIVISION	00036363	FINANCIAL EXAMINER OFFICER	Bunyasrie,Surayuth	5/18/2015	9.68	Reg	DS0077	14	8	1	154,479.00	33,985.38	
					00038470	FINANCIAL EXAMINER (CAPTIVE)	Andrew,Anu	9/19/2016	8.33	Reg	DS0077	13	6	1	123,873.00	27,252.06	
					00038485	FINANCIAL EXAMINER INS	Fuller,Ell Maurice	5/8/2023	1.70	Reg	DS0077	13	2	1	110,185.00	24,240.70	
					00046076	Financial Examiner & Analyst	Davis,Rebecca	12/1/2014	10.14	Reg	DS0077	14	7	1	150,436.00	33,095.92	
					00085212	Financial Examiner & Analyst	Afolabi,Christine	4/21/2014	10.75	Reg	DS0077	14	8	1	154,479.00	33,985.38	
	300160 Total													5	693,452.00	152,559.44	
	300161	CORPORATE FINANCE	30196	CORPORATE FINANCE DIVISION	00008873	ASST DIR	Mcmanus,James M.	10/22/2001	23.25	Reg	DS0086	15	0	1	153,319.42	33,730.27	
					00015183	Associate Commissioner of Secu	Bouchard,Stephen	4/25/2022	2.73	Reg	DS0086	16	0	1	155,053.00	34,111.66	
					00039603	Secur Finan Exam (Rpt & Discl)	Nikoi,Gail	9/26/2022	2.31	Reg	DS0077	13	2	1	110,185.00	24,240.70	
					00075089	Securities Registration Specia	Gray,Erris	3/16/2020	4.84	Reg	DS0077	11	10	1	96,547.00	21,240.34	
	300161 Total													4	515,104.42	113,322.97	
	300162	SECURITIES LICENSING	30195	SECURITIES LICENSING DIVISION	00000483	Assistant Director for Securit	Martin,Lucinda D	12/5/2011	13.13	Reg	DS0086	14	0	1	118,711.40	26,116.51	
					00037776	Securities Licensing Spec.	Sanyang,Sainey	10/17/2016	8.26	Reg	DS0077	12	3	1	98,412.00	21,650.64	
					00037779	Securities Financial Examiner	Umoete,Faith	12/5/2022	2.12	Reg	DS0077	13	1	1	106,763.00	23,487.86	
					00109063	Securities Licensing Specialis	Cooper,Lakishia	2/8/2016	8.95	Reg	DS0077	13	5	1	120,451.00	26,499.22	
	300162 Total													4	444,337.40	97,754.23	
	300163	SECURITIES MARKET EXAMINATION	30197	SECURITIES MARKET EXAMINATION DIVISION	00021355	Securities Registration Specia	Mack,Samone	5/6/2024	0.70	Reg	DS0077	11	1	1	74,893.00	16,476.46	
					00085203	Securities Financial Examiner	Vaughn-Cooke,Faye Elizabeth	6/6/2022	2.62	Reg	DS0077	13	3	1	113,607.00	24,993.54	
					00109976	Securities Financial Examiner	Adu,George	8/8/2006	18.46	Reg	DS0077	14	8	1	154,479.00	33,985.38	
	300163 Total													3	342,979.00	75,455.38	
	300195	MARKET ANALYSIS	30235	OFFICE OF INNOVATION	00109068	Outreach Program Specialist	Herrera,Claudia L.	4/21/2014	10.75	Reg	DS0077	12	9	1	115,680.00	25,449.60	
	300195 Total													1	115,680.00	25,449.60	
	300196	OUTREACH	30235	OFFICE OF INNOVATION	00109069	Business Analyst	Nurov,Maxim	12/4/2023	1.12	Reg	DS0077	12	6	1	107,046.00	23,550.12	
					00109369	Director of the Office of Inno	Zeidan,Tamara	12/19/2022	2.08	Reg	DS0086	15	0	1	177,839.00	39,124.58	
	300196 Total													2	284,885.00	62,674.70	
	300197	COMPLIANCE	30235	OFFICE OF INNOVATION	00109044	Program Analyst	Key,Roderica O	6/12/2017	7.61	Reg	DS0077	12	1	1	92,656.00	20,384.32	
	300197 Total													1	92,656.00	20,384.32	
	300199	INSURANCE MARKET EXAMINATION	30202	INSURANCE MARKET EXAMINATION DIVISION	00009191	Supvy Ins Oper Exam (Auditing)	Brown,Nathaniel Kevin	4/10/2000	24.79	Reg	DS0086	14	0	1	151,060.23	33,233.25	
					00012661	INSURANCE OPR EXAM AUDIT	Ukairo,Chidinma	7/27/1987	37.50	Reg	DS0077	11	10	1	96,547.00	21,240.34	
	300199 Total													2	247,607.23	54,473.59	
F Total														138	16,970,886.64	3,733,595.06	
	100092	LEGAL SERVICES - GENERAL	30185	OFFICE OF GENERAL COUNSEL - SR0	00041785	SUPERVISOR TRIAL ATTORNEY	(blank)	(blank)	(blank)	(blank)	LX0001	2	0	1	173,831.50	38,242.93	Pending reposting
					00042200	Attorney Advisor	(blank)	(blank)	(blank)	(blank)	LA0002	15	10	1	193,437.00	42,556.14	Pending reposting
	100092 Total													2	367,268.50	80,799.07	
	100151	EXECUTIVE ADMINISTRATION	30184	EXECUTIVE OFFICE - SR0	00017095	Special Assistant	(blank)	(blank)	(blank)	(blank)	DS0087	13	0	1	93,069.00	20,475.18	Pending posting (DCHR Hiring Event)
	100151 Total													1	93,069.00	20,475.18	
	300134	BANKING MARKET EXAMINATION	30164	BANKING EXAMINATION DIVISION	00046080	BANK EXAMINER	(blank)	(blank)	(blank)	(blank)	DS0077	12	0	1	92,656.00	20,384.32	Offer pending
	300134 Total													1	92,656.00	20,384.32	
	300135	BANKING MARKET OPERATION	30168	BANKING MARKET OPERATION DIVISION	00001945	Program Manager	(blank)	(blank)	(blank)	(blank)	DS0086	13	0	1	119,416.00	26,271.52	Offer pending
					00115038	Senior Bank Examiner	(blank)	(blank)	(blank)	(blank)	DS0077	13	0	1	106,763.00	23,487.86	Pending posting (DCHR Hiring Event)
	300135 Total													2	226,179.00	49,759.38	
	300143	INVESTIGATION	30173	INVESTIGATION DIVISION	00115037	Market Compliance Examinations	(blank)	(blank)	(blank)	(blank)	DS0086	14	0	1	137,328.50	30,212.27	Pending posting
	300143 Total													1	137,328.50	30,212.27	
V	300151	HEALTH ACTUARIAL	30177	HEALTH ACTUARIAL DIVISION	00073445	Supervisory Health Actuary	(blank)	(blank)	(blank)	(blank)	DS0086	14	0	1	137,328.50	30,212.27	Offer pending

Vacant Status	Program	Program Description	CostCenter	Cost Center Description	Position Number	Title	Name	Hire Date	Length of Time (Years)	Reg/Temp/ Term	Sal Plan	Grade	Step	FTEs	Annual Salary	Fringe Benefits	Status of Vacant Positions
					00112218	ACTUARY	(blank)	(blank)	(blank)	(blank)	DS0077	13	0	1	106,763.00	23,487.86	Pending posting (DCHR Hiring Event)
	300151 Total													2	244,091.50	53,700.13	
	300158	RISK FINANCE MARKET OPERATION	30194	RISK FINANCE MARKET OPERATION DIVISION	00035765	Supervisory Financial Examiner	(blank)	(blank)	(blank)	(blank)	DS0086	15	0	1	152,434.50	33,535.59	Offer pending
	300158 Total													1	152,434.50	33,535.59	
	300159	RISK FINANCE-LICENSING AND REGULATORY	30190	RISK FINANCE LICENSING & REGULATORY DIVISION	00036633	Insurance Licensing Specialist	(blank)	(blank)	(blank)	(blank)	DS0077	12	1	1	92,656.00	20,384.32	Pending posting (DCHR Hiring Event)
	300159 Total													1	92,656.00	20,384.32	
	300160	RISK FINANCE-MARKET EXAMINATION	30192	RISK FINANCE EXAMINATION DIVISION	00115036	FINANCIAL EXAMINER INS	(blank)	(blank)	(blank)	(blank)	DS0077	13	0	1	106,763.00	23,487.86	Pending posting (DCHR Hiring Event)
	300160 Total													1	106,763.00	23,487.86	
	300161	CORPORATE FINANCE	30196	CORPORATE FINANCE DIVISION	00075391	Supervisory Market Examination	(blank)	(blank)	(blank)	(blank)	DS0086	15	0	1	152,434.50	33,535.59	Pending posting (DCHR Hiring Event)
	300161 Total													1	152,434.50	33,535.59	
	300163	SECURITIES MARKET EXAMINATION	30197	SECURITIES MARKET EXAMINATION DIVISION	00021395	Securities Financial Examiner	(blank)	(blank)	(blank)	(blank)	DS0077	14	0	1	126,178.00	27,759.16	Position filled.
	300163 Total													1	126,178.00	27,759.16	
V Total														14	1,791,058.50	394,032.87	
Grand Total														**152**	**18,761,945.14**	**4,127,627.93**	

Appendix 3

Department of Insurance, Securities and Banking (SR0)

Fiscal Year 2024 Employee Travel Expenses

Employee Name	Position/Title	Invoice Description/Conference Attended	Expense Report Date	Amount	Justification
Aaron Clifton	Bank Examiner	Carrington Mortgage Services Multi State exam. Anaheim, CA	10/27/2023	1,935.85	
		NMLS Conference 2024. San Antonio, TX	02/16/2024	490.09	
		Multi-state Exam of ServiceMac Mortgage. Fort Mill, SC	08/23/2024	1,686.87	
Aaron Clifton Total				4,112.81	
Andrea Mccargo	Student Loan Ombudsman	Nelnet Onsite Examination. Lincoln, NE	03/18/2024	961.26	
		Airline Ticket cost. Chicago, IL	02/21/2024	1,020.23	
Andrea Mccargo Total				1,981.49	
Angela Guishard	Student Loan Examiner	Onsite MMC Examination - Carrington. Annaheim, CA	10/22/2023	1,447.12	
		Travel fees for A. Guishard. Los Angeles, CA	10/16/2023	849.01	
		Nelnet Onsite Examination. Lincoln, NE	03/18/2024	1,960.27	
		Airline Ticket cost. Lincoln, NE	02/05/2024	951.17	
Angela Guishard Total				5,207.57	
Arthur Swift	Chief Communications Officer	NAIC Insurance Summit 2024. Kansas, MO	9/27/2024	1,898.10	
		Hotel booking, Nashville, TN	10/15/2023	996.19	
		Public Relations Society of America Annual Conference. Nashville, TN	10/23/2023	759.27	
Arthur Swift Total				3,653.56	
Ayca Ozer	Manager	SEC North East Regional Securities Conference. NewYork, NY	04/10/2024	961.61	
Ayca Ozer Total				961.61	
Bijan Richardson	Insurance Fraud Investigator	2023 NASAA Enforcement Training. St. Louis, Missouri	10/30/2023	1,697.73	
		2023 NAIC Annual Meeting. Orlando, FL	12/11/2023	1,397.61	
Bijan Richardson Total				3,095.34	
Brian Bressman	Director of Fruad	2023 National Fraud Directors Conference. St. George, Utah	10/16/2023	1,599.99	
		NASAA ETOG Meeting. Louisville	05/29/2024	43.63	
Brian Bressman Total				1,643.62	
Brianna Jordan	Public Affairs Specialist	Hotel booking, Nashville, TN	10/15/2023	617.62	
		Public Relations Society of America ICON 2023 Nashville, TN	10/30/2023	297.85	
		PRSA conference, Airfare for Brianna Jordan, Nashville, TN	10/11/2023	572.58	
Brianna Jordan Total				1,488.05	
Brittany Walton	Banking Licensing Manager	The NMLS Annual Conference. San Antonio, TX	02/21/2024	2,116.24	
Brittany Walton Total				2,116.24	
Chasity Ball	Banking Licensing Specialist	The NMLS Annual Conference. San Antonio, TX	02/23/2024	2,500.41	
Chasity Ball Total				2,500.41	
Christine Afolabi	Financial Examiner	NAIC 2024 Spring National Meeting. Phoenix, Arizona	03/18/2024	113.00	
		Captive Insurance Companies Association Conference. Scottsdale, Arizona	03/13/2024	(413.82)	
		2024 SOFE CDS. Oklahoma City, OK	07/31/2024	(437.00)	
		2024 VCIA Annual Conference. Burlington, Vermont	08/12/2024	1,513.53	
		2024 NAIC INSURANCE SUMMIT. Phoenix, Arizona	09/18/2024	438.88	
Christine Afolabi Total				1,214.59	
Dana Sheppard	Deputy Commissioner	Captive Insurance Companies Association Conference. Scottsdale, Arizona	03/27/2024	1,800.31	
		Vermont Captive Insurance Conference. Burlington, VT	08/15/2024	1,234.86	
Dana Sheppard Total				3,035.17	
Ell Fuller	Financial Examiner	National Risk Retention Association 2023 Conference. Chicago, IL	12/06/2023	998.59	
		SOFE 2024 Annual Career Development Seminar. Oklahoma City, OK	07/28/2024	(501.00)	
Ell Fuller Total				497.59	
Erris Gray	Securities registration specialist	NASAA Conference. St.Lious, MO	11/28/2023	1,360.37	
		SEC Reporting Skills Workshop for Financial Professionals 2024. New York, NY	03/28/2024	1,560.42	
Erris Gray Total				2,920.79	
Eva Bright	Bank Examiner	NMLS 2024 Conference and Training. San Atonio, TX	02/12/2024	2,165.71	
		ServiceMac LLC Multistate Exam. Fort Mill, SC	08/19/2024	1,440.14	
Eva Bright Total				3,605.85	
Faye Vaughn-Cooke	Securities Financial Examiner	NASAA 2024 Investor Advisor Training. Minneapolis, MN	04/19/2024	1,880.30	

Employee Name	Position/Title	Invoice Description/Conference Attended	Expense Report Date	Amount	Justification
Faye Vaughn-Cooke	Securities Financial Examiner	SEC North East Regional Securities Conference. NewYork, NY	04/08/2024	995.78	Required conference/training related to positions of the staff
Faye Vaughn-Cooke Total				2,876.08	
Gail Nikoi	Securities Registration Specialist	NASAA 2023 CORPORATION FINANCE TRAINING. St. Louis, MO	11/30/2023	1,355.38	
		SEC Reporting Skills Workshop for Financial Professionals 2024. New York, NY	03/26/2024	1,637.35	
Gail Nikoi Total				2,992.73	
Gregory Ellis	Administrative Services Supervisor	GSA SmartPay Training Forum. New Orleans, LA	08/26/2024	1,833.63	
Gregory Ellis Total				1,833.63	
James Mcmanus	Asst Director, Corporation Finance	2023 NASAA Fall Annual Meeting. San Diego, CA	11/02/2023	-	
		NASAA 2023 Corporation Finance Training. St. Louis, MO	11/27/2023	1,426.09	
		NASAA Project Group Meeting. San Diego, CA	01/31/2024	-	
James Mcmanus Total				1,426.09	
KAMARIA MABRY	Program-Analyst	NRWC 2nd Annual Conference. Philadelphia, PA	11/03/2023	1,602.00	
KAMARIA MABRY Total				1,602.00	
Kendra Glass	Administrative Specialist	GSA SmartPay Training Forum. New Orleans, LA	08/05/2024	1,652.25	
Kendra Glass Total				1,652.25	
KoKeeta McLendon	Bank Examiner	NMLS Conference. San Antiono, TX	02/12/2024	1,445.79	
		Travel American Airline. San Antiono, TX	02/02/2024	501.70	
KoKeeta McLendon Total				1,947.49	
LaTasha Davis	Financial Examiner - RFB	2024 CICA Conference. Scottsdale, Arizona	04/08/2024	1,611.36	
		SOFE 2024 Annual Career Development Seminar. Oklahoma City, OK	08/16/2024	(771.26)	
LaTasha Davis Total				840.10	
Liliah Blackstone	General Counsel	Boston University: Fundamentals of Banking Law. Boston, MA	11/02/2023	-	
		SEC Northeast Regional Securities Conference. New York, NY	04/08/2024	1,006.70	
		NASAA Broker-Dealer Training. Ft. Lauderdale, FL	07/01/2024	1,938.84	
		NAIC INSURANCE SUMMIT. Kansas City, MO	09/24/2024	2,334.31	
Liliah Blackstone Total				5,279.85	
Michael Ross	Assistant Director	2024 NAIC Spring National Conference. Phoenix, Arizona	03/14/2024	310.50	
Michael Ross Total				310.50	
Michelle Hammonds	Director, Office of Financial Empowerment and Education	GOSO Summit. New York, NY	12/05/2023	825.47	
		Travel and Training in Boston, MA at Harvard University.	09/30/2024	1,479.70	
		Essentials for Collective Impact 2024 Online Workshop	10/05/2024	565.74	
Michelle Hammonds Total				2,870.91	
Miriam Cole	Sr. Bank Examiner	CYBER & IT Supervisory Training- Austin, TX	11/05/2023	2,142.60	
		Money Transmitter Examination of LL Pay U.S., LLC. New York, NY	02/26/2024	1,444.09	
		Exam of Touchpay Holdings in Dallas, TX	02/23/2024	2,209.23	
		Money Transmitter Examination of Tipalti, Inc. Foster City, CA	05/05/2024	3,201.74	
		NY	05/05/2024	1,985.01	
Miriam Cole Total				10,982.67	
Patrick O'Donnell	Director of Financial Examination - RFB	NAIC 2023 Fall National Meeting. Orlando, FL	11/29/2023	(626.18)	
		National Risk Retention Assoc 2023 Conference. Chicago, IL	11/13/2023	1,139.86	
		World Captive Forum Conference. Orlando, Florida	01/24/2024	31.00	
		2024 SOFE CDS. Oklahoma City, OK	7/8/2024	(2,381.14)	
Patrick O'Donnell Total				(1,836.46)	
Paul Drehoff	Public Information Officer	PRSA ICON 2023 Conference. Nashville, TN	10/14/2023	664.33	
		PRSA training-Hotel cost,Pual Drehoff Nashville, TN	10/18/2023	926.43	
Paul Drehoff Total				1,590.76	
Philip Barlow	Associate Commissioner	NAIC Fall National Meeting. Orlando, Florida	12/01/2023	172.50	
		NAIC Commissioners' Conference. Amelia Island, Florida	02/08/2024	(1,998.73)	
		Structured Finance Association Conference. Las Vegas, NV	02/26/2024	1,039.82	
		NAIC Spring National Meeting Expenses. Phoenix, AZ	03/18/2024	1,230.89	
		NAIC Summer National Meeting. Chicago, IL	08/15/2024	(1,363.02)	
Philip Barlow Total				(918.54)	
Philip Edmonds	Director, Compliance & Analysis Division	Global Sustainable Insurance Summit. Los Angeles, CA	04/08/2024	1,373.84	
Philip Edmonds Total				1,373.84	

Employee Name	Position/Title	Invoice Description/Conference Attended	Expense Report Date	Amount	Justification
Randal Turner	Supervisory Bank Examiner	Onsite MMC Examination - Carrington. Annaheim, CA	10/27/2023	2,624.32	
Randal Turner Total				2,624.32	
Rebecca Davis	Financial Examiner	2024 World Captive Forum. Orlando, FL	02/07/2024	1,526.72	
		2024 SOFE CDS. Oklahoma City, OK	07/27/2024	(437.74)	
		2024 VCIA. Burlington, Vermont	08/12/2024	1,556.15	
		2024 Insurance Summit. Kansas City, MO	09/15/2024	(637.95)	
Rebecca Davis Total				2,007.18	
Robsine Goines	Banking Licensing Specialist	NMLS Annual Conference. San Antonio, TX	02/12/2024	2,130.81	
Robsine Goines Total				2,130.81	
Samuel Fuller	Associate Commissioner for Banking	Travel costs to attend CSBS Conference. New Orleans, LA	12/07/2023	1,714.02	
		Travel to CSBS Conference in Chicago, IL	05/28/2024	2,247.68	
		Travel expenses for attendance at CSBS Summer Regulatory Conference. San Jo	07/11/2024	2,236.14	
Samuel Fuller Total				6,197.84	
Sara Bakker	Attorney Advisor	NMLS Annual Conference & Training in San Antonio, TX	02/12/2024	3,136.89	
		CSBS Regulatory Summit. San Jose, CA	05/17/2024	1,732.46	
		The Money Transmitter Regulators Association (MTRA) 2024 Annual Conference	05/17/2024	1,690.38	
Sara Bakker Total				6,559.73	
Shahidah Williams	Program Manager	AFCPE 2023 Symposium. New Orleans, LA	12/04/2023	1,568.02	
		2024 Society for Financial Credit Counseling Professionals. Oklahoma City, OK	09/15/2024	1,507.43	
Shahidah Williams Total				3,075.45	
Sharon Shipp	Deputy Commissioner	NAIC Summer National Meeting. Chicago, IL	08/28/2024	1,819.90	
		Air line ticket cost. San Diago, CA	03/06/2024	382.20	
Sharon Shipp Total				2,202.10	
Stephen Bouchard	Associate Commissioner for Securities	SEC NE Regional Conference. New York, NY	04/10/2024	932.62	
Stephen Bouchard Total				932.62	
Surayuth Bunyasrie	Financial Analyst Officer - RFB	World Captive Forum. Orlando, Florida	01/26/2024	1,345.86	
		SOFE CDS 2024. Oklahoma City, OK	07/28/2024	(2,562.83)	
		Insurance Summit 2024. Kansas City, Missouri	09/18/2024	(873.46)	
Surayuth Bunyasrie Total				(2,090.43)	
Tamisha Pedroso	Staff Assistant/ Risk Management Coordinator	PRIMA's 2024 Annual Risk Management Conference. Nashville, TN	06/06/2024	2,277.91	
Tamisha Pedroso Total				2,277.91	
Timothy Huber	Bank Examiner	NMLS 2024 Conference and Training. San Antonio, TX	02/20/2024	1,865.60	
Timothy Huber Total				1,865.60	
Victoria Claros	Financial Examiner	2024 SOFE CDS. Oklahoma City, OK	07/31/2024	1,650.77	
Victoria Claros Total				1,650.77	
Yohaness Negash	Financial Examiner	Society of Financial Examiners 2024 CDS. Oklahoma, OK	08/01/2024	2,055.86	
Yohaness Negash Total				2,055.86	
Kimberly Turner	Attorney Advisor	2023 NELI: Employment Conference	11/03/2023	2,631.24	
Kimberly Turner Total				2,631.24	
David O'Brien	Attorney Advisor	NASAA - 2023 Fall Corporation Finance Training Conf.	11/27/2023	153.88	
		SEC Northeast Regional Conference. New York, NY	04/10/2024	1,141.59	
David O'Brien Total				1,295.47	
Tamara Zeidan	Director of Innovation	Tamara Zeidan Airfare, Atlanta, GA	10/18/2023	143.90	
		Fintech Retreat 24. San Francisco, CA	02/04/2024	1,814.44	
		EMERGE Financial Health 2024. Chicago, IL	06/04/2024	1,450.79	
Tamara Zeidan Total				3,409.13	
Karima Woods	Commissioner	NAIC Climate Change meeting in CT.	01/26/2024	863.95	
Karima Woods Total				863.95	
Maxim Nurov		Stanford Center for Professional Development	02/20/2024	765.00	
		Foundations for Digital Transformation	02/20/2024	765.00	
Maxim Nurov Total				1,530.00	
Alfonzo Duckett	Support Services Specialist	GSA SmartPay Training Forum. New Orleans, LA	8/5/2024	1,337.83	
Alfonzo Duckett Total				1,337.83	
Paige Little	Hearing Examiner	Online training Evidence Challenges for Administrative Law Judges	10/05/2024	799.00	

Employee Name	Position/Title	Invoice Description/Conference Attended	Expense Report Date	Amount	Justification
Paige Little Total				799.00	
Shankar Vaidyanathan	Chief IT Officer	Online Global Knowledge Skillsoft Training	10/05/2024	5,000.00	
Shankar Vaidyanathan Total				5,000.00	
Grand Total				**121,214.97**	

Department of Insurance, Securities and Banking (SR0)
Fiscal Year 2025 Employee Travel Expenses

Employee Name	Position/Title	Invoice Description/Conference Attended	Expense Report Date	Amount	Justification
Paul Drehoff	Public Information Officer	Public Relations Society of America Annual Conference . Anaheim, CA	10/13/2024	2,586.34	Required conference/training related to positions of the staff
Paul Drehoff Total				2,586.34	
Arthur Swift	Chief Communications Officer	Public Relations Society of America Annual Conference . Anaheim, CA	10/13/2024	2,522.18	
Arthur Swift Total				2,522.18	
Liliah Blackstone	Acting General Counsel	SILA Conference. San Diego, CA	10/19/2024	874.96	
		GICLI Conference. Fort Lauderdale, FL	11/19/2024	1,142.03	
Liliah Blackstone Total				2,016.99	
Jennifer Lindell	Public Affairs Specialist	Public Relations Society of America Annual Conference . Anaheim, CA	10/13/2024	2,089.19	
Jennifer Lindell Total				2,089.19	
Lucynthia Jordan-Robinson	Insurance Licensing Specialist	SILA National Educational Conferece. San Diego, CA	10/19/2024	3,222.17	
Lucynthia Jordan-Robinson Total				3,222.17	
Sheila Johnson-Parker	Insurance Licensing Specialist - Manager	SILA National Educational Conferece. San Diego, CA	10/19/2024	924.97	
Sheila Johnson-Parker Total				924.97	
Surayuth Bunyasrie	Financial Analyst Officer - RFB	National Risk Retention Assoc 2023 Conference. Chicago, IL	11/25/2024	1,195.90	
Surayuth Bunyasrie Total				1,195.90	
Howard Liebers	Supervisory Insurance Examiner	NAIC Fall National Meeting 2024. Denver, CO	11/26/2024	1,792.23	
Howard Liebers Total				1,792.23	
Tanya Bryant	Public Affairs Specialist	Hotel booking, Public Relations Society of America Annual Conference . Anaheim, CA	10/13/2024	1,263.24	
		Public Relations Society of America Annual Conference . Anaheim, CA	10/13/2024	1,120.59	
Tanya Bryant Total				2,383.83	
Leonard Smith	Bank Examiner	Hotel travel (Banking) Multi state exam of equity prime mortgage llc. Atlanta, Georgia	12/12/2024	826.42	
		Multi-state Exam of Equity Prime Mortgage LLC. Atlanta, Georgia	12/5/2024	1,697.11	
Leonard Smith Total				2,523.53	
Faith Umoete	SECURITIES FINANCIAL EXAMINER	Securities & Insurance Licensing Association (SILA) 2024. San Diago, CA	10/19/2024	2,476.58	
Faith Umoete				2,476.58	
Patrick O'Donnell	Director of Financial Examination - RFB	NAIC 2024 Fall National Meeting. Kansas City, MO	11/18/2024	1,738.29	
Patrick O'Donnell				1,738.29	
Miriam Cole	Sr. Bank Examiner	Money Transmitter Examination of ACI Payments, Inc. Norcross, GA	12/01/2024	1,950.73	
Miriam Cole				1,950.73	
Grand Total				**27,422.93**	

Appendix 4

Appendix - List of Employee Bonuses, Special Award Payments and Quality Step Increases

Department of Insurance, Securities and Banking (SR0)

Fiscal Year 2024 and 2025 List of Employee Bonuses, Special Award Payments and Quality Step Increases

A) Bonuses

1 - FY 2024

Employee Name	Bonus Paid	Reason for Payment
Abdullah,Idriys J	11,992.00	Performance
Drehoff,Paul	1,414.95	Performance
Arnold,Ben	14,170.00	Performance
TOTAL	**27,576.95**	

2 - FY 2025

There are no bonuses paid in FY 2025, to date.

B) Special Award Payments

1 - FY 2024

There are no special award paid in FY 2024.

2 - FY 2025

There are no special award paid in FY 2025, to date.

C) Quality Step Increases

1 - FY 2024

Employee Name	Quality Step Increases
Afolabi,Christine	3,925.00
Davis,Rebecca	3,925.00
Bunyasrie,Surayuth	3,925.00
Glass,Kendra	2,794.00
Claros-Plater,Victoria	3,323.00
TOTAL	**17,892.00**

2 - FY 2025

There are no QSI paid in FY 2025 to date.

Appendix 5

Department of Insurance, Securities and Banking (SR0)

Fiscal Year 2024 and 2025 Overtime and workers' compensation payments to Employees

Overtime

Fiscal Year	Employee Name	Overtime Paid	Reason for Payment
2024	Chen,Qinghao	3,408.34	Error in payroll. OPRS is processing the return of funds.
	Duckett,Alfonzo	654.36	Outreach
	Guishard,Angela	498.05	Outreach
	Herrera,Claudia L.	121.49	Outreach
	Key,Roderica O	9.29	Outreach
	King,Angela Jenice	614.97	Insurance filing review.
	Mccargo,Andrea Nicole	1,112.70	Outreach
	Rendel,Rebecca	1,224.34	Outreach
	Saxton,Shanta	599.58	Error in payroll. OPRS is processing the return of funds.
2024 Total		**8,243.12**	
2025	Belen,Carmen	891.23	Insurance filing review.
	Bunyasrie,Surayuth	891.23	Training holiday pay.
	Chen,Qinghao	270.05	Error in payroll. OPRS is processing the return of funds.
	Chibessa,Hawi A	846.92	Insurance filing review
	Davis,LaTasha	774.21	Training holiday pay
	Duckett,Alfonzo	128.05	Weekend facilities
	Gibbs,Ebony I	97.18	Outreach
	Herrera,Claudia L.	175.26	Outreach
	Lindell,Jennifer	615.94	Outreach
	Mathis,Michelle D.	99.20	Error in payroll. OPRS is processing the return of funds.
	Shettleworth,Cordelle	534.55	Outreach
2025 Total		**5,323.81**	
Grand Total		**13,566.93**	

Workers' compensation

There were no workers' compensation payments made in FY 2024 and FY 2025 to date.

Appendix 6

Department of Insurance, Securities and Banking (SR0)

Fiscal Year 2024 Employee P-Card Expenses

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		FedEx mailing services	10/06/2023	29.93
		Transport items/materials for OFEE	10/11/2023	1,450.00
		Transport items/materials for OFEE	10/11/2023	980.00
		Seat cost for Brianna Jordan to PRSA conference- partial payment of total seat c	10/11/2023	23.00
		PRSA Conference Registration fees for Tanya Bryant	10/11/2023	1,345.50
		PRSA Conference Registration fees for Paul Drehoff - PIA Director	10/11/2023	1,345.50
		PRSA Conference Registration fees for B. Jordan -- Communications team	10/11/2023	1,345.50
		PRSA Conference Registration fees for Art Swift	10/11/2023	1,345.50
		Travel cost - American Airlines for B. Jordan flight to PRSA conference	10/11/2023	487.79
		Seat cost for Brianna Jordan to PRSA conference- partial payment of total seat c	10/11/2023	61.79
		Conference registration fee for Stephen Flick	10/12/2023	595.00
		Conference registration fee for Phil Barlow	10/12/2023	595.00
		Conference registration fee for David Christhilf	10/12/2023	595.00
		Art Swift Gaylord Receipt - hotel accommodations for conference	10/17/2023	996.19
		Member fee for individual D. Christhilf	10/17/2023	625.00
		Brianna Jordan Gaylord Receipt -- hotel accommodations for conference	10/15/2023	617.62
		Gaylord (Hotel) credit for A. Swift receipt = $0.01 from PRSA conference	10/17/2023	(0.01)
		Paul Drehoff Gaylord Receipt - hotel accommodations for conference	10/18/2023	926.43
		Keys made for OFEE garage storage unit	10/20/2023	24.00
		Keys made for Offices	10/23/2023	24.00
		DISB Open House coordination/management//printing of flyers/mailing materials	10/26/2023	5,000.00
		Dry cleaning services for DISB Open House event (Communications)	11/13/2023	183.00
		X1-Discovery for Enforcement - Surveillance Software system	11/14/2023	4,310.55
		2023 Corporation Finance Training for Gail Nikkio	11/16/2023	225.00
		2023 Corporation Finance Training Erris Gray	11/16/2023	225.00
		DISB Open House event coordination/logistics/equipment and planning	11/22/2023	5,000.00
		Communication Tote Bags	11/28/2023	3,695.00
		FedEx mailing services	11/29/2023	393.31
		Amazon order - Ergonomic posture support/accommodation chairs for staff	12/02/2023	2,174.82
		World Captive Forum 2024 - Conference Materials /Warehouse Shipment	12/07/2023	614.27
		American Academy of Actuaries dues for Stephen Flick	12/12/2023	380.00
		American Academy of Actuaries dues for Phil Barlow	12/12/2023	380.00
		SHRM Training fee for A.Wade	12/12/2023	1,855.00
		SOA dues for Stephen Flick (Insurance)	12/13/2023	750.00
		SOA dues for Phillip Barlow	12/13/2023	750.00
		ISACA membership dues Yohannes Negash	12/12/2023	220.00
		Printing & promotional products ID badges	12/13/2023	558.25
		World Captive Conference - 8x10 exhibit space in the Exhibit Hall-Booth #415.	12/13/2023	3,000.00
		General Office Supplies (Admin & Policy)	12/13/2023	1,201.49
		AICP membership dues Colin Johnson	12/13/2023	60.00
		SOFE membership dues for Insurance Bureau staff - Nathaniel Brown	12/13/2023	695.25
		Office keys made for Andrea McCargo office (Banking)	12/18/2023	18.00
		Event transporting services for Communications	12/19/2023	1,400.00

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		ACFE exam fees for Faye Vaughn-Cooke (Securities)	12/20/2023	350.00
		Membership renewal for T.Pedroso	12/27/2023	244.00
		VCIA Exhibit Booth	01/03/2024	4,800.00
		Canva Annual Subscription (OFEE)	01/07/2024	119.40
		World Captive Forum registration for DISB employee - Jop Bunyasrie (Insurance	01/08/2024	595.00
		Subscription renewal for Enforcement division	01/10/2024	299.00
		Video Production/Captioning for Communications video	01/10/2024	1,020.24
		Books for the executive team	01/12/2024	331.08
		Washington Informer Newspaper Subscription (Communications)	01/12/2024	1,750.00
		Printing & advertisement for Communications	01/17/2024	2,500.00
		General Office supplies (Admin)	01/17/2024	486.43
		General Office Supplies (Admin)	01/17/2024	1,777.40
		Printing Job for Communications	01/17/2024	3,764.43
		Postage/shipping fees and supplies for agency	01/18/2024	857.59
		Subscription fee for Communications dept	01/23/2024	206.59
		Washington DC Economic Partnership conference hotel fee for Commissioner W	01/26/2024	405.00
		General office supplies for agency	01/28/2024	748.18
		membership fee for Policy & Admin team	01/29/2024	228.00
		DISB annual subscription (Admin and Policy Division)	02/02/2024	1,700.00
		CICA Conference Registration For Latasha Davis (Risk Finance Division)	02/02/2024	600.00
		CICA Conference Registration For Christine Alofabi (Risk Finance Division)	02/02/2024	600.00
		subscription for Tamara Zeidan (OOI)	02/06/2024	359.99
		Books for Enforcement Division	02/08/2024	154.60
		Agency membership (Admin and Policy Division)	03/10/2024	15.89
		Lock Installation & keys made (Admin and Policy Division)	02/14/2024	1,620.00
		LAN Room Updates (Admin and Policy/IT)	02/22/2024	777.65
		DISB portable AV Equipment - (Admin and Policy)	02/28/2024	4,390.97
		ACFE Membership for Juliana Tengen (Enforcement)	03/04/2024	245.00
		FedEx mailing services payment (Admin and Policy Division)	03/06/2024	843.58
		Washington Post DISB Annual Renewal Subscription	03/08/2024	1,338.75
		DISB Policy/Admin amazon renewal	02/10/2024	15.89
		Show Booth Package for CICAI conference material handling fee (Risk Finance)	03/11/2024	126.40
		General Office Supplies & IT equipment (Admin)	03/12/2024	2,845.32
		OFEE Financially Fit DC Women Homeownership Training (OFEE)	03/13/2024	700.00
		Kastle Card Reader For ID Badges (Admin)	03/13/2024	191.39
		office furniture repair for DISB	03/14/2024	943.06
		General Office Supplies	03/27/2024	941.20
		Varidesk for employees (Admin)	04/02/2024	4,998.00
DUCKETT, ALFONZO	Support Services Specialist	Washington Business Journal Office Pass Subscription	04/05/2024	1,764.90
		CSBS Training for DISB Staff (Banking)	04/08/2024	4,965.00
		DISB Amazon prime membership	04/10/2024	15.89
		Retention storage Boxes & Paper (General Counsel)	04/11/2024	2,899.89
		OFEE subscription Renewals	04/11/2024	199.98
		Otter AI Transcription subscriptions (Communications)	04/12/2024	480.00
		General Office Supplies (Admin)	04/22/2024	1,053.48
		DISB Mailing services from FedEx	05/01/2024	487.21

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		DISB Expo conference banner	05/02/2024	514.97
		General Office Supplies	05/03/2024	2,348.21
		Wall Street Journal Subscriptions (Admin)	05/07/2024	3,409.28
		DISB Office keys (admin)	05/08/2024	47.29
		Text Silk paper for Communications Division	05/16/2024	250.90
		GSA Retention Packing Supplies	05/20/2024	330.00
		DC Chamber AI Forum Registration for Maxim Nurov (General Counsel)	05/21/2024	50.00
		OFEE transcription services	05/28/2024	1,485.00
		Lexis Nexis (admin) subscription	05/28/2024	3,245.00
		IT supplies/materials (IT) - SPARK-BOARD Service Renewal	05/29/2024	4,998.01
		Shipping DISB Retention Supplies	06/03/2024	156.45
		Annual membership renewal for M. Hammonds	06/05/2024	873.00
		Annual prime membership for agency	06/06/2024	147.34
		Cleaning DISB Tablecloth (Communications)	06/13/2024	45.74
		Labels for the communication dept	06/15/2024	45.13
		Mental Health Parity Workshops for DISB/CAD	06/17/2024	350.00
		MBSYEP participants/students shirts (OFEE)	06/25/2024	2,150.00
		Conference registration fees for O'Donnell, Afolobi, Davis, Bunyasrie, and Fuller	06/25/2024	4,480.50
		Wall Street Journal Dow Jones Access (Commissioner)	06/27/2024	3,000.00
		Printing materials/fee for OFEE/MBSYEP	06/26/2024	150.00
		Spanish Interpreters for OFEE outreach events	06/28/2024	930.00
		CSBS Summer Regulatory Summit Registration for Sam Fuller (Banking)	07/02/2024	995.00
		SOFE 2024 Registration Fee for Victoria Claros (Insurance)	07/02/2024	725.00
		Canva subscription services for OFEE	07/07/2024	60.19
		FedEx mailing services (admin)	07/11/2024	592.59
		DISB Graphic design web content	07/10/2024	4,591.05
		General office supplies (admin)	07/11/2024	1,231.48
		DISB General SYEP supplies for Summer Program	07/12/2024	498.20
		Transport office furniture & IT equipment to surplus (admin)	07/16/2024	2,850.00
		Moving DISB IT and OFEE equipment and materials (Admin)	07/17/2024	2,000.00
		Delta travel protection plan for travel to GSA conference -for Admin staff G. Ellis	07/18/2024	56.35
		Flight for GSA conference travel for Admin staff - G.Ellis (admin)	07/18/2024	662.95
		Storage materials (Communications)	07/24/2024	1,002.26
		IT services (IT)	07/25/2024	289.38
		Storage Room Keys made for IT (Admin)	07/29/2024	24.00
		Shipping conference materials for Risk Finance	07/29/2024	238.00
		Awards for SYEP interns(OFEE)	08/01/2024	590.08
		Kendra Glass Hotel Booking	08/08/2024	12.95
		Hotel booking For Gregory Ellis (Admin) - GSA SmartPay Forum 2024	08/08/2024	504.48
		Hotel Booking For Alfonzo Duckett (Admin) - GSA SmartPay Forum 2024	08/08/2024	504.48
		Hotel Booking for Kendra Glass (Admin) - GSA SmartPay Forum 2024	08/08/2024	504.48
		Survey Monkey Advantage annual plan (Communications Bureau)	08/12/2024	496.08
		DISB Storage supplies (Admin)	08/13/2024	754.26
		DISB Comcast cable services (Admin)	10/06/2023	511.11
		FedEx mailing services (Admin)	08/15/2024	346.97
		Door lock Installation (Admin)	08/19/2024	365.00

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		General office supplies (Admin)	08/18/2024	1,584.02
		Membership dues (Banking)	08/21/2024	1,100.00
		Flow Chart Development (Admin) subscription services	08/21/2024	343.44
		Transcription services (general counsel)	08/21/2024	828.75
		Printing for Fiesta DC Justification (Communications)	08/20/2024	74.19
		Membership renewal for T. Bryant (Comms)	08/22/2024	900.00
		Internal Auditors IIA membership Renewal Dues Yohaness Negash (Insurance)	08/22/2024	280.00
		General Counsel Books - Driverless Finance: Fintech's Impact on Financial Stabili	08/25/2024	41.03
		DISB IT Supplies - Cat6 Patch Cable, Cat 6 Patch Cable, Cat6 Cable, Cat 6 Cable	08/27/2024	138.82
		General office supplies (Admin)	08/28/2024	1,113.13
		General Office Supplies (Admin)	08/28/2024	2,058.58
		CSBS training fees for DISB staff (Banking Bureau)	08/28/2024	4,915.00
		Ergonomic chair assembly for DISB staff accommodations (Admin & Policy)	10/05/2024	520.00
		Wink Wall with vinyl border wink wall logo Protective window film for glass wall i	10/09/2024	1,680.00
		USPS PO Box renewal (enforcement)	10/05/2024	302.00
		DISB LAN Room Service Call - cleaning the water strainerrunning an eco Lyme c	10/05/2024	1,416.25
		CaseAware Manage annual maintenance/support renewal (Policy & Admin)	10/05/2024	750.00
		OCFO retreat rental venue (admin & policy/OCFO)	10/04/2024	500.00
		purchase of additional Commissioner's suite keys (Policy & Admin)	10/05/2024	24.00
		Catered lunch for OFCO retreat (admin & policy/OCFO)	10/04/2024	1,545.00
		Catered breakfast for OCFO retreat (admin & policy)	10/04/2024	1,362.00
		Pick up & delivery of DISB surplus items from 1050 1st St & delivered to District	10/09/2024	3,980.00
		DISB copy Paper order (Admin & Policy)	10/09/2024	2,645.55
		Video conference lighting kit, ring light for monitor (Policy & Admin)	10/09/2024	178.01
		Dust-off disposable compressed gas duster (policy & admin)	10/09/2024	32.97
		ergonomic wireless keyboard mouse (policy & admin)	10/09/2024	628.87
		purchase of office chairs & installation (policy & admin)	10/02/2024	1,543.47
		Master Key Remastered to commissioner suite lock (admin & policy)	10/09/2024	185.00
DUCKETT, ALFONZO TOTAL				182,341.30
		Subscription renewal for T. Zeidan	10/06/2023	29.99
		Registration for professional development for M. Hammonds	10/10/2023	2,605.50
		2023 NRWC Conference Registration K. Mabry	10/19/2023	495.00
		SFEPD's 15th Annual Financial Literacy Leadership Conference for individual S. W	10/16/2023	1,600.00
		Travel fees for A. Guishard	10/16/2023	817.81
		seating fee for the individual A. Guishard - DISB Banking Division	10/16/2023	31.20
		This is a dispute rebill. The original purchase was made for the individual Tamar	10/18/2023	143.90
		CICA 2024 International Conference for Risk Finance	10/16/2023	2,900.00
		DISB Returning Citizens Resource OFEE Event	10/17/2023	780.00
		Subscription for Open House for agency	10/18/2023	49.99
		Registration fees for CIC-DC Annual Conference for the individual D. Christhilf	10/19/2023	495.00
		Registration fees for CIC-DC Annual Conference for the individual R. Davis	10/19/2023	495.00
		Registration fees for CIC-DC Annual Conference for the individual L. Davis	10/19/2023	495.00
		Registration fees for CIC-DC Annual Conference for the individual J. Bunyasrie	10/19/2023	495.00
		Registration fees for CIC-DC Annual Conference for the individual H. Chibessa	10/19/2023	495.00
		Registration fees for CIC-DC Annual Conference for the individual C. Afolabi	10/19/2023	495.00
		Registration fees for CIC-DC Annual Conference for the individual A. Andrew	10/19/2023	495.00

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		Registration fees for CIC-DC Annual Conference for the individual M. Bhatti	10/19/2023	475.00
		Registration fees for CIC-DC Annual Conference for the individual M.Fuller	10/19/2023	475.00
		Registration fees for CIC-DC Annual Conference for the individual A. Slade	10/19/2023	475.00
		Office supplies for Communications Division	10/23/2023	467.93
		KACE maintenance renewal for IT dept	10/19/2023	228.90
		Refund of taxes from the office supply order	10/24/2023	(26.49)
		Batteries to replace AED machines	10/30/2023	268.18
		Tuition fee for the individual M. Hammonds to attend professional development	10/30/2023	3,595.50
		Membership dues for banking bureau	11/02/2023	995.00
		Promotional items for agency open house	11/02/2023	3,275.00
		Membership fee for T.Zeidan	11/06/2023	29.99
		Conference fees for DC Captives for Risk Finance	11/07/2023	5,000.00
		Photography services for outreach project with OFEE	11/08/2023	1,250.00
		Conference fees for N.West	11/09/2023	423.34
		Supplies and photography services for agency open house	11/28/2023	2,950.00
		Conference fees for S.Williams	11/29/2023	899.00
		IT software renewal	11/29/2023	3,721.80
		Annual Canva Pro subscription for OFEE	12/01/2023	119.99
		Membership renewal for A. Pettigrew (HR)	12/01/2023	244.00
		Training fee for F.Jean	12/04/2023	3,699.00
		Subscription renewal for T.Zedian	12/06/2023	29.99
		Interior branding for agency	12/18/2023	2,114.76
		Membership renewal S.McLeod (HR employee)	12/27/2023	244.00
		Retirement clocks for retired DISB employees	12/27/2023	348.00
		Membership renewal for S.O'Donnell	12/27/2023	695.25
		Advertisement for Communications	12/29/2023	3,850.00
		SignUpGenius Enterprise Subscription for DISB/ Policy & Admin	01/02/2024	1,299.00
		Office promotional supplies for OFEE	01/03/2024	3,521.25
		Subscription renewal for DISB Office of innovation	01/06/2024	29.99
		membership renewal for Communications bureau	01/23/2024	92.22
		office supplies for agency	01/23/2024	1,495.27
		Printing for retired employee	01/23/2024	348.00
		Insurance printing certificates	01/24/2024	4,800.00
		Membership renewal for Securities Bureau	01/29/2024	2,500.00
		Membership renewal for Enforcement	01/30/2024	400.00
		Registration fee 2024 FINRA Cybersecurity Conference for C. Herrera in Office o	06/05/2024	150.00
		Registration fee 2024 FINRA Cybersecurity Conference for M. Nurov in Office of	06/05/2024	150.00
		Registration fee 2024 FINRA Cybersecurity Conference for R. Key in Office of Inr	06/05/2024	150.00
		Airline seat fee for K.Mclendon in Banking Bureau	02/02/2024	32.00
		Office desk/bookshelves for agency under policy & admin	02/05/2024	3,619.96
		Travel fee for A.Guishard in Banking Bureau	02/05/2024	907.17
		Airline Seat fee for A. Guushard in Banking Bureau	02/05/2024	22.00
		Seat fee for A.Guishard in Banking Bureau	02/05/2024	22.00
		Flight fee for K. McLendon in Banking Bureau	02/02/2024	469.70
		Conference fees to attend 2024 Just Economy Conference for C. Herrea in Office	02/07/2024	250.00
		Conference fees to attend 2024 Just Economy Conference for T. Zeidan in Office	02/07/2024	250.00

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
WADE, ALICIA	Executive Assistant, Office of the Commissioner	Conference fees to attend 2024 Just Economy Conference for R. Key in Office of	02/07/2024	250.00
		Conference fees to attend 2024 Just Economy Conference for M. Nurov in Office	02/07/2024	250.00
		Photography and community outreach supplies for OFEE	02/13/2024	4,550.00
		Annual contract renewal fee for Sealer machine - Insurance Bureau	02/20/2024	39.00
		Annual contract renewal fee for Sealer machine - Insurance Bureau	02/20/2024	374.00
		Book order for R. Key in Office of Innovation	01/31/2024	329.00
		Foundations for Digital Transformation training for M. Nurov in Office of Innovat	02/20/2024	765.00
		Professional development for M. Nurov in Office of Innovation	02/20/2024	765.00
		Travel fee for Andrea McCargo (Banking Division)	02/21/2024	1,020.23
		CrimeDex Law Enforcement Subscription for J.Tengen in Enforcement Division	02/26/2024	79.00
		Conference registration fee for the EmpowerHer Global Business Summit	03/01/2024	385.20
		CFE fee J. Tengen - Registration for "Virtual Online 2024 Maryland Fraud Confer	03/02/2024	400.00
		Fedex shipment receipt M. Mathis (Office of the General Counsel)	03/02/2024	93.83
		Neal Gross - transcription services for OFEE Division	03/05/2024	1,485.00
		Neal Gross - transcription services for OFEE Division	03/05/2024	1,485.00
		Senoda printing of print one-pagers and postcards for Communications Division	03/05/2024	3,160.00
		American Airlines - travel for Deputy Commissioner Sharon Shipp	03/06/2024	382.20
		Skillpath HR	03/06/2024	420.82
		Sales Navigator Core Subscription renewal for OOI	03/07/2024	1,017.47
		NCRC registration fee for Nicole West	03/22/2024	300.00
		CSBS registration training Tim Huber (Banking Bureau)	03/22/2024	2,985.00
		Hotel stay for Andrea McCargo for banking examination.	07/29/2024	625.76
		NOMA cleaners to clean event tablecloths (Communications Division)	03/25/2024	22.87
		PLI registration fee for Gail Nkoi (Workshop for Financial Professionals)	03/25/2024	1,595.00
		PLI registration fee for Erris Grey (Workshop for Financial Professionals)	03/26/2024	1,595.00
		CSBS registration for training (NMLS Annual Conference & Training for Sam Full	03/25/2024	2,985.00
		Delta Airlines P. Edmonds	03/26/2024	515.71
		Refund for employee who did not attend training	04/03/2024	(250.00)
		AARMR DISB/Banking Bureau dues with the American Assn of Residential Mortg	04/04/2024	825.00
		Hotel stay for Philip Edmonds conference attendance.	04/10/2024	682.24
		Anacostia Entrepreneurship Center fee OFEE	08/02/2024	2,500.00
		IT equipment.	04/15/2024	800.00
		Training registration fee A. Wade	04/18/2024	3,950.00
		Conference fee registration for T. Pedroso in Policy & Admin	05/14/2024	995.00
		Airfare for Tamisha Pedroso conference attendance.	04/19/2024	427.20
		Membership renewal for OGC	04/24/2024	34.10
		Registration fee for T.Zeidan to attend EMERGE Financial Health 2024	04/30/2024	1,995.00
		Conference fees for banking bureau	04/30/2024	4,755.00
		CPTRAX renewal for IT department	05/02/2024	2,471.53
		Renewal on IBM WebSphere app server subscription and renewal	05/03/2024	2,978.00
		Registration fee payment Sam Fuller	05/06/2024	995.00
		Conference registration for Office of Innovation staff members to attend DC Blo	05/07/2024	171.12
		Conference registration fees for Sam Fuller to attend Fall Regulatory Summit	04/19/2024	995.00
		Conference registration fees for Karima Woods to attend CSBS Fall Meeting	05/10/2024	275.00
		Conference registration fees for Angela Guishard to attend Into to Becoming MM	05/10/2024	295.00
		Training for staff member S. Bunyasrie	05/10/2024	995.00

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		Membership fee for B. Walton at Women in Housing and Finance	05/13/2024	140.00
		Membership for M. Hammonds at Credit Builders Association	05/17/2024	595.00
		Conference fees for three individuals M. Hammonds, S. Williams, and J. Savoy to	05/21/2024	1,200.00
		Training fee for Shahidah Williams	05/21/2024	773.00
		Conference fee for Lilah Blackstone to attend Broker Dealer Training in Florida	05/24/2024	250.00
		Training fee for B. Walton to attend Workplace Boundaries Session	05/28/2024	157.94
		Conference registration fees for Jasmine Savoy in OFEE	06/03/2024	500.00
		Conference fees refund for Jasmine Savoy	06/03/2024	(400.00)
		Office supplies for MBSYEP program	06/05/2024	3,998.60
		NASAA Spring conf. reg fee - Mike Ross	06/05/2024	150.00
		NASAA Spring conf. reg fee - Nicole West	06/05/2024	150.00
		NASAA Spring conf. reg fee - P. Edmonds	06/05/2024	150.00
		NASAA Conf. reg fee - Sainey Sanyang	06/05/2024	150.00
		NASAA Spring Conf. fee - Shanta Saxton	06/05/2024	150.00
		NASAA Spring conf. reg fee - Maxim Nurov	06/05/2024	150.00
		NASAA Conf. registration fee - Gail Nkoi	06/05/2024	150.00
		NASAA Spring conf. registration fee - Ayca Ozer	06/05/2024	150.00
		NASAA Spring conf. reg fee - Brian Bressman	06/05/2024	150.00
		NASAA Spring conf. reg fee - David Erebor	06/05/2024	150.00
		NASAA Spring conf. reg fee - David O'brien	06/05/2024	150.00
		NASAA Spring conf. reg fee - Dolly Turner	06/05/2024	150.00
		NASAA Spring conf. reg fee - Erris Gray	06/05/2024	150.00
		NASAA Spring Conf. reg fee - Faith Umoete	06/05/2024	150.00
		NASAA Spring conf. reg fee - Faye Vaughn-Cooke	06/05/2024	150.00
		NASAA Spring conf. reg fee - George Adu	06/05/2024	150.00
		NASAA Spring conf. reg fee - L. Blackstone	06/05/2024	150.00
		NASAA Spring conf. reg fee - Lakishia Cooper	06/05/2024	150.00
		NASAA Spring conf. reg fee - Lucinda Martin	06/05/2024	150.00
		NASAA Spring conf reg fee - Mike McManus	06/05/2024	150.00
		NASAA IA Conf. reg fee - Lucinda Martin	06/05/2024	250.00
		NASAA IA conference fee training - Faye Vaughn Cooke	06/05/2024	250.00
		Hotel fee for T. Pedoroso to attend conference	06/07/2024	1,458.23
		Software renewal for IT dept.	06/11/2024	240.30
		Conference fees for S.Bakker in OGC	06/18/2024	995.00
		Conference fees for D.Sheppard, C. Afolabi, and R. Davis	06/20/2024	2,295.00
		National Reentry Workforce Collaborative OFEE initiative.	06/11/2024	375.00
		PRSA membership P. Drehoff, Public Info. Officer	07/12/2024	975.00
		Foreclosure Mediation Svs. Brian Wallace - DISB Banking Division	7/15/2024	750.00
		DC Bar membership for attorney - K. Purdie	07/16/2024	351.37
		The Calvin Price Group OFEE supplies	07/16/2024	1,843.68
		SOFE conf. fee registration Yohaness Negash	07/16/2024	952.75
		Madison Ave. promo items for DISB Programs	07/18/2024	163.66
		Travel fee for K.Glass to attend the GSA SmartPay Training Forum	07/19/2024	8.48
		Travel fee for K.Glass to attend the GSA SmartPay Training Forum	07/19/2024	36.54
		Travel fee for A.Duckett to attend GSA Smartpay Training forum	07/19/2024	9.06
		Travel fee for A.Duckett to attend GSA SmartPay Forum	07/19/2024	38.83

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		Travel fee for A.Duckett to attend the GSA SmartPay Training Forum	07/19/2024	307.98
		Travel fee for K.Glass to attend the GSA SmartPay Training Forum	07/19/2024	276.98
		Travel fee for A.Duckett to attend the GSA SmartPay Training Forum	07/19/2024	218.48
		Travel fee for Glass to attend the GSA SmartPay Training Forum	07/19/2024	218.48
		Skillpath training Robsine Goines, Banking	07/19/2024	157.94
		Linkedin communications for DISB	07/24/2024	629.24
		PRIMA Membership for DISB	07/25/2024	425.00
		DISB sponsorship for H St. Festival	07/26/2024	1,600.00
		AICPA membership renewal for S. O'Donnell	07/26/2024	350.00
		Seat fee for individual K.Glass to attend GSA SmartPay Forum	07/30/2024	34.99
		Seat fee for individual K.Glass to attend GSA SmartPay Forum	07/30/2024	17.99
		Photography services at Rammy Awards(Comms)	03/22/2024	675.00
		PRSA Membership renewal dues for Communications dept	07/30/2024	2,160.00
		Awards for SYEP intern(OFEE)	07/31/2024	1,315.98
		Flight fee for A. Swift	07/31/2024	383.96
		Podcast videos for Communication dept.	04/12/2024	2,500.00
		Podcast editing for the Communications dept.	08/05/2024	540.00
		Membership renewal for Mia Cole	08/07/2024	238.50
		Event space for OFEE event	08/09/2024	2,250.00
		Neal Gross Transcription services for OFEE event	08/09/2024	1,485.00
		DISB Office of Innovation registration to the The 7th Annual Black Blockchain Su	08/09/2024	775.47
		Transcription services for OGC - PERB Case No. 24-U-20	08/12/2024	858.75
		MAGLOCLEN Membership User Fees for DISB (Enforcement Division)	08/21/2024	400.00
		Foreclosure Mediation transcription services (OGC)	08/22/2024	750.00
		Legal materials - The Bluebook: A Uniform System of Citation , 21st edition	08/22/2024	480.08
		Fiesta DC event	08/26/2024	1,500.00
		SHRM Membership - Shavon McLeod	08/28/2024	1,031.14
		American Airlines fare for Commissioner Woods to attend the NAIC Climate Char	10/05/2024	458.95
		Annual Leg. Conf registration for Tamara Zeidan and Roderica Key OOI.	10/05/2024	600.00
		Training for Paige Little, DISB Hearing Officer	10/05/2024	799.00
		Congressional Black Caucus Conf. Registration for Commissioner Woods 9/11-15	10/05/2024	300.00
		SFEPD Literacy Leadership Conf. OFEE team members (7)	10/09/2024	1,540.00
		Global Knowledge Skillsoft Training Shankar Vaidyanathan	10/05/2024	5,000.00
		DC Captive registration fee Anu Andrew	10/10/2023	495.00
		DC Captives Conf. registration for Art Swift	10/10/2023	495.00
		DC Captives Conf. registration for Jop Bunyasrie	10/10/2023	495.00
		DC Captives Conf. Registration fee Maurice Fuller	10/10/2023	495.00
		DC Captives Conf. Registration fee for Mobin Bhatti	10/10/2023	495.00
		DC Captives Conf. Registration fee LaTasha Davis	10/10/2023	495.00
		Senoda order for Communications	10/05/2024	348.00
		SFCCP registration for Shahidah Williams OFEE	10/05/2024	299.00
		ABC Technical order for OFEE	10/05/2024	2,325.11
		SHRM event for Shavon McLeod HR	10/05/2024	324.57
		SHRM event for Shavon McLeod HR	10/05/2024	335.00
		PEI Media services for Securities	10/05/2024	3,445.00
		SHRM event for Shavon McLeod HR	10/09/2024	68.48

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		OFEE training	10/09/2024	565.74
WADE, ALICIA TOTAL				185,206.62
Grand Total				**367,547.92**

Department of Insurance, Securities and Banking (SR0)
Fiscal Year 2025 Employee P-Card Expenses YTD

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
DUCKETT, ALFONZO	Support Services Specialist	American Academy of Actuaries Annual Meeting - David Christhilf (Insurance)	11/01/2024	595.00
		AICP Membership Dues - Carmen Belen (Insurance)	11/01/2024	60.00
		AICP Membership Dues - Hawi Chibessa, APIR (Insurance)	11/01/2024	60.00
		Gallaudet Kellogg Conference Center (Space rental fee,& AV System)(Policy & Admin)	11/09/2024	5,000.00
		DISB suite 801 commissioners repairs (policy & admin)	11/09/2024	2,500.00
		CPCU Membership Dues for Carmen Belen (Insurance)	11/01/2024	272.00
		American Academy of Actuaries Annual Meeting - Stephen Flick (insurance)	11/01/2024	595.00
		Training fees for B. Walton	11/14/2024	157.94
		Training registration fee for Hawi Chibessa (Insurance)	11/01/2024	483.50
		ADA accommodation for staff members	11/14/2024	236.00
		CAD presentation materials (Compliance & Analysis)	11/09/2024	364.51
		CAD presentation materials (Compliance & Analysis)	11/09/2024	163.17
		Office supplies (policy & admin)	11/09/2024	904.49
		DISB Cable Service (Admin & Policy)	11/14/2024	1,870.00
		General supplies for IT	11/17/2024	4,058.10
		Annual subscriptions renewal (Policy & Admin)	12/12/2024	53.00
		Table cloth cleaning service (communications)	12/12/2024	(36.00)
		Credit for Leonard Smith Hotel Travel (Banking)	12/12/2024	862.42
		Hotel travel for Leonard Smith (Banking) Multi state exam of equity prime mortgage llc. Atlanta,	12/12/2024	21.45
		Office supplies (policy & admin)	01/09/2025	2,293.80
		Registration Fee SOCIETY OF FINANCIAL E	01/15/2025	695.25
DUCKETT, ALFONZO TOTAL				21,209.63
WADE, ALICIA	Executive Assistant, Office of the Commissioner	Marriott hotel stay for Art Swift to attend the PRSA conference.	11/14/2024	1,263.24
		Marriott hotel stay for Jenny Lindell to attend the PRSA conference.	11/14/2024	1,263.24
		Marriott hotel stay for Paul Drehoff to attend the PRSA conference.	11/14/2024	1,263.24
		Marriott hotel stay for Tanya Bryant to attend the PRSA conference.	11/14/2024	1,263.24
		Conference registration fee for Tanya Bryant	11/14/2024	2,340.00
		Conference registration fee for Art Swift	11/14/2024	2,340.00
		Conference registration fee for Tanya	11/14/2024	695.00
		Conference registration fee	11/14/2024	2,340.00
		Securities and licensing Association membership	11/14/2024	725.00
		Minuteman Press printing for agency wide calendar	11/14/2024	175.00
		Senoda agency supplies	11/14/2024	595.00
		National Wellness Membership	11/14/2024	1,450.00
		Employment Law conference registration (NELI) for Kimberly Turner	11/14/2024	1,195.00
		Communication supplies for the DISB Staff retreat	12/11/2024	1,467.50
		Senoda Communication Division supplies	12/11/2024	2,537.50
		See in colors vendor DISB staff retreat	12/11/2024	3,400.00
		National Wellness Alliance overpayment (refund). For Tamisha Pedroso.	12/11/2024	(400.00)
		Office supplies (policy & admin)	01/08/2025	373.51
		BUSINESS INSURANCE	01/15/2025	324.50
		ALLIANCE EXPOSITION SE	01/15/2025	625.20
		CAPTIVE INSURANCE COMP	01/15/2025	1,450.00
		SOCIETY OF FINANCIAL E	01/15/2025	772.50
		Office supplies (policy & admin)	01/15/2025	1,076.97
		Registration Fee SOCIETYFORHUMANRESOURC	01/15/2025	264.00

Employee Name	Position/Title	Invoice Description	Expense Report Date	Amount
		Registration Fee SOCIETYFORHUMANRESOURC	01/15/2025	264.00
			12/19/2024	1,485.00
			12/27/2024	220.00
WADE, ALICIA TOTAL				30,768.64
Grand Total				**51,978.27**

Appendix 7

Department of Insurance, Securities and Banking (SR0)
Fiscal Year 2024 Budget and Actual Expenditures

Cost Center Description	Program	Program Description	Fund Type	Expenditure Category	Approved Budget	Revised Budget	Expenditures	Available Balance
AGENCY FINANCIAL OPERATIONS DEPARTMENT	150002	AGENCY ACCOUNTING SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	580,827.44	580,827.44	617,099.32	(36,271.88)
	150002 Total				580,827.44	580,827.44	617,099.32	(36,271.88)
	150003	AGENCY BUDGETING AND FINANCIAL MANAGEMENT SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	274,536.35	274,536.35	255,417.08	19,119.27
				NON-PERSONNEL SERVICES	22,800.00	17,652.00	7,782.00	9,870.00
	150003 Total				297,336.35	292,188.35	263,199.08	28,989.27
	150017	AGENCY/CLUSTER SHARED SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	190,416.09	190,416.09	189,387.60	1,028.49
	150017 Total				190,416.09	190,416.09	189,387.60	1,028.49
AGENCY FINANCIAL OPERATIONS DEPARTMENT Total					**1,068,579.88**	**1,063,431.88**	**1,069,686.00**	**(6,254.12)**
BANKING BUREAU	300133	BANKING LICENSING	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,043,810.10	763,947.57	800,614.97	(36,667.40)
	300133 Total				1,043,810.10	763,947.57	800,614.97	(36,667.40)
	300135	BANKING MARKET OPERATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	815,870.12	699,577.27	707,396.77	(7,819.50)
				NON-PERSONNEL SERVICES	1,475,445.00	1,183,686.47	1,152,245.92	31,440.56
	300135 Total				2,291,315.12	1,883,263.74	1,859,642.69	23,621.06
	300137	SSBCI (DC BIZCAP)	SPECIAL PURPOSE REVENUE FUNDS	NON-PERSONNEL SERVICES	2,000,000.00	9,695,180.00	9,695,180.00	-
	300137 Total				2,000,000.00	9,695,180.00	9,695,180.00	-
BANKING BUREAU Total					**5,335,125.22**	**12,342,391.31**	**12,355,437.66**	**(13,046.34)**
COMPLIANCE DEPARTMENT	300139	CONSUMER SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	991,578.97	852,854.93	963,069.88	(110,214.95)
	300139 Total				991,578.97	852,854.93	963,069.88	(110,214.95)
	300141	MARKET RESEARCH & ANALYSIS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,053,234.28	983,234.28	838,094.92	145,139.36
				NON-PERSONNEL SERVICES	18,440.00	15,023.60	5,220.94	9,802.66
	300141 Total				1,071,674.28	998,257.88	843,315.86	154,942.02
COMPLIANCE DEPARTMENT Total					**2,063,253.25**	**1,851,112.81**	**1,806,385.74**	**44,727.07**
ENFORCEMENT BUREAU	300142	ENFORCEMENT	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	131,056.94	131,056.94	125,797.52	5,259.42
				NON-PERSONNEL SERVICES	93,880.00	82,023.99	36,304.27	45,719.72
	300142 Total				224,936.94	213,080.93	162,101.79	50,979.14
	300143	INVESTIGATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	903,009.73	903,009.73	846,781.29	56,228.44
	300143 Total				903,009.73	903,009.73	846,781.29	56,228.44
ENFORCEMENT BUREAU Total					**1,127,946.67**	**1,116,090.66**	**1,008,883.08**	**107,207.58**
INSURANCE BUREAU	300151	HEALTH ACTUARIAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	871,704.70	691,823.34	534,953.08	156,870.26
	300151 Total				871,704.70	691,823.34	534,953.08	156,870.26
	300152	INSURANCE FINANCIAL EXAMINATION	LOCAL FUND	NON-PERSONNEL SERVICES	50,000.00	45,375.00	17,280.00	28,095.00
			SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	3,291,512.48	2,645,566.64	3,268,529.76	(622,963.12)
				NON-PERSONNEL SERVICES	1,343,000.00	1,098,506.82	995,384.61	103,122.22
			FEDERAL GRANT FUND - FPR	NON-PERSONNEL SERVICES	-	432,115.73	402,517.73	29,598.00
	300152 Total				4,684,512.48	4,221,564.19	4,683,712.10	(462,147.90)
INSURANCE BUREAU Total					**5,556,217.18**	**4,913,387.53**	**5,218,665.18**	**(305,277.64)**
MARKET EXAMINATION BUREAU	300134	BANKING MARKET EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,744,954.76	1,194,362.95	1,482,580.79	(288,217.84)
	300134 Total				1,744,954.76	1,194,362.95	1,482,580.79	(288,217.84)
	300160	RISK FINANCE-MARKET EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	970,568.40	795,547.87	972,906.91	(177,359.04)
	300160 Total				970,568.40	795,547.87	972,906.91	(177,359.04)
	300163	SECURITIES MARKET EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	486,930.21	486,930.21	434,441.71	52,488.50
	300163 Total				486,930.21	486,930.21	434,441.71	52,488.50
MARKET EXAMINATION BUREAU Total					**3,202,453.37**	**2,476,841.03**	**2,889,929.41**	**(413,088.38)**
OFFICE OF FINANCIAL EMPOWERMENT & EDUCATION	300146	FINANCIAL EMPOWERMENT	LOCAL FUND	PERSONNEL SERVICES	500,873.73	409,491.53	409,491.53	-
				NON-PERSONNEL SERVICES	1,214,520.27	290,589.03	290,589.03	-
			SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	597,354.99	597,354.99	501,580.70	95,774.29
				NON-PERSONNEL SERVICES	3,116,088.00	1,293,253.82	1,274,497.22	18,756.60
	300146 Total				5,428,836.99	2,590,689.37	2,476,158.48	114,530.89
OFFICE OF FINANCIAL EMPOWERMENT & EDUCATION Total					**5,428,836.99**	**2,590,689.37**	**2,476,158.48**	**114,530.89**
OFFICE OF THE COMMISSIONER	100058	HUMAN RESOURCE SERVICES - GENERAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	327,242.43	327,242.43	347,491.20	(20,248.77)
	100058 Total				327,242.43	327,242.43	347,491.20	(20,248.77)
	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,324,526.35	1,324,526.35	1,566,947.25	(242,420.90)
				NON-PERSONNEL SERVICES	4,461,902.77	3,688,963.43	3,553,934.33	135,029.22
	100071 Total				5,786,429.12	5,013,489.78	5,120,881.58	(107,391.68)
	100092	LEGAL SERVICES - GENERAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,688,004.38	1,409,225.12	1,482,885.92	(73,660.80)
				NON-PERSONNEL SERVICES	146,116.00	122,686.13	82,415.07	40,271.06

Cost Center Description	Program	Program Description	Fund Type	Expenditure Category	Approved Budget	Revised Budget	Expenditures	Available Balance
OFFICE OF THE COMMISSIONER	100092 Total				1,834,120.38	1,531,911.25	1,565,300.99	(33,389.74)
	100151	EXECUTIVE ADMINISTRATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,278,036.52	1,278,036.52	1,158,028.99	120,007.53
				NON-PERSONNEL SERVICES	126,625.00	95,616.38	21,109.37	74,507.02
	100151 Total				1,404,661.52	1,373,652.90	1,179,138.36	194,514.55
	100157	PUBLIC AFFAIRS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	781,807.85	781,807.85	616,470.37	165,337.48
				NON-PERSONNEL SERVICES	1,096,635.00	921,482.31	683,417.52	238,064.81
	100157 Total				1,878,442.85	1,703,290.16	1,299,887.89	403,402.29
OFFICE OF THE COMMISSIONER Total					**11,230,896.30**	**9,949,586.52**	**9,512,700.02**	**436,886.65**
OFFICE OF INNOVATION	300195	MARKET ANALYSIS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	128,101.21	128,101.21	134,532.37	(6,431.16)
	300195 Total				128,101.21	128,101.21	134,532.37	(6,431.16)
	300196	OUTREACH	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	314,071.91	314,071.91	310,014.53	4,057.38
				NON-PERSONNEL SERVICES	268,000.00	183,240.00	96,963.39	86,276.57
	300196 Total				582,071.91	497,311.91	406,977.92	90,333.95
	300197	COMPLIANCE	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	89,885.94	89,885.94	94,896.34	(5,010.40)
	300197 Total				89,885.94	89,885.94	94,896.34	(5,010.40)
OFFICE OF INNOVATION Total					**800,059.06**	**715,299.06**	**636,406.63**	**78,892.39**
RISK FINANCE BUREAU	300157	FINANCIAL ANALYSIS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	369,250.33	70,656.51	48,789.12	21,867.39
	300157 Total				369,250.33	70,656.51	48,789.12	21,867.39
	300158	RISK FINANCE MARKET OPERATION	SPECIAL PURPOSE REVENUE FUNDS	NON-PERSONNEL SERVICES	133,200.00	58,700.00	97,681.41	(38,981.39)
	300158 Total				133,200.00	58,700.00	97,681.41	(38,981.39)
	300159	REGULATORY	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	110,442.44	110,442.44	87,960.23	22,482.21
	300159 Total				110,442.44	110,442.44	87,960.23	22,482.21
RISK FINANCE BUREAU Total					**612,892.77**	**239,798.95**	**234,430.76**	**5,368.21**
SECURITIES BUREAU	300161	CORPORATE FINANCE	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,050,298.98	690,634.54	754,567.91	(63,933.37)
				NON-PERSONNEL SERVICES	833,067.00	565,454.39	540,285.91	25,168.48
			PRIVATE GRANT FUND -FPR	NON-PERSONNEL SERVICES	-	54,400.00	54,400.00	-
	300161 Total				1,883,365.98	1,310,488.93	1,349,253.82	(38,764.89)
	300162	SECURITIES LICENSING	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	611,537.35	611,537.35	564,341.88	47,195.47
	300162 Total				611,537.35	611,537.35	564,341.88	47,195.47
SECURITIES BUREAU Total					**2,494,903.33**	**1,922,026.28**	**1,913,595.70**	**8,430.58**
Grand Total					**38,921,164.02**	**39,180,655.40**	**39,122,278.66**	**58,376.89**

The **$58,376.89** budget surplus was in LOcal fund and Federal grant carry over budget. The agency restricted spending to fulfil existing approved fund balance sweep of **$2,682,821** per various budget support act.

Department of Insurance, Securities and Banking (SR0)
Fiscal Year 2025 Budget and Actual Expenditures (Year-to-Date)

Cost Center Description	Program	Program Description	Fund Type	Expenditure Category	Approved Budget	Revised Budget	Expenditures	Available Balance
AGENCY FINANCIAL OPERATIONS DEPARTMENT	150002	AGENCY ACCOUNTING SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	605,125.86	605,125.86	187,607.12	417,518.74
	150002 Total				605,125.86	605,125.86	187,607.12	417,518.74
	150003	AGENCY BUDGETING AND FINANCIAL MANAGEMENT SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	273,339.16	273,339.16	73,077.74	200,261.42
				NON-PERSONNEL SERVICES	18,172.00	18,172.00	245.00	17,927.00
	150003 Total				291,511.16	291,511.16	73,322.74	218,188.42
	150017	AGENCY/CLUSTER SHARED SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	197,958.42	197,958.42	53,629.21	144,329.21
	150017 Total				197,958.42	197,958.42	53,629.21	144,329.21
AGENCY FINANCIAL OPERATIONS DEPARTMENT Total					**1,094,595.44**	**1,094,595.44**	**323,874.29**	**770,721.15**
BANKING BUREAU	300133	BANKING LICENSING	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	855,153.02	855,153.02	210,786.78	644,366.24
	300133 Total				**855,153.02**	**855,153.02**	**210,786.78**	**644,366.24**
	300135	BANKING MARKET OPERATION		LOCAL FUND	146,179.00	146,179.00	-	146,179.00
			SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	944,352.78	944,352.78	215,905.41	728,447.37
				NON-PERSONNEL SERVICES	1,243,095.00	1,243,095.00	191,276.22	219,195.39
	300135 Total				**2,333,626.78**	**2,333,626.78**	**407,181.63**	**1,093,821.76**
	300137	SSBCI (DC BIZCAP)	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	-	89,885.94	-	89,885.94
				NON-PERSONNEL SERVICES	2,000,000.00	10,839,614.15	-	10,839,614.15
	300137 Total				**2,000,000.00**	**10,929,500.09**	**-**	**10,929,500.09**
BANKING BUREAU Total					**5,188,779.80**	**14,118,279.89**	**617,968.41**	**12,667,688.09**
COMPLIANCE DEPARTMENT	300139	CONSUMER SERVICES	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,019,723.15	1,019,723.15	278,552.50	741,170.65
	300139 Total				**1,019,723.15**	**1,019,723.15**	**278,552.50**	**741,170.65**
	300141	MARKET RESEARCH & ANALYSIS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	941,376.30	941,376.30	259,773.65	681,602.65
				NON-PERSONNEL SERVICES	46,139.70	46,139.70	364.51	45,775.19
	300141 Total				**987,516.00**	**987,516.00**	**260,138.16**	**727,377.84**
COMPLIANCE DEPARTMENT Total					**2,007,239.15**	**2,007,239.15**	**538,690.66**	**1,468,548.49**
ENFORCEMENT BUREAU	300142	ENFORCEMENT	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	137,018.19	137,018.19	37,016.80	100,001.39
				NON-PERSONNEL SERVICES	74,614.60	74,614.60	28,518.96	46,095.64
	300142 Total				**211,632.79**	**211,632.79**	**65,535.76**	**146,097.03**
	300143	INVESTIGATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,132,969.40	1,132,969.40	239,535.08	893,434.32
	300143 Total				**1,132,969.40**	**1,132,969.40**	**239,535.08**	**893,434.32**
ENFORCEMENT BUREAU Total					**1,344,602.19**	**1,344,602.19**	**305,070.84**	**1,039,531.35**
INSURANCE BUREAU	300151	HEALTH ACTUARIAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	916,506.64	916,506.64	170,862.51	745,644.13
	300151 Total				**916,506.64**	**916,506.64**	**170,862.51**	**745,644.13**
	300152	INSURANCE FINANCIAL EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	3,243,381.97	3,243,381.97	888,878.15	2,354,503.82
				NON-PERSONNEL SERVICES	1,312,000.00	1,312,000.00	62,318.18	808,721.82
			FEDERAL GRANT FUND - FPR	NON-PERSONNEL SERVICES	-	-	29,597.00	(29,597.00)
	300152 Total				**4,555,381.97**	**4,555,381.97**	**980,793.33**	**3,133,628.64**
	300154	POLICY AND OVERSIGHT	LOCAL FUND	NON-PERSONNEL SERVICES	150,000.00	150,000.00	-	150,000.00
			FEDERAL GRANT FUND - FPR	NON-PERSONNEL SERVICES		609,467.00		609,467.00
	300154 Total				**150,000.00**	**759,467.00**	**-**	**759,467.00**
INSURANCE BUREAU Total					**5,621,888.61**	**6,231,355.61**	**1,151,655.84**	**4,638,739.77**
MARKET EXAMINATION BUREAU	300134	BANKING MARKET EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,520,992.98	1,520,992.98	402,773.69	1,118,219.29
	300134 Total				**1,520,992.98**	**1,520,992.98**	**402,773.69**	**1,118,219.29**
	300160	RISK FINANCE-MARKET EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	960,891.38	960,891.38	239,356.21	721,535.17
	300160 Total				**960,891.38**	**960,891.38**	**239,356.21**	**721,535.17**
	300163	SECURITIES MARKET EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	615,126.13	615,126.13	117,853.68	497,272.45
	300163 Total				**615,126.13**	**615,126.13**	**117,853.68**	**497,272.45**
	300199	INSURANCE MARKET EXAMINATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	298,650.18	298,650.18	82,928.05	215,722.13
	300199 Total				**298,650.18**	**298,650.18**	**82,928.05**	**215,722.13**
MARKET EXAMINATION BUREAU Total					**3,395,660.67**	**3,395,660.67**	**842,911.63**	**2,552,749.04**
OFFICE OF FINANCIAL EMPOWERMENT & EDUCATION	300144	BANK ON DC	SPECIAL PURPOSE REVENUE FUNDS	NON-PERSONNEL SERVICES	45,000.00	45,000.00	7,546.60	27,603.40
	300144 Total				45,000.00	45,000.00	7,546.60	27,603.40
	300146	FINANCIAL EMPOWERMENT	LOCAL FUND	NON-PERSONNEL SERVICES	-	-	(20,626.48)	-
			SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	882,779.09	882,779.09	255,679.04	627,100.05
				NON-PERSONNEL SERVICES	891,294.00	891,294.00	(63,976.79)	498,078.84
	300146 Total				1,774,073.09	1,774,073.09	171,075.77	1,125,178.89
	300147	EARNED INCOME CREDIT	SPECIAL PURPOSE REVENUE FUNDS	NON-PERSONNEL SERVICES	300,000.00	300,000.00	23,140.00	60,540.00
	300147 Total				300,000.00	300,000.00	23,140.00	60,540.00

Cost Center Description	Program	Program Description	Fund Type	Expenditure Category	Approved Budget	Revised Budget	Expenditures	Available Balance
	300148	FINANCIAL FIT	SPECIAL PURPOSE REVENUE FUNDS	NON-PERSONNEL SERVICES	186,322.41	186,322.41	55,000.00	5,322.41
	300148 Total				186,322.41	186,322.41	55,000.00	5,322.41
	300149	OPPORTUNITY ACCOUNTS	SPECIAL PURPOSE REVENUE FUNDS	NON-PERSONNEL SERVICES	800,000.00	800,000.00	-	4,000.00
	300149 Total				800,000.00	800,000.00	-	4,000.00
OFFICE OF FINANCIAL EMPOWERMENT & EDUCATION Total					**3,105,395.50**	**3,105,395.50**	**256,762.37**	**1,222,644.70**
OFFICE OF THE COMMISSIONER	100058	HUMAN RESOURCE SERVICES - GENERAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	345,798.18	345,798.18	100,163.85	245,634.33
	100058 Total				**345,798.18**	**345,798.18**	**100,163.85**	**245,634.33**
	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,366,293.38	1,366,293.38	403,580.51	962,712.87
				NON-PERSONNEL SERVICES	4,328,271.21	4,328,271.21	1,066,955.75	2,970,984.59
	100071 Total				**5,694,564.59**	**5,694,564.59**	**1,470,536.26**	**3,933,697.46**
	100092	LEGAL SERVICES - GENERAL	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,898,667.76	1,898,667.76	415,882.21	1,482,785.55
				NON-PERSONNEL SERVICES	125,585.10	125,585.10	3,211.99	112,356.11
	100092 Total				**2,024,252.86**	**2,024,252.86**	**419,094.20**	**1,595,141.66**
	100151	EXECUTIVE ADMINISTRATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	1,194,992.79	1,194,992.79	323,400.94	871,591.85
				NON-PERSONNEL SERVICES	95,300.00	95,300.00	175.00	95,125.00
	100151 Total				**1,290,292.79**	**1,290,292.79**	**323,575.94**	**966,716.85**
	100157	PUBLIC AFFAIRS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	837,736.71	837,736.71	181,925.02	655,811.69
				NON-PERSONNEL SERVICES	1,007,933.44	1,007,933.44	70,428.99	593,614.94
	100157 Total				**1,845,670.15**	**1,845,670.15**	**252,354.01**	**1,249,426.63**
OFFICE OF THE COMMISSIONER Total					**11,200,578.57**	**11,200,578.57**	**2,565,724.26**	**7,990,616.93**
OFFICE OF INNOVATION	300195	MARKET ANALYSIS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	137,242.50	137,242.50	39,303.87	97,938.63
	300195 Total				**137,242.50**	**137,242.50**	**39,303.87**	**97,938.63**
	300196	OUTREACH	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	326,712.34	326,712.34	81,979.59	244,732.75
				NON-PERSONNEL SERVICES	253,964.40	253,964.40	49.99	250,992.41
	300196 Total				**580,676.74**	**580,676.74**	**82,029.58**	**495,725.16**
	300197	COMPLIANCE	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	93,931.03	93,931.03	30,735.58	63,195.45
	300197 Total				**93,931.03**	**93,931.03**	**30,735.58**	**63,195.45**
OFFICE OF INNOVATION Total					**811,850.27**	**811,850.27**	**152,069.03**	**656,859.24**
RISK FINANCE BUREAU	300157	FINANCIAL ANALYSIS	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	218,817.73	218,817.73	64,982.99	153,834.74
	300157 Total				218,817.73	218,817.73	64,982.99	153,834.74
	300158	RISK FINANCE MARKET OPERATION	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	216,964.51	216,964.51	-	216,964.51
				NON-PERSONNEL SERVICES	182,400.00	182,400.00	10,320.84	163,926.31
	300158 Total				399,364.51	399,364.51	10,320.84	380,890.82
	300159	RISK FINANCE-LICENSING AND REGULAT	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	117,182.42	117,182.42	-	117,182.42
	300159 Total				117,182.42	117,182.42	-	117,182.42
RISK FINANCE BUREAU Total					**735,364.66**	**735,364.66**	**75,303.83**	**651,907.98**
SECURITIES BUREAU	300161	CORPORATE FINANCE	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	754,806.74	754,806.74	206,896.55	547,910.19
				NON-PERSONNEL SERVICES	612,704.00	612,704.00	98,717.58	489,626.36
	300161 Total				1,367,510.74	1,367,510.74	305,614.13	1,037,536.55
	300162	SECURITIES LICENSING	SPECIAL PURPOSE REVENUE FUNDS	PERSONNEL SERVICES	521,331.08	521,331.08	162,663.51	358,667.57
	300162 Total				521,331.08	521,331.08	162,663.51	358,667.57
SECURITIES BUREAU Total					**1,888,841.82**	**1,888,841.82**	**468,277.64**	**1,396,204.12**
Grand Total					**36,394,796.68**	**45,933,763.77**	**7,288,993.58**	**35,056,210.86**

FY 2025 variance (budget balance) is due to expenditures showing only year-to-date amounts.

Appendix 8

Department of Insurance, Securities and Banking (SR0)
Special Purpose Revenue Funds
FY2024 and FY2025 Revenue and Expenditures

Fund Code/Title	Legal Authority	Source of Funding	Description	Purpose of Expenditures	FY2024 Actual Revenue	FY2024 Actual Expenditure	FY2025 Revenue 01/31/2025	FY2025 Actual Expenditure 01/31/2025	Fund Balance
1060240 - HMO Assessment	§ 31–1202, § 31–1203	Health Insurance Companies	An assessment on health care organizations (Non-lapsing Fund/Committed)	Expenditures are for the Agency's day-to-day operations	1,404,190.03	1,370,145.77	-	317,796.69	177,375.36
1060242 - Insurance Assessment	§ 31–1202, § 31–1203	Insurance Companies	An assessment on Insurance Companies (Non-lapsing Fund/Committed)	Expenditures are for the Agency's day-to-day operations	9,669,245.21	10,569,116.60	-	2,139,285.09	1,634,487.73
1060244 - Securities Broker/Dealer Licenses	§ 31–5602.03	Securities Brokers and Dealers	A license to operate as Broker/Dealer in the District (Lapsing Fund)	N/A	9,488,657.05	454,360.55	8,584,520.41	-	-
1060245 - Securities and Banking Fund	§ 31–107	Banking Institutions , Mortgage Companies and Securities Firms and Companies	Funds collected are used for the agency operating Budget (Lapsing Fund)	Expenditures are for the Agency's day-to-day operations	344,269.33	16,001,151.65	-	3,701,726.05	-
1060248 - Securities Investment Advisors Fees	§ 31–5602.01	Securities Brokers and Dealers	A license to operate as Securities investment advisers (Lapsing Fund)	N/A	642,415.00	642,415.00	627,415.00	-	-
1060251 - Securities Registration Fees	§ 31–5603.05, § 31–5603.08, § 31–5603.01	Investment Companies	Fees that are required by DC code associated with the registration and notice filling sale of securities in the district (Lapsing Fund)	N/A	11,876,255.77	468,129.69	5,081,286.02	-	-
1060252 - Captive Insurance	§ 31–3931.09, § 31–3931.12	Licensed captive insurance companies, taxes and Fees	Premium Taxes, A license to engage in business offers (Lapsing Fund)	Expenditures are for the Agency's day-to-day operations	3,816,093.28	3,816,093.28	132,537.00	886,860.08	-
1060253 - Banking Trust Fund	§ 26–510.02	Banking Institutions , Mortgage Companies	These are fees collected from banks for applications, licensing, titles and penalties (Lapsing Fund)	N/A	6,425,592.36	-	5,239,476.48	-	-
1060254 - Foreclosure Mediation Fund	§ 42–815.03	Banks, Mortgage Companies and Individual Borrowers	Mediation fees collected from banks, mortgage companies and individuals being foreclosed on. (Non-lapsing Fund/Committed)	N/A	5,550.00	4,000.00	3,700.00	-	5,500.00
1060256 - Capital Access Fund	§ 2–1210.02	US Department of Treasury	Funds received from the US Department of Treasury pursuant to the Small Business Jobs Act that created the State Small Business Credit Initiative (SSBCI). The money is deposited in participating banks and generates interest. (Non-lapsing Fund/Restricted)	Expenditures are for the Agency's DCBizCAP program	19,887,857.18	8,595,180.00	8,678.97	-	15,872,532.16
1060257 - Loan Participation Fund	§ 2–1210.02	US Department of Treasury	Funds received from the US Department of Treasury pursuant to the Small Business Jobs Act that created the State Small Business Credit Initiative (SSBCI). The money is deposited in participating banks and generates interest. (Non-lapsing Fund/Restricted)	Expenditures are for the Agency's DCBizCAP program	186,654.10	1,100,000.00	109,222.36	-	6,075,195.65
					63,746,779.31	**43,020,592.54**	**19,786,836.24**	**7,045,667.91**	**23,765,090.90**

Appendix 9

Department of Insurance, Securities and Banking (SR0)

List of Inter-Agency Transactions

1) FY 2024 Inter-Agency Transfers from Other Agencies

Project No.	Description	Seller Agency	Buyer Agency	Program Code	Program Code Title	Cost Center	Cost Center Title	Funding Source	LOI Executed	MOU Signature Date	Transferred Date	Amount
400525	Insurers' Assessment Services	Department Of Insurance, Securities and Banking	Department of Healthcare Finance (DHCF)	100028	CUSTOMER SERVICE - GENERAL	70274	OFFICE OF THE OMBUDSMAN - HT0	Special Purpose Revenue Funds	11/10/2022	8/15/2024	N/A	44,550.00
								Federal Medicaid Payments	1/127/2022	11/30/2022	N/A	36,450.00
400126	Summer Youth Employment Program	Department Of Insurance, Securities and Banking	Department of Employment Services (DOES)	500186	MARION BARRY SUMMER YOUTH EMPLOYMENT PROGRAM	50256	OFFICE OF YOUTH PROGRAMS	Local Funds	11/10/2022	7/29/2024	N/A	65,000.00
Total												**146,000.00**

2) FY 2024 Inter-Agency Transfers to Other Agencies

Project No.	Description	Buyer Agency	Seller Agency	Program Code	Program Code Title	Cost Center	Cost Center Title	Funding Source	LOI Executed	MOU Signature Date	Transferred Date	Amount
201325	Purchase card	Department Of Insurance, Securities and Banking	Office of Contacts and Procurements (OCP)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	370,535.57
400706	Data analytics sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	2,152.65
400707	Cloud information services sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	49,665.35
400708	DC NET Sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	55,660.44
400709	FileNet sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	13,010.33
400710	Telecommunications	Department Of Insurance, Securities and Banking	Office of Finance and Resources Management (OFRM)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	80,554.91
400712	Fleet services for securities	Department Of Insurance, Securities and Banking	Department of Public Works (DPW)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	5,995.53
400713	Rent	Department Of Insurance, Securities and Banking	Department of General Services (DGS)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	2,210,195.16
400714	Security	Department Of Insurance, Securities and Banking	Department of General Services (DGS)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	6,453.91
400715	District Vehicle Insurance Compliance	Department Of Insurance, Securities and Banking	Department of Motor Vehicles (DMV)	300152	INSURANCE FINANCIAL EXAMINATION	30180	FINANCIAL EXAMINATION DIVISION	Special Purpose Revenue Funds	N/A	12/6/2023	N/A	495,000.00
400716	Web services sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	16,640.38
401345	District Leadership Program	Department Of Insurance, Securities and Banking	Department of Human Resources (DCHR)	100072	INFORMATION TECHNOLOGY SERVICES - GENERAL	30188	INFORMATION TECHNOLOGY DIVISION - SR1	Special Purpose Revenue Funds	N/A	11/17/2023	N/A	53,890.79
401764	Single Audit	Department Of Insurance, Securities and Banking	Office of the Chief Financial Officer(OCFO)	300146	CITY FOR FINANCIAL EMPOWERMENT	30181	OFFICE OF FINANCIAL EMPOWERMENT & EDUCATION	Special Purpose Revenue Funds	N/A	8/24/2023	N/A	3,927.00
401925	Capital City Fellows Program	Department Of Insurance, Securities and Banking	Department of Human Resources (DCHR)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	11/17/2023	N/A	80,197.50
401934	Occupancy	Department Of Insurance, Securities and Banking	Department of General Services (DGS)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	28,000.00
401943	Compliance Services	Department Of Insurance, Securities and Banking	Department of Human Resources (DCHR)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR1	Special Purpose Revenue Funds	N/A	3/11/2024	N/A	3,117.62
402243	Sapce use	Department Of Insurance, Securities and Banking	DC Public Library (DCPL)	300146	CITY FOR FINANCIAL EMPOWERMENT	30181	OFFICE OF FINANCIAL EMPOWERMENT & EDUCATION	Special Purpose Revenue Funds	N/A	6/20/2024	N/A	2,340.00
402526	Office Remodeling	Department Of Insurance, Securities and Banking	Department of General Services (DGS)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR1	Special Purpose Revenue Funds	N/A	7/1/2024	N/A	146,341.60
402536	DC Venture Capital	Department Of Insurance, Securities and Banking	Deputy Mayor for Planning and Economic Development (DMPED)	300137	SSBCI (DC BIZCAP)	30166	SSBCI (DC BIZCAP) DIVISION	Special Purpose Revenue Funds	N/A	8/22/2024	N/A	8,595,180.00
Total												**12,218,858.74**

3) FY 2025 Inter-Agency from Other Agencies

Project No.	Description	Seller Agency	Buyer Agency	Program Code	Program Code Title	Cost Center	Cost Center Title	Funding Source	LOI Executed	MOU Signature Date	Transferred Date	Amount
400525	Insurers' Assessment Services	Department Of Insurance, Securities and Banking	Department of Healthcare Finance (DHCF)	100028	CUSTOMER SERVICE - GENERAL	70274	OFFICE OF THE OMBUDSMAN - HT0	Special Purpose Revenue Funds	11/10/2022	N/A	N/A	44,550.00
								Federal Medicaid Payments				36,450.00
400126	Summer Youth Employment Program	Department Of Insurance, Securities and Banking	Department of Employment Services (DOES)	500186	MARION BARRY SUMMER YOUTH EMPLOYMENT PROGRAM	50256	OFFICE OF YOUTH PROGRAMS	Local Funds	11/10/2022	N/A	N/A	65,000.00
Total												**146,000.00**

4) FY 2025 Inter-Agency Transfer to Other Agencies

Project No.	Description	Buyer Agency	Seller Agency	Program Code	Program Code Title	Cost Center	Cost Center Title	Funding Source	LOI Executed	MOU Signature Date	Transferred Date	Amount
201325	Purchase card	Department Of Insurance, Securities and Banking	Office of Contacts and Procurements (OCP)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	200,000.00
400706	Data analytics sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	2,313.28
400707	Cloud information services sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	75,224.02
400708	DC NET Sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	61,047.24
400709	FileNet sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	16,185.00
400710	Telecommunications	Department Of Insurance, Securities and Banking	Office of Finance and Resources Management (OFRM)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	95,841.29
400712	Fleet Services for Securities	Department Of Insurance, Securities and Banking	Department of Public Works (DPW)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	7,040.02
400713	Rent	Department Of Insurance, Securities and Banking	Department of General Services (DGS)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	2,475,726.00
400714	Security	Department Of Insurance, Securities and Banking	Department of General Services	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	8,940.28
400715	District Vehicle Insurance Compliance	Department Of Insurance, Securities and Banking	Department of Motor Vehicles (DMV)	300152	INSURANCE FINANCIAL EXAMINATION	30180	FINANCIAL EXAMINATION DIVISION	Special Purpose Revenue Funds	3/12/2024	N/A	N/A	495,000.00
400716	Web Service sweep	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	19,897.27
401342	Sign Lagnuage services	Department Of Insurance, Securities and Banking	Mayor's Office of Deaf, Deafblind and Hard of Hearing (ODDHH)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	12/7/2023	N/A	N/A	1,300.00
401611	RTS DCNET	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	N/A	N/A	6,000.00
401612	RTS NON DCNET	Department Of Insurance, Securities and Banking	Office of Finance and Resources Management (OFRM)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	N/A	N/A	6,000.00
401674	AIMSR2 IT Assessment	Department Of Insurance, Securities and Banking	Office of the Chief Technology Officer (OCTO)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	1,992.34
401943	Compliance Services	Department Of Insurance, Securities and Banking	Department of Human Resources (DCHR)	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	INFORMATION TECHNOLOGY DIVISION - SR1	Special Purpose Revenue Funds	N/A	Citywide MOU	N/A	3,368.95
Total												**3,475,875.69**

Appendix 10

Department of Insurance, Securities and Banking (SR0)

List of Planned Inter-Agency Transfers

1) FY 2025 Intra-District Planned Transfers from Other Agencies

Project No.	Description	Buyer Agency	Seller Agency	Program Code	Program Code Title	Cost Center	Cost Center Title	Funding Source	MOU Signature Date	Transferred Date	Amount
	N/A										
Total											-

2) FY 2025 Intra-District Planned Transfers to Other Agencies

Project No.	Description	Buyer Agency	Seller Agency	Program Code	Program Code Title	Cost Center	Cost Center Title	Funding Source	MOU Signature Date	Transferred Date	Amount
N/A	Contract Specialist	Department Of Insurance, Securities and Banking (DISE	Office of Contracting and Procurement (OCP)	100071	INFORMATION TECHNOLOGY SERVICES - GENERA	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	N/A	130,430.00
401343	Video Production	Department Of Insurance, Securities and Banking (DISB	Office of Cable Television, Film, Music and Entertainment (OCTFME	100157	PUBLIC AFFAIRS	30186	OFFICE OF PUBLIC AFFAIRS	Special Purpose Revenue Funds	N/A	N/A	12,700.00
401925	Capital City Fellows Program	Department Of Insurance, Securities and Banking (DISE	Department of Human Resources (DCHR)	100071	INFORMATION TECHNOLOGY SERVICES - GENERA	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	N/A	80,197.50
401764	Single Audit	Department Of Insurance, Securities and Banking (DISE	Office of the Chief Financial Officer(OCFO)	300146	CITY FOR FINANCIAL EMPOWERMENT	30181	OFFICE OF FINANCIAL EMPOWERMENT & EDU	Special Purpose Revenue Funds	City-wide	N/A	2,500.00
402331	SR0 - EN0 - DSLBD DES ACCESS	Department Of Insurance, Securities and Banking (DISE	Department of Small and Local Business Development (DSLBD)	100071	INFORMATION TECHNOLOGY SERVICES - GENERA	30187	INFORMATION TECHNOLOGY DIVISION - SR0	Special Purpose Revenue Funds	N/A	N/A	672.00
Total											226,499.50

Appendix 11

Order ID	Title	Status	Contracting Party	Budgeted Amount	Actual Spending	Term	Negotiated/ Competitive	Contract Monitoring	Funding Source	CBE/SBE
PO713680	DISB: FY24 STAR Platform (Replacement)	Receiving	Dorger Software Architects Inc	**$400,000.00**	$399,400.00	FY24	Negotiated	Stephen Bouchard	O-Type	No
PO713346	DISB: FY24 Outreach Events	Received	SENODA INC.	**$9,878.00**	$9,878	FY24	Competitive	Art Swift	O-Type	Yes
PO713217	DISB: FY24 TRM LABS Licensing Agreement Renewal	Received	TRM Labs, Inc	**$46,750.00**	$46,750	FY24	Competitive	Mike Ross	O-Type	No
PO712948	DISB: FY24 Financially Fit DC Platform	Received	FELA LLC	**$235,000.00**	$235,000	FY24	Competitive	Michelle Hammonds	O-Type	Yes
PO712884	DISB: FY24 RENTAL STORAGE SPACE FEE FOR DISB	Received	SENTINEL SQUARE HANA OW LLC	**$9,456.00**	$9,456	FY24	Competitive	Gregory Ellis	O-Type	No
PO709396-V2	Copy of DISB: FY24 Opportunity Accounts	Receiving	CAPITAL AREA ASSET BUILDING	**$900,000.00**	$36,070.73	FY24	Competitive	Michelle Hammonds	O-Type	No
PO712262	DISB: FY24 Financial Empowerment Center Initiative(Modification)	Received	UNITED PLANNING ORGANIZAT	**$232,769.04**	$19,540.68	FY24	Competitive	Michelle Hammonds	O-Type	No
PO711613	DISB: FY24 Embroidery & Textile Services	Received	SENODA INC.	**$9,848.45**	$9,848.45	FY24	Competitive	Art Swift	O-Type	Yes
PO711398	DISB: FY24 TeamMate Subscription	Received	NATIONAL ASSOCIATION OF INSURA	**$28,854.00**	$28,854	FY24	Competitive	Philip Barlow	O-Type	No
PO711395	DISB: FY24 Moving Services	Receiving	CAPITAL SERVICES AND SUPPLIES	**$8,350.00**	$4,750	FY24	Competitive	Art Swift	O-Type	Yes
PO711324	DISB: FY24 Graphic Design-Printing-Translation Services (Comms)	Received	The Aquiline Group LLC	**$9,999.00**	$9,999	FY24	Competitive	Art Swift	O-Type	Yes
PO711283	DISB: FY24 Spanish Language Print & Social Media Advertising (MasTV/El Planeta)	Received	MAS TV/EL PLANETA LLC	**$14,040.00**	$14,040	FY24	Competitive	Art Swift	O-Type	No
PO711027	DISB: FY24 AV Redesign Project	Receiving	NETWORKING FOR FUTURE INC	**$248,779.56**	$245,337.29	FY24	Competitive	Shankar Vaidyanathan	O-Type	No
PO710396	DISB: FY24 OFEE Virtual Event Management Platform (Brandlive)	Received	Tech Analysis Inc	**$232,000.00**	$232,000	FY24	Competitive	Michelle Hammonds	O-Type	No
PO710372	DISB: FY24 Dell Laptops	Received	ABC TECHNICAL SOLUTIONS INC	**$88,632.50**	$88,632.50	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO710363	DISB: FY24 Interior Branding Design - Phase II	Received	MTB ENTERPRISES LLC	**$150,000.00**	$150,000	FY24	Competitive	Art Swift	O-Type	Yes
PO710342	DISB: FY24 Financial Education & Literacy Facilitator Services	Received	Affirm Advisors	**$91,000.00**	$91,000	FY24	Competitive	Michelle Hammonds	O-Type	Yes
PO709610	DISB: FY24 Promotional Items (Communication)	Received	SENODA INC.	**$4,900.00**	$4,900	FY24	Competitive	Art Swift	O-Type	Yes
PO709560	DISB: FY24 George Washington University: Leadership Training (CW100299)	Received	GEORGE WASHINGTON UNIV DBA	**$105,000.00**	$105,000	FY24	Competitive	Katrice Purdie	O-Type	No
PO709556	Copy of DISB: FY24 OFEE Design, Graphic, Layout, & Printing Services	Received	EIGHTZERO	**$45,000.00**	$45,000	FY24	Competitive	Michelle Hammonds	O-Type	Yes
PO705562-V2	DISB: FY24 Smartsheet Renewal	Receiving	SMARTSHEET.COM INC	**$10,138.69**	$10,057.32	FY24	Competitive	Michelle Hammonds	O-Type	No
PO709319	DISB: FY24 Premium Tax Exam II (OP2)	Receiving	Examination Resources, LLC	**$50,000.00**	$23,375	FY24	Competitive	Philip Barlow	O-Type	No
PO709131	DISB: FY24 Strategic Marketing Plan for Fintech Attraction	Received	PB&J Promotions LLC	**$35,000.00**	$35,000	FY24	Competitive	Tamara Zedian	O-Type	Yes
PO709122	DISB: FY24 Financial Empowerment Center (FEC)	Received	UNITED PLANNING ORGANIZAT	**$249,663.00**	$211,612.37	FY24	Competitive	Michelle Hammonds	O-Type	No
PO709121	DISB: FY24 DC Chamber of Commerce Golf Classic Sponsorship	Received	DC CHAMBER OF COMMERCE	**$5,000.00**	$5,000	FY24	Competitive	Art Swift	O-Type	No
PO709116	DISB: FY24 Rammy Awards	Received	RESTAURANT ASSOC.OF METRO WASH	**$20,000.00**	$20,000	FY24	Competitive	Art Swift	O-Type	No
PO708652	DISB: FY24 MBSYEP Program	Received	CAPTIVATE PERSPECTIVES	**$75,000.00**	$75,000	FY24	Competitive	Michelle Hammonds	O-Type	Yes
PO708593	DISB: FY24 DC Flood Awareness Advertisement	Received	OUTFRONT MEDIA INC.	**$9,900.00**	$9,900	FY24	Competitive	Philip Edmonds	O-Type	No
PO708372	DISB: FY24 Foundations of DEI Training	Received	Change Bridge LLC	**$7,300.00**	$7,300	FY24	Competitive	Fania Jean	O-Type	Yes
PO708157	DISB: FY24 DC Captives (WTOP Advertising)	Received	HUBBARD RADIO WASHINGTON	**$61,125.00**	$61,125	FY24	Competitive	Art Swift	O-Type	No
PO707716	DISB: FY24 CCH Incorporated Renewal	Received	CCH INCORPORATED	**$21,442.84**	$21,442.84	FY24	Competitive	Mike McManus	O-Type	No
PO707700	DISB: FY24 Photography, Videography (Streetz Media)	Received	STREETZ MEDIA	**$9,800.00**	$9,800	FY24	Competitive	Michelle Hammonds	O-Type	Yes

PO707696	DISB: FY24 Kofax & Kodak Maintenance Renewal	Received	DOCUMENT SYSTEMS INC	**$8,625.28**	$8,625.28	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO707686	DISB: FY24 Email List for District Residents	Received	The Aquiline Group LLC	**$9,900.00**	$9,900	FY24	Competitive	Art Swift	O-Type	Yes
PO707684	DISB: FY24 Adobe Acrobat Pro Enterprise Renewal	Received	ABC TECHNICAL SOLUTIONS INC	**$16,765.50**	$16,765.50	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO707496	DISB: FY24 Unintentional Bias Comment Review	Receiving	O'Neil Risk Consulting and Alg	**$50,000.00**	$9,958.33	FY24	Competitive	Philip Barlow	O-Type	No
PO707294	DISB: FY24 DCSmall Business Summit and EXPO: A/V Support	Received	DC CHAMBER OF COMMERCE	**$20,000.00**	$20,000	FY24	Competitive	Aaron Fenwick	O-Type	No
PO707228	DISB: FY24 African Fintech Summit	Received	AFRICA FINTECH SUMMIT, LLC	**$15,000.00**	$15,000	FY24	Competitive	Tamara Zedian	O-Type	No
PO707189	DISB: FY24 OFEE Event Planner	Received	BAYNE LLC	**$78,000.00**	$78,000	FY24	Competitive	Michelle Hammonds	O-Type	Yes
PO707024	DISB: FY24 Form & Rate Review	Receiving	LEWIS & ELLIS LLC	**$140,000.00**	$134,140	FY24	Competitive	Philip Barlow	O-Type	No
PO707001	DISB: FY24 ACA Rate Review	Receiving	LEWIS & ELLIS LLC	**$154,875.00**	$75,095.00	FY24	Competitive	Philip Barlow	O-Type	No
PO704895-V2	DISB: FY24 IVF Defrayal Analysis	Receiving	LEWIS & ELLIS LLC	**$45,375.00**	$17,280.00	FY24	Competitive	Philip Barlow	O-Type	No
PO706639	DISB: FY24 NAIC Member Assessment Dues	Received	NATIONAL ASSOCIATION OF INSURA	**$9,513.00**	$9,513	FY24	Competitive	Philip Barlow	O-Type	No
PO706289	DISB: FY24 Marketing Campaign (Monumental)	Receiving	LINCOLN HOLDINGS, LLC DBA MONU	**$80,000.00**	$80,000	FY24	Competitive	Art Swift	O-Type	No
PO705755	DISB: FY24 Community Outreach Marketing Strategy (Perpetual Corp)	Received	PERPETUAL CORP	**$81,000.00**	$57,290.03	FY24	Competitive	Art Swift	O-Type	No
PO705589	DISB: FY24 Radio Advertising (Audacy)	Receiving	Audacy Operations, Inc	**$94,996.00**	$94,721.00	FY24	Competitive	Art Swift	O-Type	No
PO705567	DISB: FY24 Greater Washington Hispanic Chamber of Commerece(GWHCC) Business Expo	Received	GREATER WASHINGTON HISPANIC	**$8,500.00**	$8,500	FY24	Competitive	Art Swift	O-Type	No
PO705566	DISB: FY24 Washington Business Journal	Receiving	AMERICAN CITY BUSINESS JOURNAL	**$86,916.00**	$86,915.78	FY24	Competitive	Art Swift	O-Type	No
PO705399	DISB: FY24 Cryptocurrency Educational Campaign (Audacy)	Received	Audacy Operations, Inc	**$54,400.00**	$54,400	FY24	Competitive	Art Swift	O-Type	No
PO705395	DISB: FY24 Adobe Creative Services & Stock Enterprise Renewal	Received	ABC TECHNICAL SOLUTIONS INC	**$14,217.50**	$14,217.50	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO705320	DISB: FY24 Washington DC Economic Partnership (WDCEP) Sponorship	Received	WASHINGTON DC ECONOMIC PA	**$9,500.00**	$9,500	FY24	Competitive	Art Swift	O-Type	No
PO704705	DISB: FY24 Pitchbook Subscription Renewal	Received	PitchBook Data, Inc.	**$20,250.00**	$20,250	FY24	Competitive	Tamara Zedian	O-Type	No
PO704704	DISB: FY24 ZoomInfo Subscription Renewal	Received	Zoominfo MIDCO LLC	**$10,000.00**	$10,000	FY24	Competitive	Tamara Zedian	O-Type	No
PO704266	DISB: FY24 Earned Income Tax Credit (EITC)	Receiving	CAPITAL AREA ASSET BUILDING	**$250,000.00**	$131,266.17	FY24	Competitive	Michelle Hammonds	O-Type	No
PO704221	DISB: FY24 Digital & Social Media Advertising (Washington City Paper)	Received	MDE CITY PAPER HOLDINGS LLC	**$27,000.00**	$27,000	FY24	Competitive	Art Swift	O-Type	No
PO704192	DISB: FY24 Promotional Items (Comms)	Received	SENODA INC.	**$9,964.25**	$9,964.25	FY24	Competitive	Art Swift	O-Type	Yes
PO704039	DISB: FY24 Courier Services	Receiving	MIGUEL D. TARVER DBA/MDT	**$6,000.00**	$2,475.00	FY24	Competitive	Art Swift	O-Type	No
PO703560	DISB: FY24 Weekly Publication (The Washington Informer)	Received	WASHINGTON INFORMER NEWSPAPER	**$21,000.00**	$21,000	FY24	Competitive	Art Swift	O-Type	Yes
PO703542	DISB: FY24 Graphic Design, Translation, Meeting & Printing Services	Received	The Aquiline Group LLC	**$9,900.00**	$9,900	FY24	Competitive	Art Swift	O-Type	Yes
PO703532	DISB: FY24 DC BizCAP Graphic Design Services	Received	MTB ENTERPRISES LLC	**$9,500.00**	$9,500	FY24	Competitive	Art Swift	O-Type	No
PO702322	DISB: FY24 Microsoft M365 G3 Licenses	Received	CDW GOVERNMENT INC	**$11,197.87**	$11,197.87	FY24	Competitive	Shankar Vaidyanathan	O-Type	No
PO702205	DISB: FY24 Opportunity Accounts (Service Existing Accounts)	Receiving	CAPITAL AREA ASSET BUILDING	**$95,500.00**	$17,062.30	FY24	Competitive	Michelle Hammonds	O-Type	No
PO701730	DISB: FY24 DISB Leased Vehicle	Receiving	ALL CAR LEASING INC	**$8,525.00**	$7,100	FY24	Competitive	Gregory Ellis	O-Type	No
PO701280	DISB: FY24 Lumen5 Enterprise Plan Renewal	Received	ABC TECHNICAL SOLUTIONS INC	**$13,101.42**	$13,101.42	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO700926	DISB: FY24 CSBS Supervisory & Non-Depository Dues	Received	CONFERENCE OF STATE BANK SUPER	**$40,144.00**	$40,144	FY24	Competitive	Samuel Fuller	O-Type	No

PO700829	DISB: FY24 Premium Tax Exam	Receiving	Examination Resources, LLC	**$140,046.25**	$138,391.25	FY24	Competitive	Philip Barlow	O-Type	No
PO700825	Copy of FY24 DISB:Pitney Bowes - GSA 47QSMA21D08R3 L-TOP SIN 532420LT	Receiving	PITNEY BOWES	**$40,000.00**	$14,254.24	FY24	Competitive	Gregory Ellis	O-Type	No
PO700824	DISB: FY24 Law360 Subscription Renewal	Received	PORTFOLIO MEDIA INC.	**$10,314.00**	$10,314.00	FY24	Competitive	Gregory Ellis	O-Type	No
PO700818	DISB: FY24 Monthly Advertising	Receiving	The Digital Sauce	**$28,350.72**	$25,089.36	FY24	Competitive	Art Swift	O-Type	Yes
PO700088	DISB: FY24 Media Intelligence Services	Receiving	MELTWATER NEWS US, INC	**$18,700.00**	$17,857	FY24	Competitive	Art Swift	O-Type	No
PO700077	DISB: FY24 LexisNexis Renewal	Receiving	RELX INC.	**$61,554.84**	$59,086.72	FY24	Competitive	Katrice Purdie	O-Type	No
PO700068	DISB: FY24 Dell Dual Monitors	Received	ABC TECHNICAL SOLUTIONS INC	**$18,913.20**	$18,913.00	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO699761	DISB: FY24 STAR Maintenance Renewal	Received	TYLER TECHNOLOGIES INC.	**$95,280.00**	$95,280	FY24	Competitive	Stephen Bouchard	O-Type	No
PO699488	DISB: FY24 Xerox Support Maintenance Renewal	Receiving	XEROX CORPORATION	**$116,334.52**	$109,585.14	FY24	Negotiated	Shankar Vaidyanathan	O-Type	No
PO699434	DISB: FY24 Financially Fit DC Server Maintenance	Received	FELA LLC	**$55,000.00**	$55,000	FY24	Competitive	Michelle Hammonds	O-Type	Yes
PO699211	DISB: FY24 IBM FileNet Software	Received	DOCUMENT SYSTEMS INC	**$32,080.80**	$32,080.80	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO698837	DISB: FY24 Westlaw/Thomas Reuters Renewal	Received	WEST PUBLISHING CORP	**$28,190.52**	$28,190.52	FY24	Competitive	Katrice Purdie	O-Type	No
PO698831	DISB: FY24 TEEM Subscription & Support Maintenance Renewal	Received	ABC TECHNICAL SOLUTIONS INC	**$8,249.87**	$8,249.87	FY24	Competitive	Shankar Vaidyanathan	O-Type	Yes
PO698827	DISB: FY24 Legal Files Licenses & Software	Received	LEGAL FILES SOFTWARE INC	**$11,130.00**	$11,130.00	FY24	Competitive	OGC	O-Type	No
PO698767	DISB: FY24 CIC-DC Sponsorship	Received	CAPTIVE INSURANCE COMPANIES AS	**$5,000.00**	$0	FY24	Competitive	Sean O'Donnell	O-Type	No
PO698758	DISB: FY24 DC Chamber of Commerce's Annual Gala & Hispanic Business	Received	DC CHAMBER OF COMMERCE	**$10,000.00**	$10,000	FY24	Competitive	Art Swift	O-Type	No
PO698755	DISB: FY24 DC Chamber's Choice Awards & Gala	Received	GREATER WASHINGTON HISPANIC	**$10,000.00**	$10,000	FY24	Competitive	Art Swift	O-Type	No
PO698750	DISB: FY24 WingSwept	Received	WINGSWEPT LLC	**$27,160.00**	$27,160.00	FY24	Competitive	Mike Ross	O-Type	No
PO698733	DISB: FY24 Housing Counseling (Nov. 16th, 2023-Sept. 30th, 2024)	Receiving	HOUSING COUNSELING SERVICE	**$824,525.00**	$823,759.03	FY24	Negotiated	Ben Arnold	O-Type	No
PO697161	DISB: FY24 Housing Counseling Services(October 1st-November 15th)	Receiving	HOUSING COUNSELING SERVICE	**$174,975.00**	$168,639	FY24	Negotiated	Ben Arnold	O-Type	No
PO697156	DISB: FY24 Shredding & Recycling Services	Received	BRIAR PATCH SHREDDING AND R	**$5,700.00**	$5,700	FY24	Competitive	Gregory Ellis	O-Type	Yes

Total Amount	**$6,655,796.62**	**$5,073,531.54**

Order ID	Product/Service	Status	Contracting Party	Budgeted Amount	Actual Spending	Term	Negotiated/ CompetitiveBid	Contract Monitoring	Monitoring Activity	Funding Source	CBE/SBE
PO718760	DISB: FY25 Xerox Support Maintenance Renewal	Ordered	XEROX CORPORATION	**$110,683.76**		FY25					
PO718683	DISB: FY25 Media Intellgence Services Renewal	Received	MELTWATER NEWS US, INC	**$18,300.00**		FY25					
PO718680	DISB: FY25 Mayor¿s Annual Senior Holiday Celebration (Promotional Items)	Ordered	SENODA INC.	**$9,992.50**		FY25					
PO718670	DISB: FY25 Elder Advertising Services	Ordered	THE BEACON NEWSPAPERS INC	**$14,700.00**		FY25					
PO718648	DISB: FY25 DISB Moving Services	Ordered	CAPITAL SERVICES AND SUPPLIES	**$8,350.00**		FY25					
PO718225	DISB: FY25 Professional Design Layout and Production Services (CW101533)	Receiving	EIGHTZERO	**$60,000.00**		FY25					
PO715193-V2	DISB: FY25 Financially Fit DC Server Maintenance	Ordered	FELA LLC	**$55,000.00**		FY25					
PO718139	DISB: FY25 Outcome Tracker Platform	Ordered	VistaShare LLC	**$29,140.00**		FY25					
PO717965	DISB: FY25 Housing Counseling (Nov. 16th, 2024-September 30, 2025)	Ordered	HOUSING COUNSELING SERVICE	**$885,000.00**		FY25					
PO715115-V2	DISB: FY25 STAR System Maintenance & Hosting Tyler Technologies	Received	TYLER TECHNOLOGIES INC.	**$95,280.00**		FY25					
PO717933	DISB: FY25 George Washington University: DISB Staff Retreat	Ordered	GEORGE WASHINGTON UNIV DBA	**$45,870.00**		FY25					
PO717758	of Commerce¿s Annual Gala and Hispanic Business Hall of Fame	Received	GREATER WASHINGTON HISPANIC	**$10,000.00**		FY25					
PO717327	DISB: FY25 All-Staff Professional Development	Receiving	GALLAUDET UNIVERSITY	**$34,948.24**		FY25					
PO717256	DISB: FY25 OFEE Promotional Program Supplies	Ordered	SENODA INC.	**$7,546.60**		FY25					
PO716931	DISB: FY25_Professional Event Planning and Management_CW116375 Option Year 1	Ordered	BAYNE LLC	**$79,560.00**		FY25					
PO716924	DISB: FY25 Form & Rate Review	Ordered	LEWIS & ELLIS LLC	**$100,000.00**		FY25					
PO716895	DISB: FY25 RENTAL STORAGE SPACE FEE	Ordered	SENTINEL SQUARE HANA OW LLC	**$9,456.00**		FY25					
PO716844	DISB: FY25 Housing Counseling (October-Nov. 15th, 2024)	Receiving	HOUSING COUNSELING SERVICE	**$110,000.00**		FY25					
PO716750	DISB: FY25 Lumen5 Enterprise Plan Renewal	Received	ABC TECHNICAL SOLUTIONS INC	**$13,817.98**		FY25					
PO716744	DISB: FY25 WingSwept (CMTS) Annual Renewal	Received	WINGSWEPT LLC	**$28,518.96**		FY25					
PO715207-V2	DISB: FY25 CIC-DC Sponsorship	Ordered	CAPTIVE INSURANCE COMPANIES AS	**$0.00**		FY25					
PO715966	DISB: FY25 Agency Leased Vehicle	Receiving	ALL CAR LEASING INC	**$9,420.00**		FY25					
PO715218	DISB: FY25 Pitney Bowes - GSA 47QSMA21D08R3 L-TOP SIN 532420LT	Receiving	PITNEY BOWES	**$15,000.00**		FY25					
PO715083	DISB: FY25 Shredding & Recycling Services	Receiving	BRIAR PATCH SHREDDING AND R	**$6,420.00**		FY25					
PO715079	DISB: FY25 Westlaw/Thomson Reuters Renewal	Received	WEST PUBLISHING CORP	**$29,599.80**		FY25					

Appendix 12

Department of Insurance, Securities and Banking (SR0)
Fiscal Year 2024 and 2025 Federal and Private Grant

Fiscal Year	Type of Grant	Awarded by	Grant Title	Award Date	End Date	Comments	Award Amount
2024	Federal	Department of Health and Human Services	State Flexibility to Stabilize the Market Grant Cycle II	9/15/2021	9/14/2024	Grant period from 09/15/2021 to 09/14/2024	671,456.71
	Private	Investor Protection Trust (IPT)	DISB Securities Education Program	8/30/2023	12/31/2024	Grant period from 08/30/2023 to 12/31/2024	56,400.00
2024 Total							**671,456.71**
2025	Federal	Department of Health and Human Services	State Flexibility to Stabilize the Market Grant Cycle II	9/15/2021	9/14/2025	Grant period from 09/15/2021 to 09/14/2025	107,573.88
	Federal	Department of Health and Human Services	Access to Women's Health	9/20/2024	9/19/2026	Grant period from 09/20/2024 to 09/19/2026	609,467.00
	Private	Investor Protection Trust (IPT)	DISB Securities Education Program	8/30/2023	12/31/2024	Grant period from 08/30/2023 to 12/31/2024	2,000.00
2025 Total							**719,040.88**

For FY 2024 and FY 2025, the Grants pay for Contractual Services and all FTEs are funded by Special Purposed Revenue funds.

Appendix 13

DC DEPARTMENT OF INSURANCE, SECURITIES AND BANKING



REPORT ON MARKET CONDUCT EXAMINATION

Evaluating Unintentional Bias in Private Passenger Automobile Insurance

Covering the Period from January 1, 2019 through December 31, 2021

DISB | GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

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Executive Summary

Black and Hispanic drivers who have obtained private passenger auto insurance ("insureds") are paying higher premiums, and we have identified several actual or potential reasons why that is happening, but fundamentally, we do not believe that race is an attribute of increased risk. There may be systemic issues that lead to higher losses that are correlated with race and there may also be rating or other policy characteristics that result in higher premiums for Black and Hispanic insureds because they are correlated with race. This investigation uncovered differences about how much particular racial groups paid in premiums along with the discrepancies in insurance claims among racial groups. In essence, there may be an unintentional bias that causes Black and Hispanic drivers to pay more in premiums than white and API drivers, and there may be specific reasons why Black drivers represented more claims on average than white, Hispanic or API drivers.

During this review, DISB received information and comments about issues that affect the Black/white average premium gap, but that may not be resolved by insurance rating reform. DISB is exploring other ways to address these issues. Most notably, regarding the significantly higher losses for Black and Hispanic insureds, both in dollar terms and relative to premiums paid than for white insureds, additional study is warranted 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.

Additionally Black and Hispanic drivers are more likely to have driving infractions, but it is not clear as to why these infractions occur. Driving record is a practical and reasonable criterion to use in car insurance rating, because not only does it have a rational explanation for the risk it is addressing, but it also provides potential risk mitigation benefits. This is another area that may benefit from additional study.

What explains the average premium difference by race? There is no evidence that Black and Hispanic drivers are riskier while operating a vehicle or more accident prone. However, there are a variety of factors that may explain this premium disparity including credit-based insurance scores and homeownership discounts. Additionally, some insurers price auto premiums using predictive models. Since premiums are determined mechanically, there may be some factors and/or steps in those models that correlate with race in a way that produces different average premiums by race for DC drivers.

For example, credit-based insurance scores, used by some auto insurance companies in the District, may be correlated with race.[1] Similarly, discounts, like homeownership discounts, may be correlated with race.[2] Because data on these characteristics was not collected for this review, this study cannot conclude how much of the gap could be explained by them. Whether DISB would allow such factors to explain the average premium gap, given their correlation with race, is a separate question – one that

[1] See Figures 8 and 9 in Credit-Based Insurance Scores: Impacts on consumers of automobile insurance, FTC 2007, which display the distribution of ChoicePoint credit-based insurance scores by race, and show that African Americans and Hispanics are overrepresented (compared to Whites and API) at the lower end of the distribution. Note that this fact is completely independent of the issue of how credit-based insurance scores relate to expected risk.

[2] E.g., "Homeownership is profoundly stratified by race and ethnicity, as is health. Approximately 74% of White households own their homes, compared to only 45% of Black and Latino households (U.S. Census Bureau 2013)." from Finnigan R. Racial and ethnic stratification in the relationship between homeownership and self-rated health. Soc Sci Med. 2014 Aug; 115:72-81. doi: 10.1016/j.socscimed.2014.06.019. Epub 2014 Jun 13. PMID: 24953499; PMCID: PMC4301401.

could be addressed by a "balancing test," as outlined in the Analytic Approach section.

One such opportunity for further analysis: at a recent Congressional hearing,[3] Mr. Robert Gordon, Senior Vice President, American Property and Casualty Insurance Association (APCIA) indicated the APCIA has studies showing a direct connection between credit scores and actual hard braking and hard acceleration driving behavior. Gordon also indicated they have studies showing credit scores are not discriminatory, but DISB believes the referenced study does not look at the racial impact of credit scores on insurance premiums. DISB believes that hard braking and hard acceleration provide a rational explanation for expected losses and would allow them as factors to explain the average premium gap. However, when a proxy for hard braking and hard acceleration is used, the insurer should also be required to consider a balancing test like that mentioned above.

The DISB examination, explained in detail in this report, found that inferred Black drivers pay 1.46 times as much as inferred white drivers, whereas inferred Hispanic drivers pay 1.20 times as much, and inferred API drivers pay 1.02 times as much. In dollar terms, that translates into the average annual premium of $705 for white drivers, $1,031 for Black drivers, $849 for Hispanic drivers, and $722 for API drivers. This will be referred to as a "Black/white average premium gap" of $326.

The examination also looked into cumulative paid losses by race, and found that Black drivers, as a group, represented more claims on average than white, Hispanic, or API drivers. In fact, Black drivers' average losses were 2.38 times that of white drivers. From the actuarial perspective, this means Black drivers are more costly as a group than the other groups, because although their premiums are high (relative to white drivers), their losses are even higher (relative to white drivers).

In undertaking this analysis, however, DISB did not expect the exact same premiums for different race groups. Rather, DISB, with input from stakeholders, sought to identify factors that could explain the average premium gaps, and specifically the Black/white average premium gap. For example, DISB looked at age, type of policy, driving record, claim history, gender, and many others factors to determine if and how those factors impact premiums. When accounting for all these factors, however, there was still an average premium gap of $271 between Black and white drivers.

Because we have no data on the driving skills of residents based on race of the drivers, a commonsense approach to understanding the results of the study is for DISB to take further action, including, but not limited to, conducting further study and deeper analysis to determine if there are social and systemic reasons for this result.

[3] The Factors Influencing the High Cost of Insurance for Consumers, Thursday, November 2, 2023 2:00 PM, Subcommittee on Housing and Insurance at approximately 1:51 (available at: financialservices.house.gov/calendar/eventsingle.aspx?EventID=409012:).

Background

In 2020, Karima Woods, Commissioner for the District of Columbia Department of Insurance, Securities and Banking (DISB), directed the creation of DISB's first Diversity, Equity, and Inclusion Committee to engage in a wide-ranging review of financial equity and inclusion and to make recommendations to remove barriers to accessing financial services. DISB staff developed draft initiatives, including an initiative related to insurers' use of factors such as credit scores, education, occupation, home ownership and marital status in underwriting and ratemaking. Stakeholder feedback on this draft initiative resulted in DISB concluding that data was necessary to properly address this initiative. DISB staff conducted research and contacted subject matter experts before determining that relevant data was not generally available.

DISB undertook this project to collect the relevant data. Through the data call, insurers provided data on car insurance premiums in Washington, DC for one-vehicle/one-driver policies, inferring race with the BIFSG methodology[4]. For reference, one-vehicle/one-driver policies represent 64% of all auto insurance policies in the District and 54% of aggregate premium.[5]

DISB determined this initiative will be deliberative and transparent to ensure the resultant data would address the issue of unintentional bias. DISB also decided to focus initially on private passenger automobile insurance, as that line of insurance affects many District consumers, and DISB's staff have questioned insurers' use of non-driving factors in their rating and underwriting practices.

For this project looking at the potential for unintentional bias in auto insurance, DISB conducted a review of auto insurers' rating and underwriting methodologies. As a first step, DISB held a public hearing on Wednesday, June 29, 2022, to gather stakeholder input on the review plan. DISB engaged the services of O'Neil Risk Consulting and Algorithmic Auditing (ORCAA) to assist and provide subject matter expertise. Additionally, DISB held follow up meetings with industry and consumer representatives to address any items requiring additional information and provided exposures for public comment. Finally, DISB staff reached out to subject matter experts during the conduct of this examination to address specific issues. All details of meetings, exposures and comments are on our website — disb.dc.gov/page/evaluating-unintentional-bias-private-passenger-automobile-insurance.

Motivation

DISB wanted to explore whether the use of certain information by auto insurers in the application and underwriting process may cause unintentional harm to those who are Black, indigenous, people of color, or belong to another protected class of Washington, DC consumers. Examples of such information that may be considered proxies for race include: credit scores, education, home ownership, occupation, and marital status.

This analysis builds off earlier work undertaken by DISB. Previous work included a market conduct examination that looked at specific insurers' models used for auto insurance. From that examination,

[4] See Appendix A for a discussion of this methodology.

[5] We did a preliminary review of premiums for multi-vehicle/multi-driver policies. Average premiums were about 50% higher overall than for one-vehicle/one-driver policies ($1,313 vs $884), which makes sense given that these policies have more exposures. Importantly, the distribution of average premium by race was similar to one-vehicle/one-driver policies.

DISB concluded the models reviewed were working as intended and did not include any factors that would directly introduce bias into the rating process. However, the review could not determine if unintentional bias was present.

All private passenger automobile insurance rates are reviewed and approved by DISB actuaries to our statutory standard that the rates are not excessive, inadequate, or unfairly discriminatory. That includes the rates analyzed as part of this examination. However, DISB is responsible for maintaining a well-functioning market for insurance in DC, not just ensuring the actuarial appropriateness of premiums. DISB has taken actions previously to address potential racial bias in auto insurance premiums through our longstanding prohibition on territorial ratings. This examination looked at premiums using methodologies that have been developed more recently to evaluate potential bias in the use of algorithms.

Analytic Approach

This section discusses the report's main analysis: what DISB measured (the average premium difference by race) and why, how the measurement accounted for certain factors, and why those factors were chosen.

This is not an actuarial analysis, nor is it intending to be. It does not seek to determine whether particular rating factors are biased; DISB's previous examination addressed that. Rather, this analysis investigates whether the aggregate effect of correlations between rating factors and race, as reflected in premiums, could amount to a bias impact. This is the potential harm: that the use of rating factors correlated with race may result in members of a protected class paying higher premiums, particularly given the imperfection inherent in rating classification systems.

As for which protected classes to consider, this is inherently a subjective determination, in this case by the regulator. For this review, because of its historical significance, perceived potential impact on outcomes and the significance for residents of the District of Columbia, DISB chose to focus on racial bias, and for simplicity, much of the discussion will address the average premium difference between Black drivers and white drivers. [6]

DISB notes that none of the insurance companies provided any indication in their answers to the qualitative questions in the data call of taking any action before using rating factors to minimize the potential bias or even establish whether the factor is correlated with race such that certain race groups are more likely to be included in high-risk categories.

[6] DISB is concerned with racial equity among all groups, not just Black and white. In this first analysis and report we focused on the Black-white premium gap because they are by far the largest racial/ethnic groups in DC ("white alone" being 39.6% of the DC population and "Black alone" being 41.4%, as of the 2020 Census), and given the history of this inquiry by DISB.

The critical question is, how can DISB test for this potential harm? Or, to frame it positively, how do we define racially equitable? We mean:

The distribution of premium is "*racially equitable*" if:
[the difference] between race groups in average premium
is [small enough],
after accounting for [allowed factors].

Below we discuss the bracketed terms in this definition.

How is the difference measured? Linear regression

This analysis measures the differences using linear regression. DISB chose this technique because it widely used, relatively simple, and understandable. DISB does not contend this is the only possible approach; the difference could be measured using other techniques, e.g. Generalized Linear Models (GLMs)[7]. Other techniques make fewer and/or different assumptions about the structure of the underlying data, yet produce results that are arguably more difficult to interpret or explain.

Nonetheless DISB is open to incorporating additional measurement approaches in future analyses of this kind, as a robustness test.

How small is 'small enough'? No threshold for now

The analysis done so far has no threshold of acceptability. The goal was simply to measure the average premium difference by race.

Looking ahead: Once a measurement approach is developed and a baseline measurement taken, DISB may consider normative questions. Does the difference need to disappear entirely? Or at least shrink to a modest enough size that it is acceptable?

Thresholds may be defined in relative terms (e.g., "Insurers for whom the difference is above the median among DC insurers, must take some action…") and may move over time (e.g., there could be an absolute limit on size of the difference, which tightens year over year).

Accounting for differences: 'allowed factors'

In the context of this report's analysis, 'allowed factors' are characteristics (of drivers, their vehicles, or their insurance policies) that are used to explain some of the variation across race groups in premium. Concretely, they are used as control variables in regressions modeling premium.

[7] Linear regression is a statistical modeling tool that predicts the relationship between unknown and known data points based on explanatory variables. A GLM is a type of linear regression that can examine a broad range of data types and relationships using error distributions and link functions.

DISB recognizes that since insurers follow detailed rating plans, for a given carrier it is possible to fully explain the premium for a given policy, simply by applying the relevant rating plan to the characteristics of that policy (including its drivers and vehicles). DISB also recognizes, as noted in "Motivation", that it reviewed and approved the rating plans from which the premiums in this analysis arise.

That notwithstanding, DISB asserts that at the marketplace level premiums may be racially inequitable. To determine whether they are, DISB seeks a way of comparing premiums among like-risks, across the marketplace. This notion of like-risks needs to be common across carriers, and meaningful to consumers as an explanation for premiums The 'allowed factors' in the main analysis in this report were chosen, with these criteria in mind, among factors suggested by stakeholders' in response to DISB's July 19, 2022 request for comments.

There are three ways a factor would be allowed by DISB:

1. Factors with a "rational explanation" for the relationship with losses. According to the NAIC Casualty Actuarial and Statistical Task Force's Regulatory Review of Predictive Models white paper:

   > A "rational explanation" refers to a plausible narrative connecting the variable and/or treatment in question with real-world circumstances or behaviors that contribute to the risk of insurance loss in a manner that is readily understandable to a consumer or other educated layperson. A "rational explanation" does not require strict proof of causality but should establish a sufficient degree of confidence that the variable and/or treatment selected are not obscure, irrelevant, or arbitrary. [8]

2. Factors for which there is no expectation of a strong correlation with race, such as gender.

   Not used in this analysis, but looking ahead:

3. Factors that pass a "balancing test," which is to say (1) the factor is correlated both with race and with claim frequency and/or severity (i.e., risk), and (2) its contribution to estimating frequency/severity outweighs its functioning as a proxy for race. It was not a goal of this analysis to conduct such a test, but designing and calibrating an appropriate balancing test for the DC auto insurance context would be a significant and worthwhile project.

Scope of analysis

DISB reviewed recent applications for auto insurance from consumers who reside in Washington, DC.The review required all carriers writing private passenger auto policies in the District of Columbia to submit data from recent applications to DISB for testing through a data call. This report is based on a review of the data in aggregate. The elements of the data call were developed based on input at a

[8] Casualty Actuarial and Statistical (C) Task Force Regulatory Review of Predictive Models White Paper, Adopted by the Property and Casualty Insurance (C) Committee, 12/8/20, https://content.naic.org/sites/default/files/CA-WP-20.pdf

public hearing and appropriate follow up.

Since insurance carriers do not collect information about applicants' races or ethnicities, this information was inferred for the limited purpose of the testing in this review. ORCAA used the Bayesian-improved firstname surname geocoding (BIFSG) methodology to infer the race of policyholders and applied it to all insurers in the same way. Appendix A of the report provides additional information about the BIFSG methodology.

Additional comments

DISB did not require detailed information about carriers' underwriting or pricing models, such as a description of the models' structures, lists of variables used, and their weights. The focus was on the outcomes of these models.

The analysis relied on data provided by the examined insurers. Some data was excluded if elements necessary for the analysis were missing or corrupted. Neither DISB nor ORCAA audited the underlying data for accuracy or completeness.

DISB did not have sufficient information to evaluate two of the identified rating factors (vehicle make and model) and recognize that individual companies may have additional rating factors that are not reflective of unintentional bias and companies vary in the way factors are used in developing rates. In light of this variation across insurers, DISB had to decide how to treat certain factors in this analysis so data from multiple insurers could be aggregated. For example, the driving records data insurers submitted to DISB contained many distinct coding schemes, reflecting that different insurers classify driving histories differently; to enable aggregation, in this analysis DISB structures driving history as a categorical variable with 3 values.

The Study

DISB engaged ORCAA in connection with the work of its Diversity Equity and Inclusion Committee, as described above. ORCAA's dual mission is to help define accountability for algorithms, and to keep people safe from harmful consequences of AI and automated systems. Whether it's a hiring algorithm, healthcare AI, predictive scoring system, or generative AI platform, ORCAA thinks about how it could fail, for whom, and what can be done to monitor and mitigate these risks. Cathy O'Neil, CEO of ORCAA, has been an independent data science consultant since 2012 and has worked for clients including the Illinois Attorney General's Office and Consumer Reports. She wrote the book *Doing Data Science* in 2013 and *Weapons of Math Destruction: How Big Data Increases Inequality And Threatens Democracy*, released in September 2016. ORCAA's prior work in insurance includes assisting the Colorado Division of Insurance with implementation of SB21-169 — Protecting Consumers from Unfair Discrimination in Insurance Practices.

Following input submitted by stakeholders in writing and at a June 29, 2022, public hearing, DISB published a memo[9] further explaining its plans for this review and requesting comments. The memo includes a preliminary list of outcomes to be studied (Quoted prices; Underwriting decisions; Premiums;

[9] disb.dc.gov/sites/default/files/dc/sites/disb/page_content/attachments/request-comment-unintentional-bias-auto-insurance.pdf

Loss ratio)[10] and a preliminary list of factors that DISB believes provide a rational explanation for differences across race groups in these outcomes.

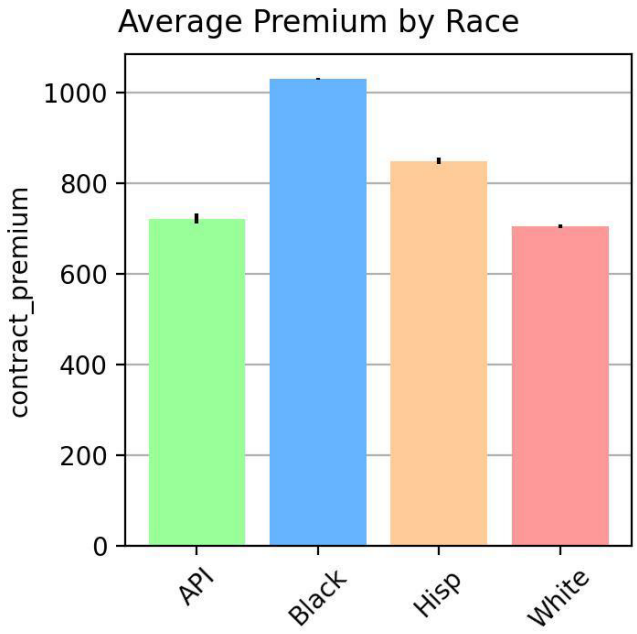
Throughout the process, a wide range of stakeholders including insurers, regulators, consumer advocates, and professional organizations provided input and answered questions that strengthened this study. We acknowledge and appreciate their assistance.

The sections below describe the work performed by ORCAA to evaluate the data. DISB and ORCAA staff met weekly throughout the analysis and DISB staff provided input into the analysis process throughout the review.

1. Premium Gap by Race

After narrowing the dataset to one-vehicle/one-driver policies, and applying BIFSG to infer the "most likely race" of the insured, ORCAA studied average premiums by race and made the following graph:

CHART 1



The average annual premium is $705 for white drivers, $1,031 for Black drivers, $849 for Hispanic drivers, and $722 for API drivers. This shows a "Black/white average premium gap" of $326.

[10] This report highlights the analysis of Premium, as price paid is a highly salient outcome for consumers, and the data provided on this outcome was relatively complete and commensurable across carriers. Data on Losses was also incorporated, as discussed in Sections 3 and 5. The data received on Quotes was noisier, but generally consistent with Premiums; it is discussed in Appendix B. While data on Underwriting decisions was collected in the data call, DISB determined the information was covered by the Quote and Premium analysis, in the sense that ratings and classifications are reflected in the prices consumers see and pay.

2. Premium Compared to Losses, by Race[11]

ORCAA computed the overall losses by race and noted that on average, Black policyholders pay more in premium compared to white policyholders — a factor of 1.44 (=1024.42 / 709.96) — but generate 2.38 (=611.54 / 256.49) times the losses, on average. This means Black drivers are more costly as a group than the other groups, because although their premiums are high (relative to white drivers), their losses are even higher (relative to white drivers):

TABLE 1

Inferred race	Average premium ($)	Average Loss ($)	Aggregate losses / Aggregate premiums
API	734.54	279.76	0.38
Black	1024.42	611.54	0.60
Hispanic	858.82	370.32	0.43
White	709.96	256.49	0.36

3. Explanatory Factors

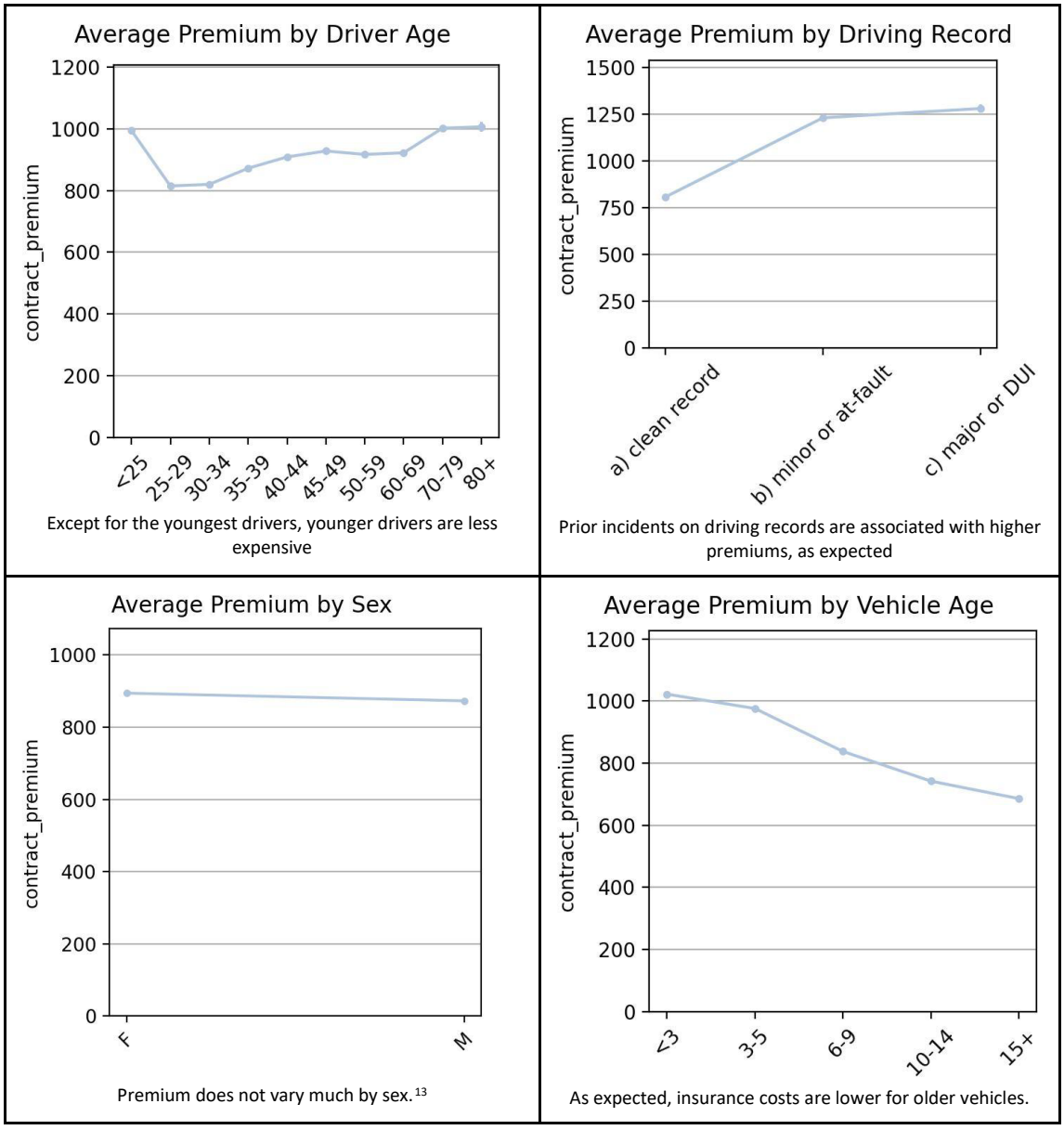
DISB and ORCAA looked for explanations for why premiums were higher for Black drivers. The method is shown here for four of the factors investigated: age of policyholder, driving record of policy holder, gender of policyholder, and age of vehicle. Appendix C includes a full list of factors investigated.[12] The list of factors was developed by DISB based on input from our July 19, 2022 request for comments.

First, ORCAA takes a given factor and groups its values (into "bins") then looks at the average premium within each bin:

[11] This analysis could only be conducted on a subset of the data because (1) some carriers submitted data to DISB in a format that did not permit linkage of claims data with premium amounts; and (2) policies written after 2020 were excluded from the analysis since their claims experience is relatively immature. The analysis in this section comprises 237,595 policies from 2019-2020 – a subset of the policies in the previous section's analysis of premiums.

[12] DC does not allow territorial ratings; so, territory is not an explanatory factor in this analysis.

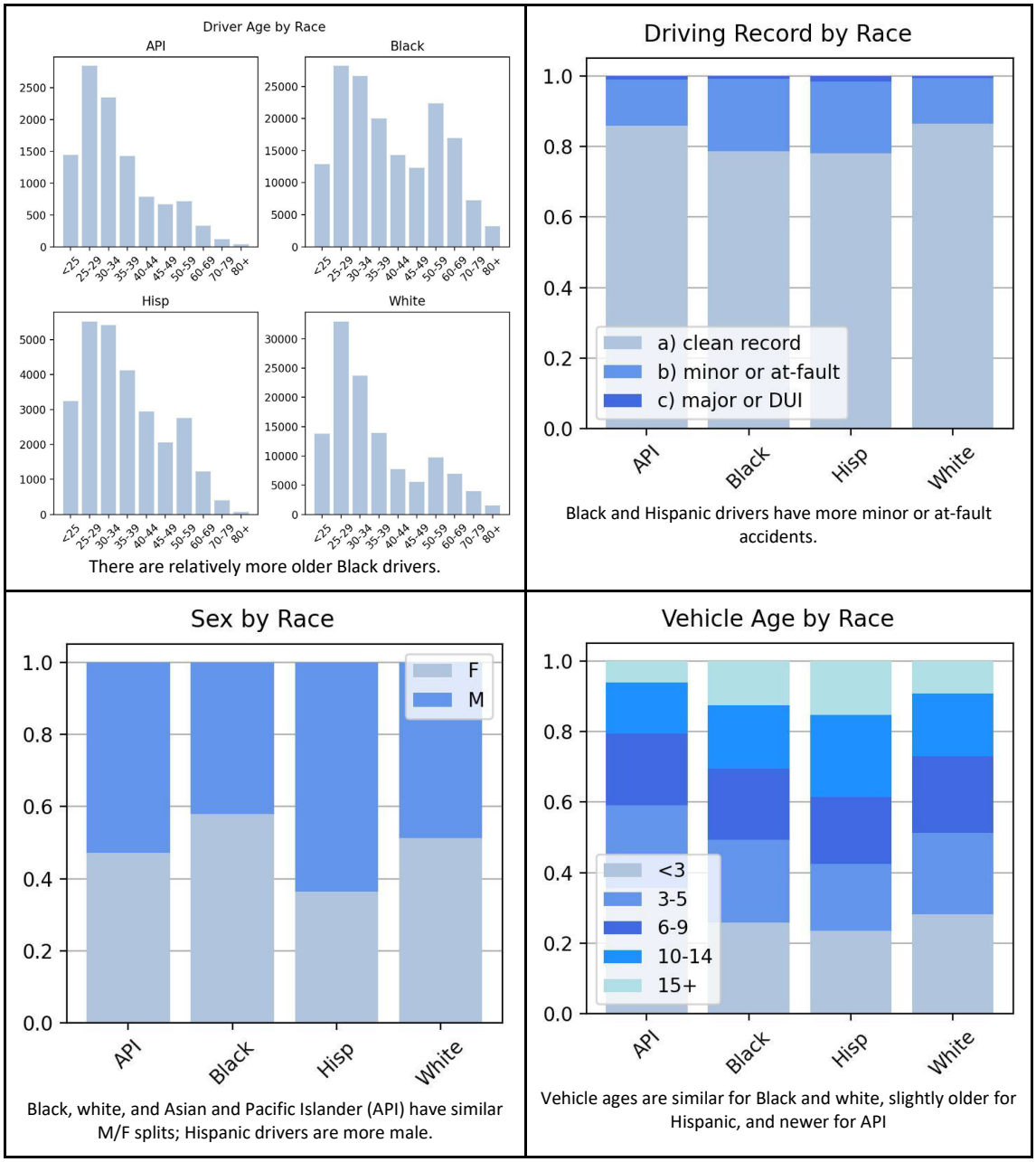
CHARTS 2-5



[13] F/M are the standard gender identity data points currently collected by insurers.

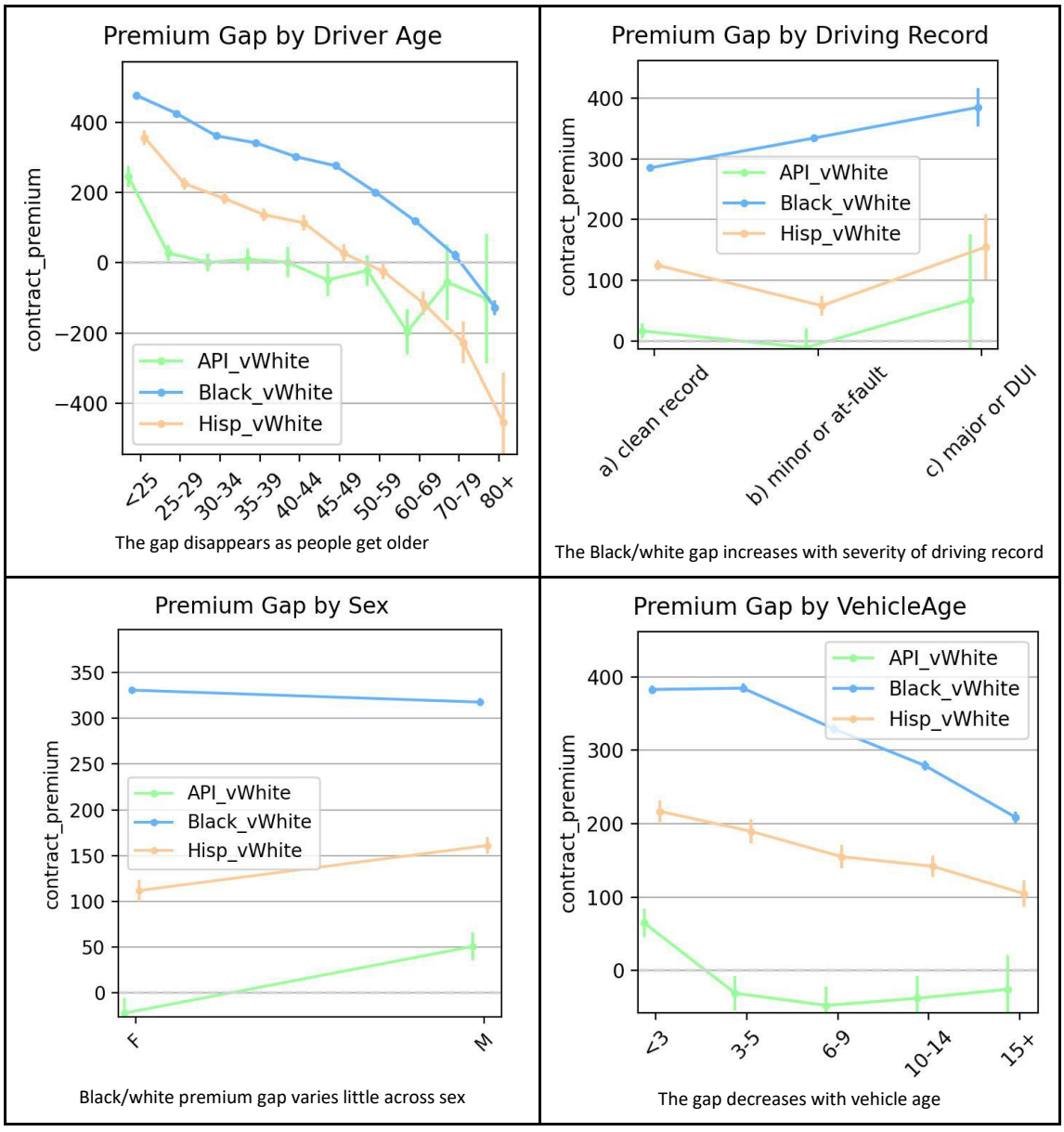
Next, ORCAA looked at the distribution of these factors by race:

CHARTS 6-9



Third, ORCAA looked at how rates vary by race across these factors individually, which is to say we see if the factors are "explaining" the average premium gap. Note that these are the premium gap relative to what white policyholders pay in the same bin, so we are seeing the amount non-white drivers pay *relative* to white drivers:

CHARTS 10-13

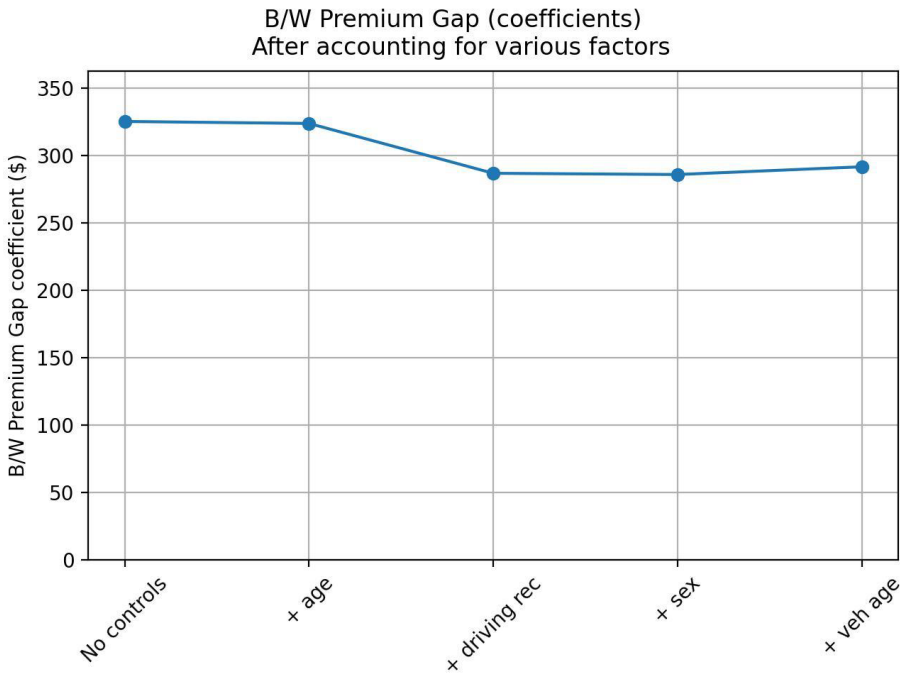


From the above examples, we can conclude that the driving record will "explain" some of the Black/white average premium gap, because Black drivers have more at-fault accidents *and* those policies tend to be more expensive. Indeed, the gap is highest for policy holders that have a DUI in their record.

On the other hand, given the above picture we don't expect to see much "explanation" of the Black/white average premium gap due to the age of the driver or the age of the car.

The final step is to account for the above four factors and see how much the Black/white average premium gap is diminished.[14] Therefore, consider the following graph:

CHART 14



In other words, the Black/white average premium gap has gone from $325 to $295 once we account for age of driver, driving record, payment type, and age of car.

Appendix C includes a similar graph for the full set of explanatory factors we considered (adding marital status, coverage limits, policy year, new car, and prior lapse in coverage). Note: DISB did not collect data on the value of vehicles, so it could not be accounted for. The Black/white average premium gap after accounting for all these factors is $271.

4. Relationship of Premium to Claims and Losses

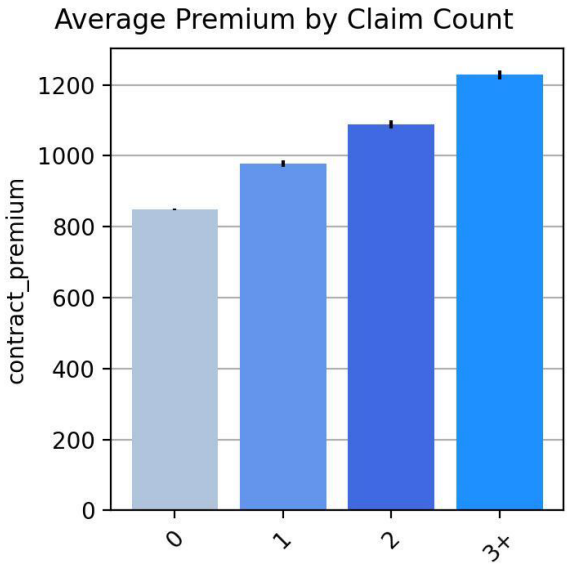
This report treats claims as an explanatory factor separately, for two reasons. First, while, ideally, DISB would have three prior years of a given driver's claims experience leading up to a given policy premium, but unfortunately only had claims data from the same three years that there was premium data (2019-2021). Also, DISB could not track a given driver across insurers, so if a driver's prior claims were with a

[14] See Appendix D for the methodology used here.

different insurer, DISB could not see them. Claims data is statistically very different from the other kinds of factors considered here, in that it is both sparse (85% of drivers have no claims) and fat-tailed (the claims vary in size tremendously).

Even so, DISB learned some important things by looking at the claims data available. First, DISB looked at how premiums vary by the number of claims a policyholder has (note these claims occurred *during* the policy period, i.e., after the associated contract premium was set):

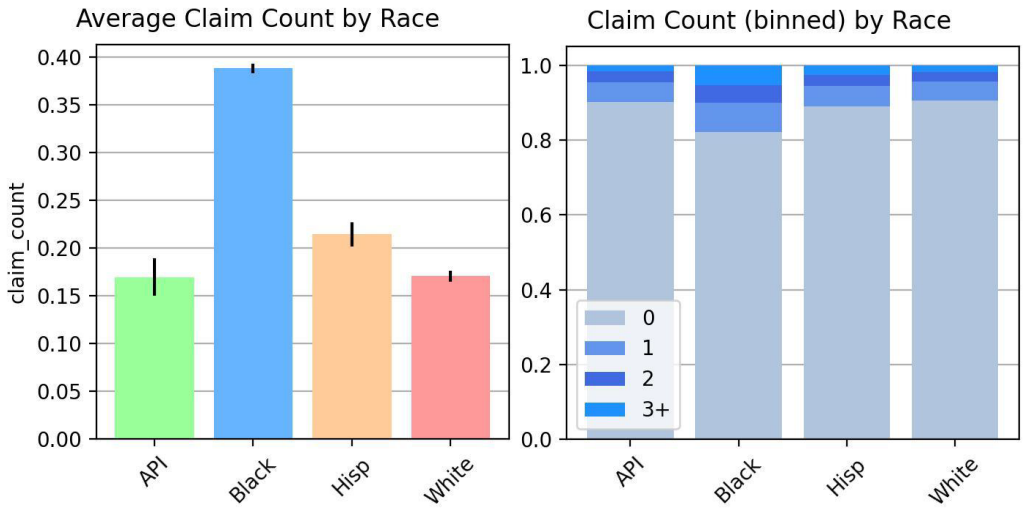
CHART 15



Customers who went on to file more claims were charged higher premiums.

Next, we look at the average number of claims by race:

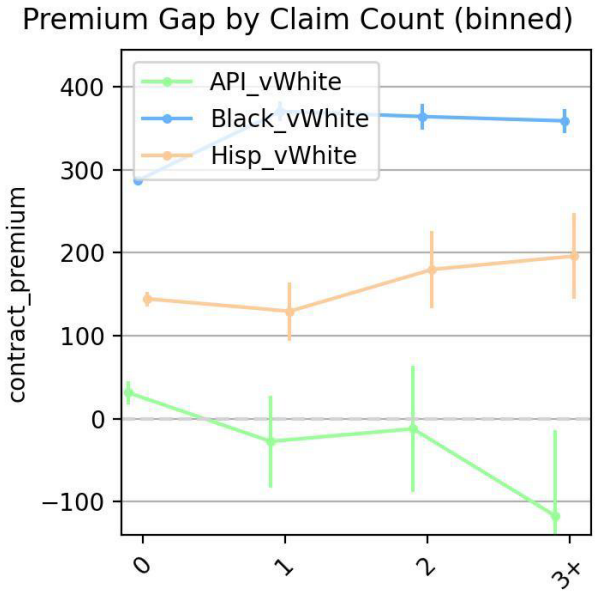
CHARTS 16-17



Black drivers have more than twice as many claims as white drivers on average (left), though most drivers of all races have no claims (right)

Third, we look at how the premium gaps vary with the number of claims:

CHART 18



The gap is bigger as soon as one claim arises.

As noted, DISB lacks sufficient information about "previous claims" for drivers, such that this report cannot conclude that claims do not explain the race gap. To make that conclusion would require building a historical model over a longer time period, allowing DISB to predict the premium next period based on

the premium and the count of claims this period. In fact, DISB did this with the (limited) data on hand, and found that the expected difference in next-period premium between policies that had claims this period and policies that had none is typically about $30 per claim.[15] Even though Black policyholders have over twice as many claims on average as white policyholders, the overall incidence of claims is low: in every race group, >80% of drivers have no claims. This $30-per-claim next-period premium difference, which applies to only a small fraction of policyholders, could not explain very much of the overall Black/white average premium gap of $271.

5. What Does Explain the Black/white Average Premium Gap? Other Factors Not in Our Data

Since premiums are determined mechanically according to rate plans, conceptually every premium can be fully "explained" as the result of applying a known plan to a given applicant's rating characteristics. Since insurers' rate plans do not vary by applicant race, if the results differ on average by race, then the rating characteristics must, too. Put another way, there must be some factors and/or steps in rating plans that correlate with race in a way that produces different average premiums by race for DC drivers. Examples of such factors, that either were not collected for this review or not analyzed, that are commonly used by DC insurers, and which could explain some of the average premium gap, include credit-based insurance scores, discounts (e.g. for homeownership, education level, or multiline), and payment modes.

Based on comments from stakeholders familiar with insurance pricing, these factors are all important differentiators for the makeup of premiums. Moreover, they tend to be multiplicative factors, which is to say they pile up and amount to even more cumulatively.

However, there are arguably no rational explanations for why they predict accident risk; and there is evidence[16] they are correlated with race in ways that would widen the Black/white average premium gap. For example, multiline discounts reward customers who have more assets to insure — and therefore correlate with race as well, again without a rational explanation. Finally, payment mode discounts (e.g. discount for payment-in-full) also correlate with wealth -- and thus race[17] -- because they rely on the ability to pay in advance. With premium rates in mind, that translates to white drivers being asked to pay on average $705 in advance, whereas Black drivers are being asked to pay on average $1,031 in advance. This is indeed once again an extra charge against those who can least afford it.

Reflections and Next Steps

As discussed in this report, reviewing premiums relative to insurance losses is important, but DISB also has an interest in ensuring premiums are racially equitable. To that end, DISB should develop a process for identifying rating factors that are correlated with losses and adversely correlated with race for which there is no rational explanation for the relationship with losses. Once identified there should be a determination of thresholds for balancing the impacts of both correlations on premiums.

[15] See Appendix E for more on this.

[16] For credit-based insurance scores and homeownership discounts, see Executive Summary and footnotes 5 and 6, respectively.

[17] In the United States the "racial wealth gap" describes how race correlates with wealth. See, e.g., https://www.brookings.edu/articles/black-wealth-is-increasing-but-so-is-the-racial-wealth-gap/

During this review, DISB received information and comments about issues that impact the Black/white average premium gap, but that may not be resolved by insurance rating reform. DISB should consider other ways to address these issues. Most notably, the losses for Black and Hispanic insureds were significantly higher, both in dollar terms and relative to premiums paid than for white insureds. This warrants 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.

Additionally Black and Hispanic drivers are more likely to have driving infractions, but it is not clear if this is the result of difference in enforcement rather than differences in driving practices. Driving record is a practical and reasonable criterion to use in car insurance, because not only does it have a rational explanation for the risk it is addressing, but it also provides potential risk mitigation benefits. This is another area that may benefit from additional study, but that study likely falls outside the purview of DISB.

Telematics includes a wide range of vehicle specific information that can, under the right circumstances, develop rating methodologies that have a strong rational explanation. Telematics also has the potential to exacerbate some of the concerns that led DISB to undertake the analysis in this examination. A review of how telematics currently is and potentially may be used in underwriting and rating is warranted to identify appropriate consumer protections and standards to balance telematics results when there is a correlation with race.

There are wealth-related factors that may contribute to the Black/white average premium gap. These include:

- Wealthy drivers are better able to directly pay for some insured losses without filing insurance claims.
- Wealthy drivers are more likely to have secure off-street parking for their vehicles.
- Road conditions (paving, lighting, signage, etc.) are likely to be better in wealthy neighborhoods.
- Multiple policy and other discounts likely to provide greater benefit to wealthy drivers.

DISB should consider other ways to address these impacts such as direct subsidies or refundable income tax credits.

Finally, our review showed that quote prices mirror differences by race in average premium. From this we concluded that there was not likely quote bias introduced that would be separate from premium bias. The data also shows that quotes given by agents were lower than quotes through other sales channels and Black consumers are less likely to get quotes through agents. DISB should evaluate the reasons why quotes from agents were lower than otherwise and Black drivers are less likely to get quotes from agents.

As with the work to date, all future work should be done in a deliberate and transparent manner, with a public process and involvement from stakeholders.

Appendices

Appendix A: BIFSG methodology for race inference

Background

We used the Bayesian-improved first name surname geocoding (BIFSG) methodology to infer the race of policyholders.

A forerunner of this methodology, BISG, was developed by the RAND Corporation to "help U.S. organizations produce accurate, cost-effective estimates of racial and ethnic disparities within datasets—and illuminate areas for improvement."[18] At a high level, this approach leverages U.S. Census data to guess an individual's self-reported race/ethnicity based on their name and address. The Census publishes tables on the aggregate demographics of specific geographic areas (e.g., census blocks) and common surnames. For a given address (geocoded to a census block), we can make a guess of a person's race/ethnicity, and likewise for their surname. Then Bayes' theorem[19] is applied to combine the guesses.

We note this approach generates probabilistic guesses, but a given person's self-reported race/ethnicity is a definite label. BISG will not "guess right" for every individual; but still it can be "calibrated" in the sense that if you took many individuals with a 90% probability of being Hispanic (per BISG), 90% would indeed be self-reported Hispanic.

This methodology is used by regulatory agencies in fairness analyses. For example, the CFPB has written about its use of BISG in "conducting fair lending analysis of non-mortgage credit products in both supervisory and enforcement contexts."[20]

The BIFSG methodology we used incorporates another piece of information — the individual's first name (i.e., "F" in "BIFSG") – and another application of Bayes' theorem to further refine the race/ethnicity inference. This refinement of the methodology was proposed and validated by Ioan Voicu of the U.S. Department of the Treasury, Office of the Comptroller of the Currency (OCC).[21] We follow the implementation described in his paper.

Details of our implementation

In our implementation of BIFSG, for each individual we obtained a vector with seven entries. Each entry is a decimal value between 0 and 1 (inclusive) and indicates the probability that the individual belongs to a certain race/ethnicity category used in the 2010 U.S. Census: Hispanic, non-Hispanic Black, non-Hispanic white, non-Hispanic Asian or Pacific Islander ("API"), non-Hispanic American Indian or Alaska Native, Multiracial, Other. These categories are mutually exclusive and collectively exhaustive, so the seven probabilities sum to one.

We took the highest value among the seven and applied the corresponding race/ethnicity label to that individual. This report focuses on the largest categories (API, Black, Hispanic, and white); the graphs and charts omit the categories non-Hispanic American Indian or Alaska Native, Multiracial, and Other, which together represent less than 1% of all data.[22]

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[18] For background, see rand.org/health-care/tools-methods/bisg.html

[19] wikipedia.org/wiki/Bayes%27_theorem

[20] files.consumerfinance.gov/f/201409_cfpb_report_proxy-methodology.pdf

[21] Ioan Voicu (2018) Using First Name Information to Improve Race and Ethnicity Classification, Statistics and Public Policy, 5:1, 1-13, DOI: 10.1080/2330443X.2018.1427012

[22] In the policies data, these 3 race/ethnicity categories comprised 6,561 out of 1,607,113 records; in the quotes

We used the federal geocoding server[23] to find the associated Census block for each customer address provided by an insurer. Geocoding was successful — i.e., a Census block was found — for 303,260 of 322,329 addresses in the data insurers submitted.

For a given observation (insurance application) any of the three BIFSG inputs (firstname, surname, or address) could be missing or degenerate. A "degenerate" address would be one that failed geocoding; a "degenerate" firstname or surname would be one not included in the relevant table. When one or two BIFSG inputs were degenerate or missing, we made an inference with the viable inputs available, which in effect meant "skipping" one or two applications of Bayes' Theorem. When all three BIFSG inputs were missing, we made no race inference.

data, they comprised 24,351 out of 2,607,088 records. Both are less than 1%.

[23] API documentation available at: geocoding.geo.census.gov/geocoder/Geocoding_Services_API.pdf

Appendix B: Quotes analysis

DISB's data call to carriers included a request for data on quotes for insurance coverage that were provided to consumers. Based on discussions with DISB and other stakeholders, we understand the quote process varies considerably across carriers. Different carriers may provide quotes at different junctures, through different channels, based on different information, and display the quotes in different ways.

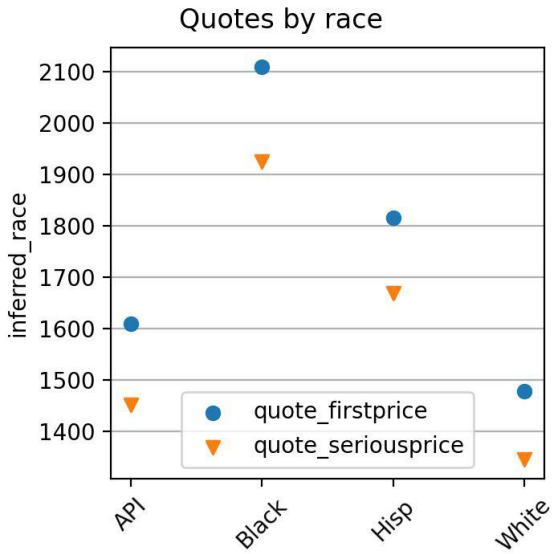
DISB provided definitions in the data call[24] to collect comparable information from everybody. For instance, DISB defined a "serious quote" as one where the consumer's name and address were validated, a price was shown, some vendor data (e.g., motor vehicle records, credit based insurance scores (CBIS), comprehensive loss underwriting exchange (CLUE)) was pulled, and underwriting was called. Still, based on carriers' feedback we understand the data on quotes is somewhat noisy. Consequently, this analysis is preliminary.

Some key findings:

Quote prices by race mirror premium gaps

As with premiums, quotes are highest for Black consumers, lower for Hispanic consumers, and lowest for white and API consumers. For all race groups, the first price shown (quote_firstprice) is about 10% higher than the price shown when/if the quote becomes "serious" (quote_seriousprice).

CHART A1

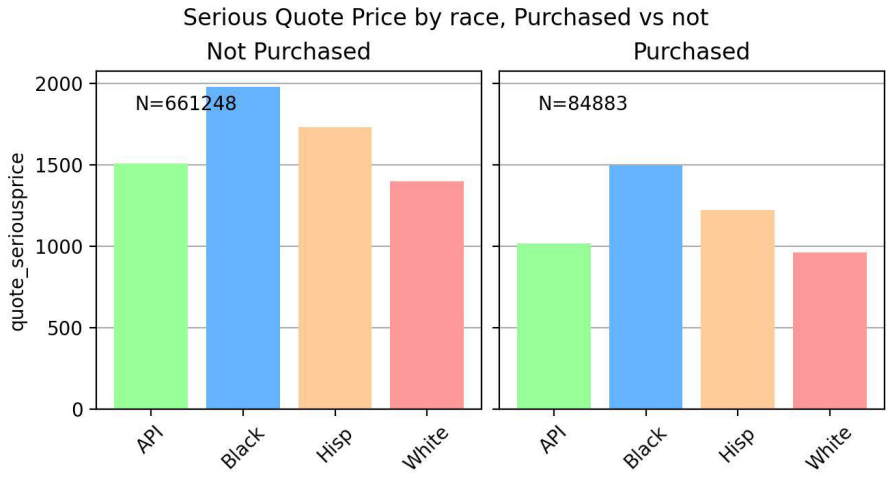


Consumers shop around

About 13% of serious quotes are purchased by consumers. Quotes that are purchased are lower on average, which is consistent with consumers shopping around for price. The pattern of race gaps is persistent across purchase.

[24] See data call tab "Quotes - Scope and definitions", rows 45 ("quote_firstprice"), 45 ("quote_serious"), and 52 ("quote_finalprice")

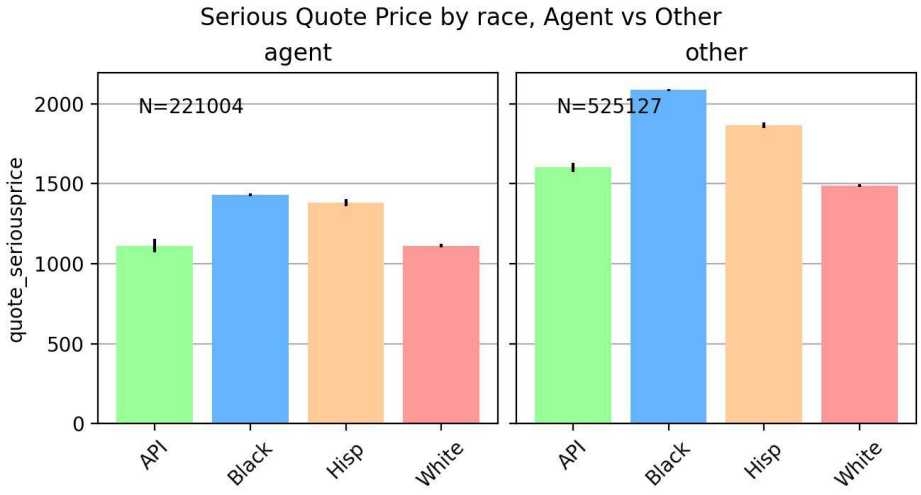
CHARTS A2-A3



<u>Quotes given by agents are lower than through other sales channels</u>

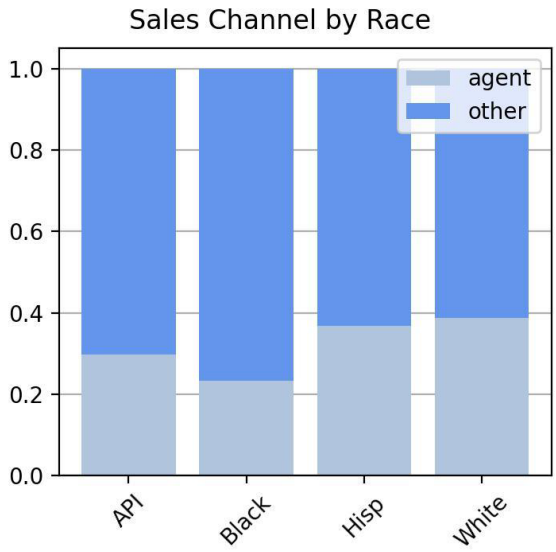
Quotes given by agents are lower on average than quotes given through other channels (e.g., online), and the race gap is smaller for quotes given by agents.

CHARTS A4-A5



However, Black consumers are less likely than others to get quotes through agents:

CHART A6



Anecdotally, some stakeholders suggested agents could be helping customers find discounts that lead to lower premiums. Future data calls by DISB could request more information about policy-level discounts to explore this issue.

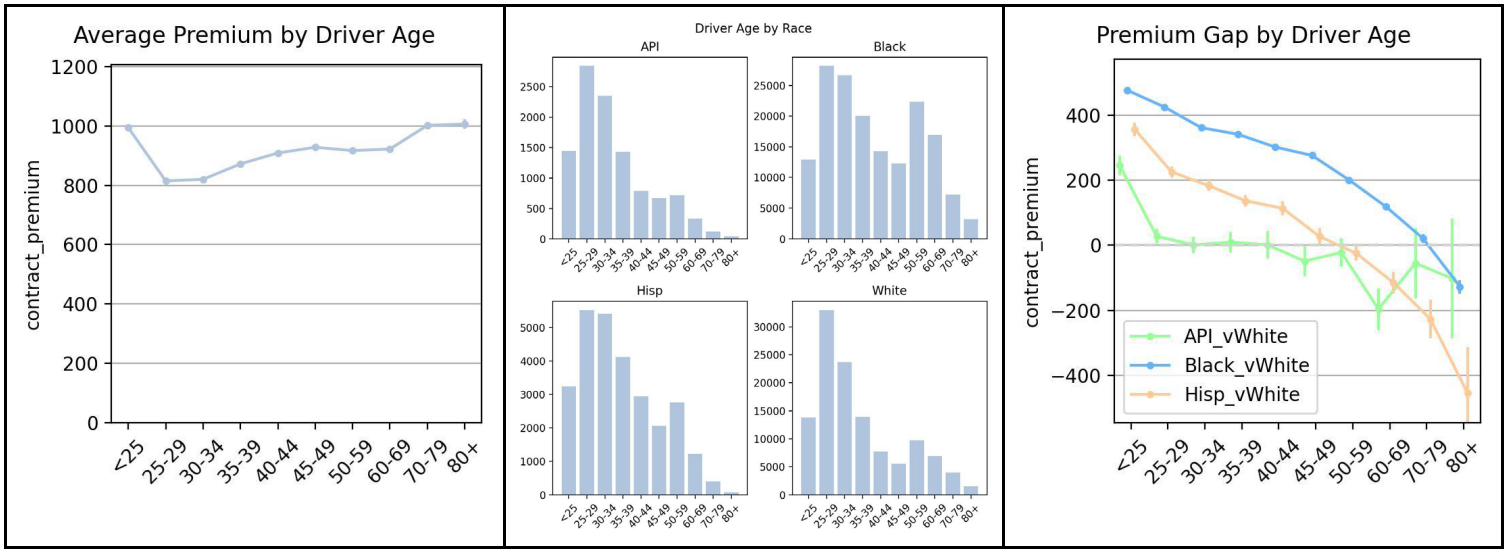
Appendix C: Detail on explanatory factors we tried

Here is the full list of factors we analyzed as potential explainers of race differences in premium, using the analysis approach described in the "Explanatory Factors" section.

Driver age

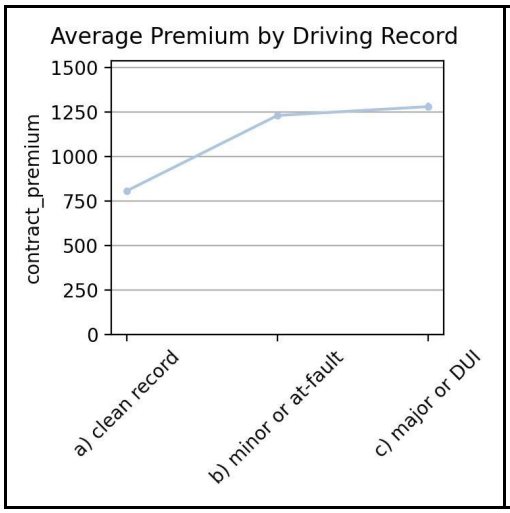
Definition: driver's age in years, as of the policy effective date
Derivation from data call: calculated as difference in years between "policy_effective_date" and "dob"

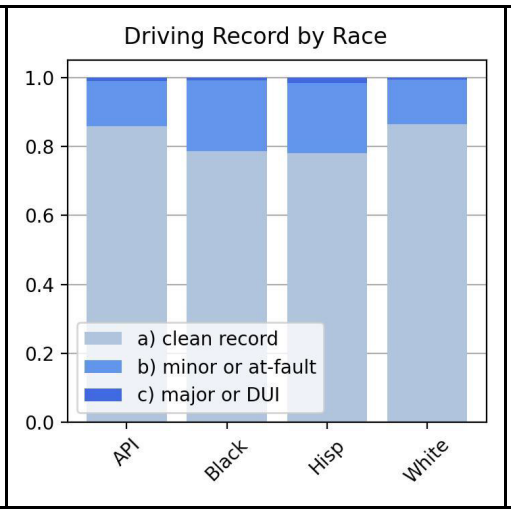
CHARTS A7-A9

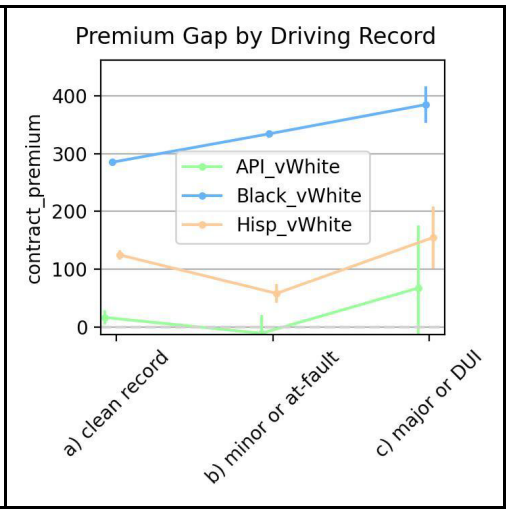


Driving record

Definition: categorical variable
= "major or DUI" if driver has at least one major violation or DUI
= "minor or at-fault" if driver has at least one minor violation or at-fault accident but no major violation or DUI
= "clean record" if driver has no major or minor violations or at-fault accidents or DUI
Derivation from data call: calculated based on "major_violations_count", "minor_violations_count", "dui_violations_count", "atfault_accident_count"



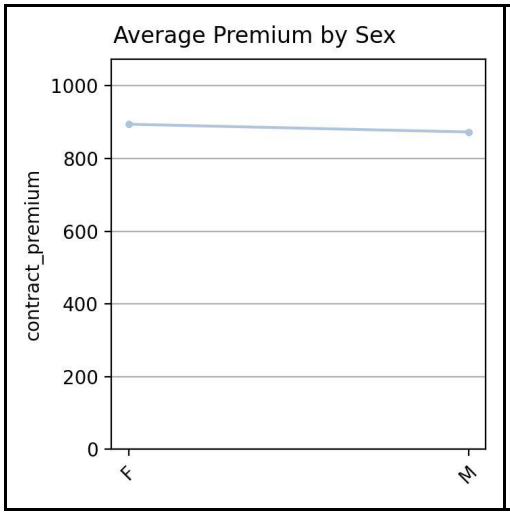


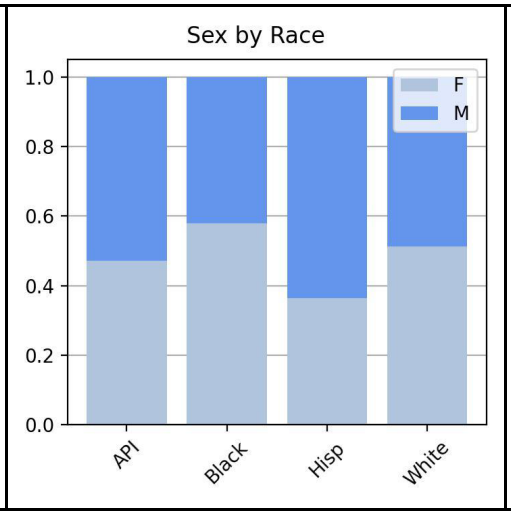


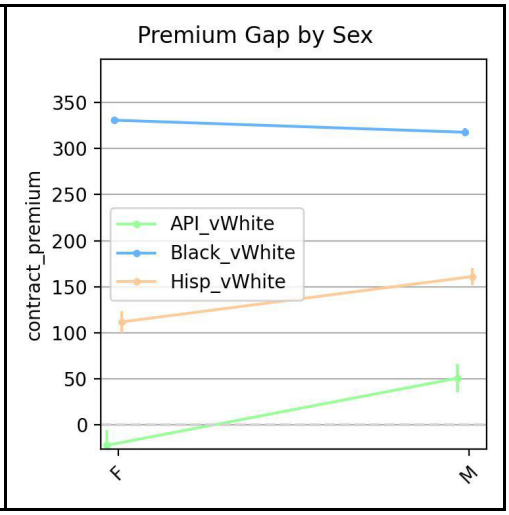
Sex

Definition: driver's sex

Derivation from data call: "sex"



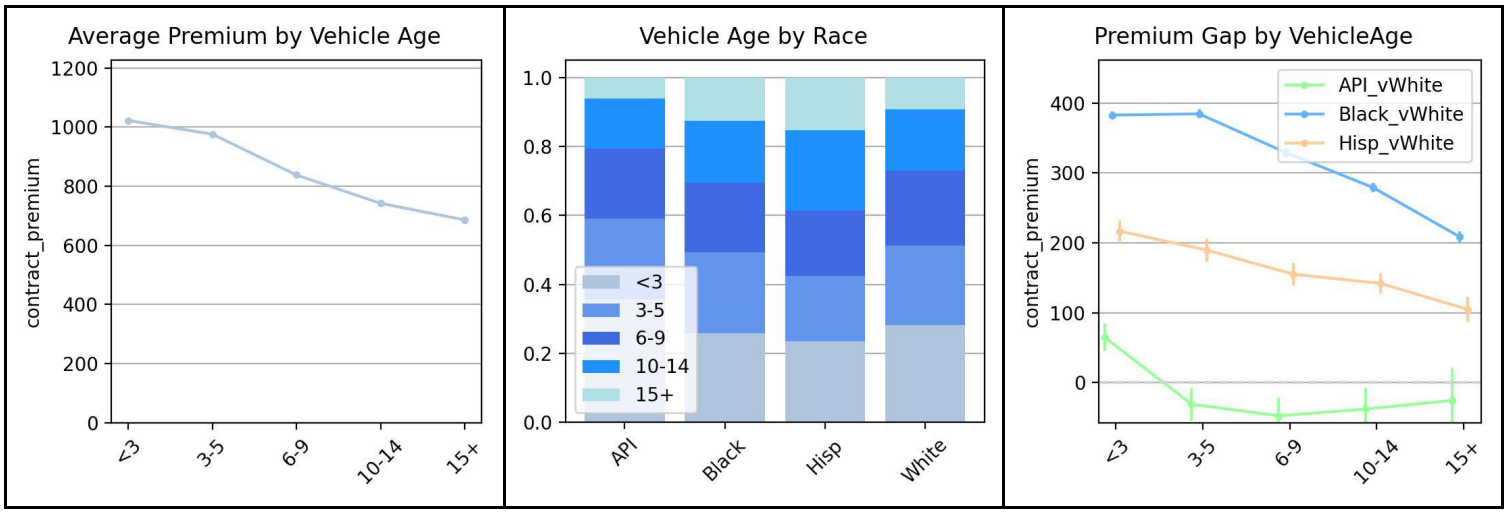




Vehicle Age

Definition: age of the insured vehicle in years, at the time of the policy effective date, then binned into <3, 3-5, 6-9, 10-14, 15+. Bins were chosen to divide the data relatively evenly.

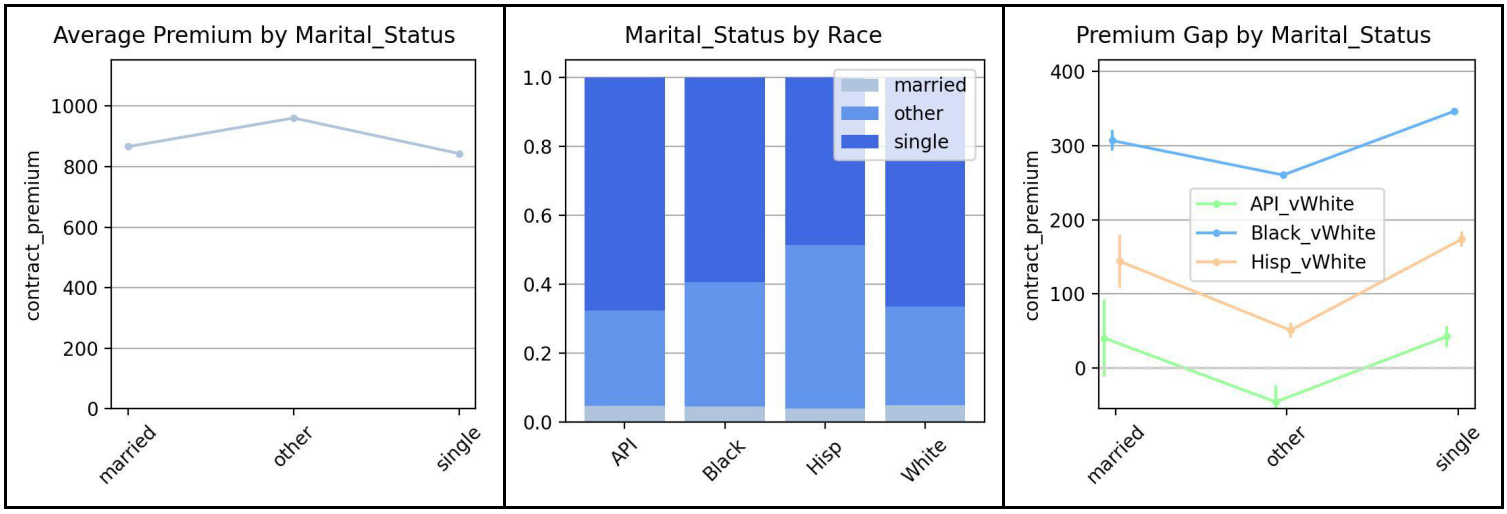
Derivation from data call: calculated as the difference between the year in "policy_effective_date" and the "vehicle_year", then binned as above.



Marital status

Definition: driver's marital status, binned as "married", "single", or "other"

Derivation from data call: based on "marital_status"



Coverage limits

Definition: categorical variable indicating common bundles of (bodily injury per-person, bodily injury per-incident, property damage per incident) liability coverage limits on the policy depicted

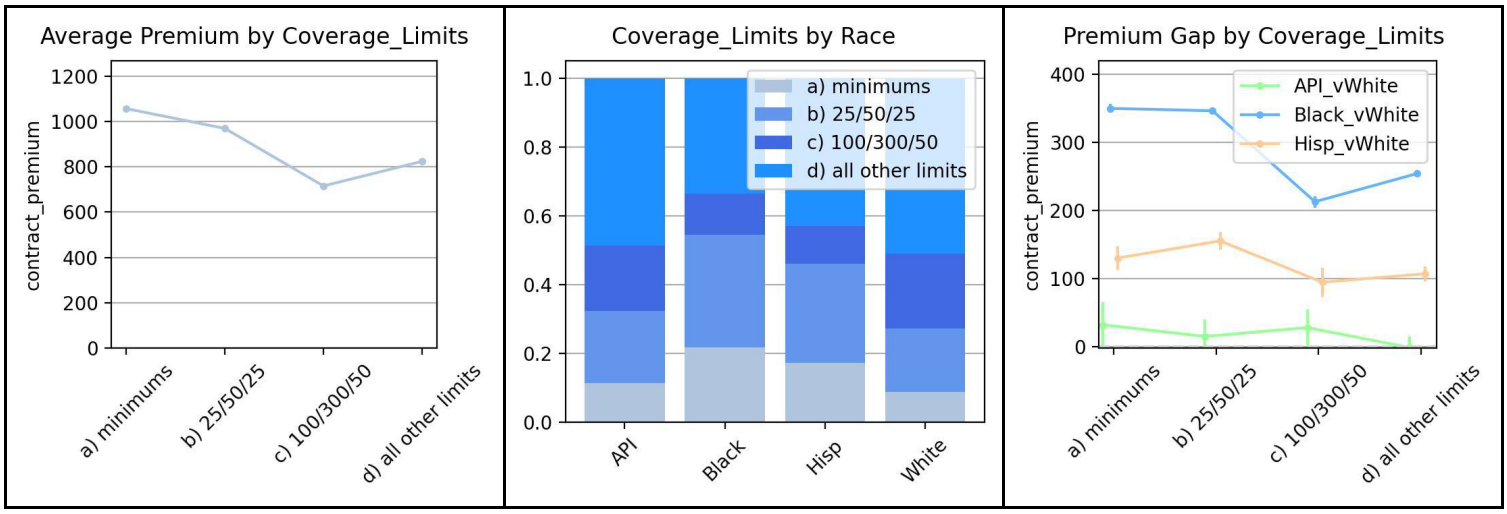
="minimums" if the limits are ($25k, $50k, $10k) [i.e., DC mandatory minimums]

="25/50/25" if the limits are ($25k, $50k, $25k)

="100/300/50" if the limits are ($100k, $300k, $50k)

="all other limits" otherwise

Derivation from data call: calculated from "BI_limit_perperson", "BI_limit_perincident", and "PD_limit"

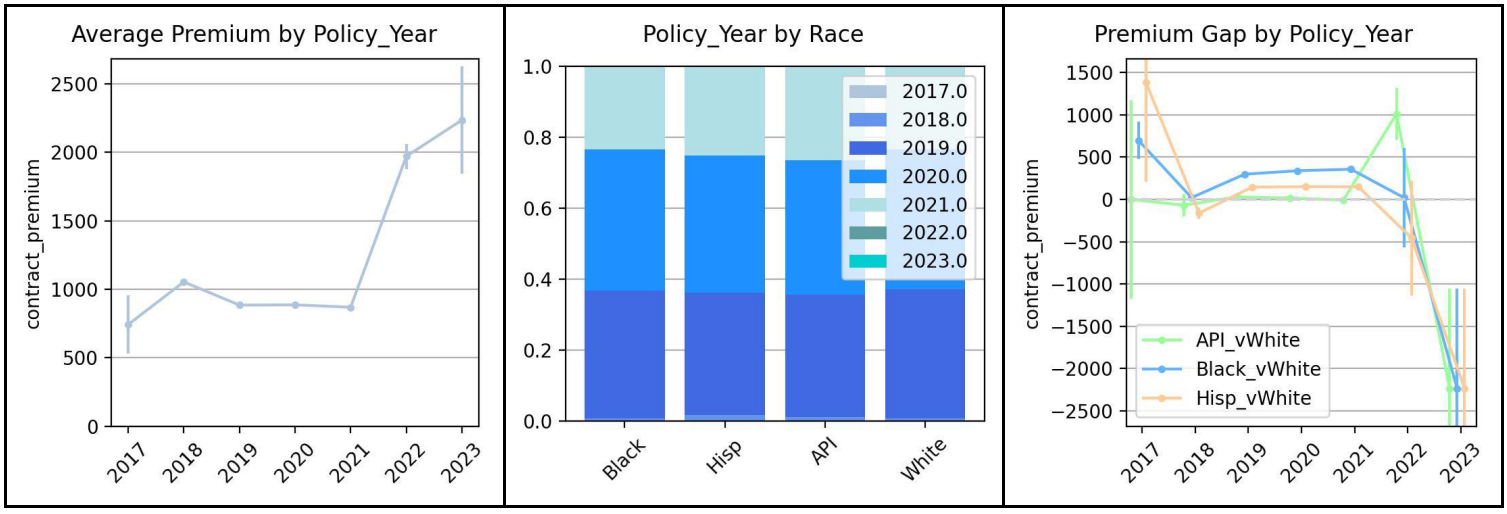


Policy year

Definition: the calendar year of the effective date of the policy

Derivation from data call: calculated from "policy_effective_date"

Note: As the middle chart below shows, >95% of our data is from policy years 2019, 2020, and 2021. The extreme values of average premium and premium gap outside those years are a reflection of small data.



New Car

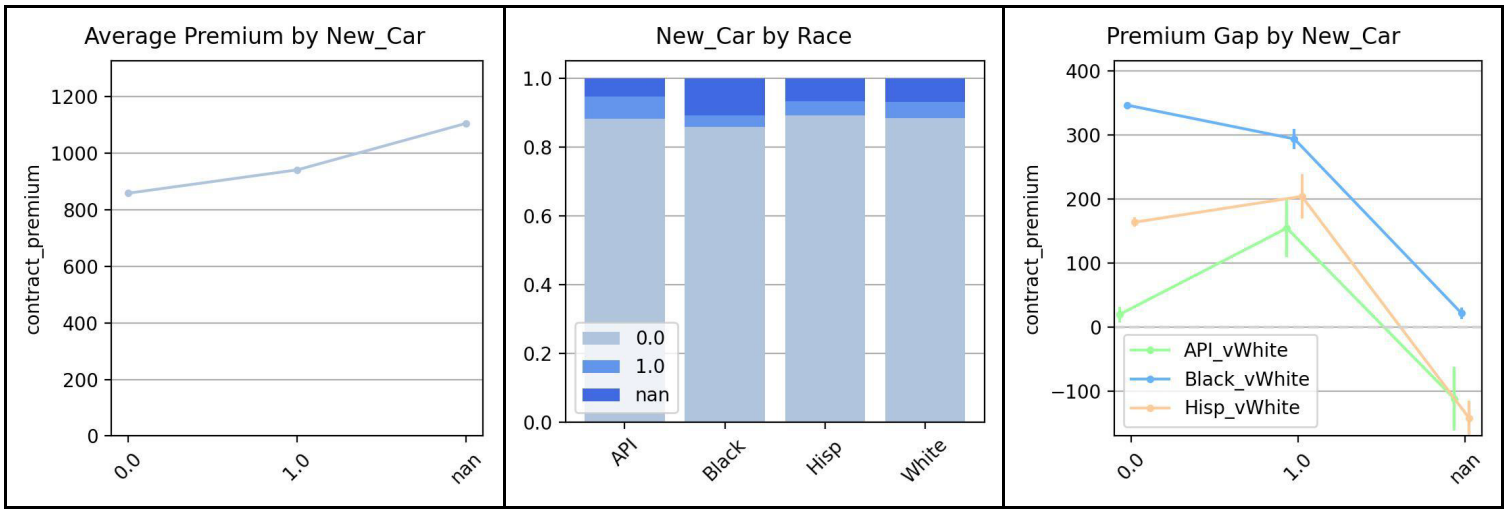
Definition: indicator variable for whether this is a new vehicle

=0.0 if the vehicleis not new

=1.0 if the vehicleis new

=nan if unknown

Derivation from data call: based on "vehicle_new"



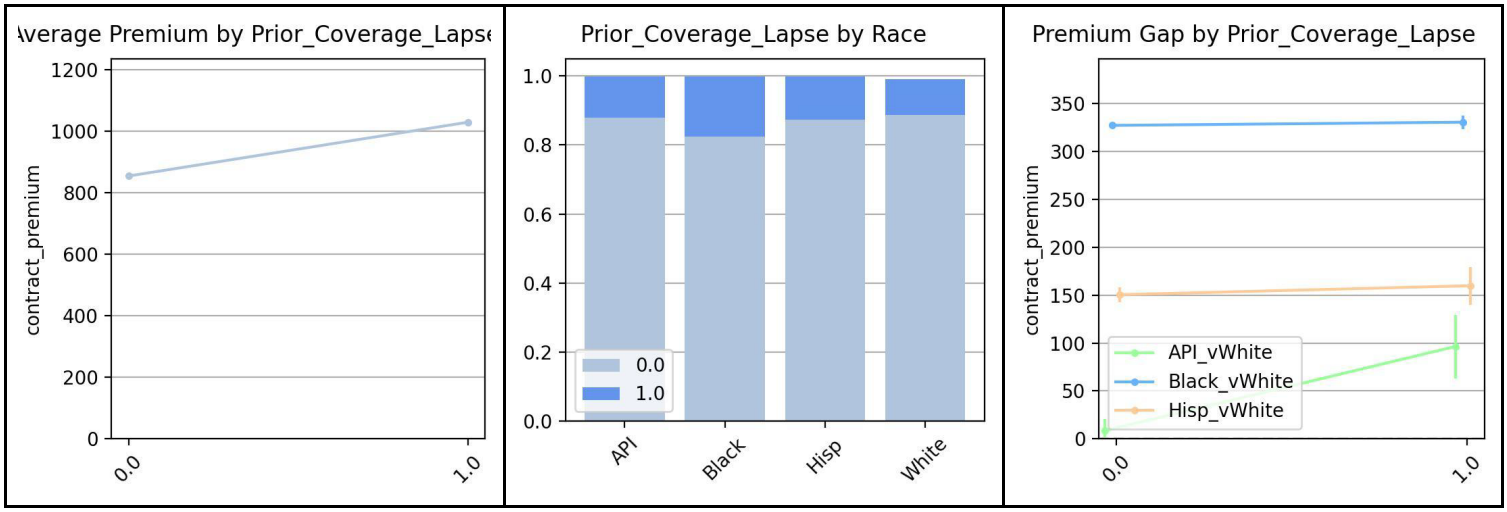
Prior Coverage Lapse

Definition: indicator variable: did this driver have a prior lapse in auto coverage?

=0 if no prior lapse

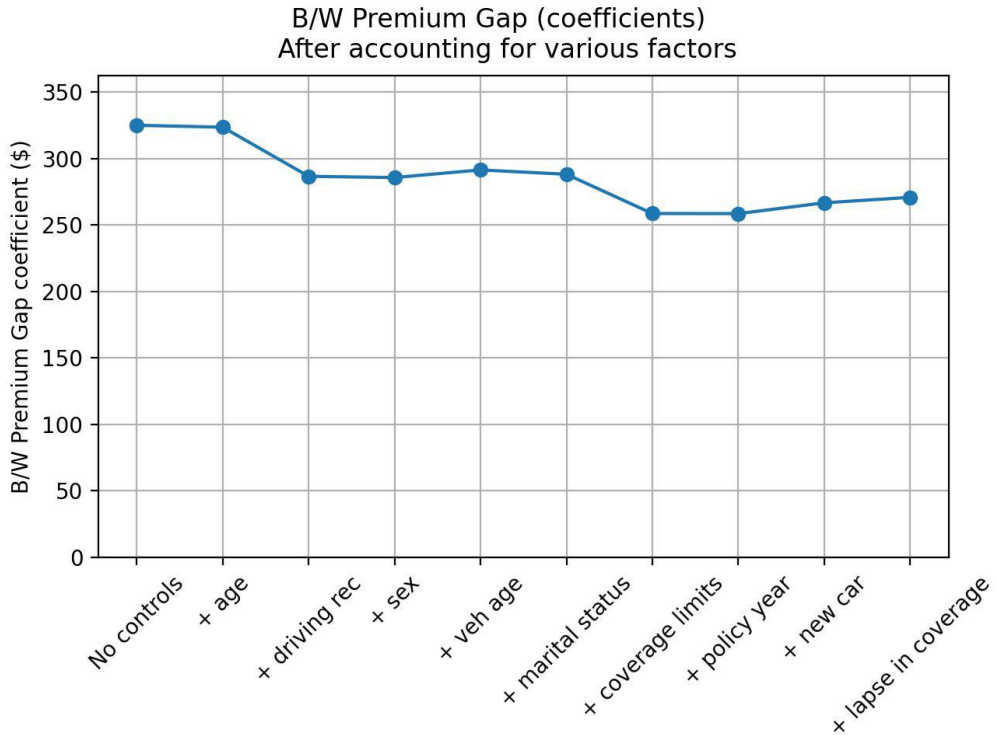
=1 if some prior lapse

Derivation from data call: based on "lapse_in_coverage"



Explaining the Black/white Premium Gap

Taking all the above explanatory factors into account, the Black/white gap in premiums goes from $325 (at left) to $271 (at right). The regression methodology is explained in Appendix D.



New vs renewal[25]

Definition: categorical variable

="new" if this policy is new business

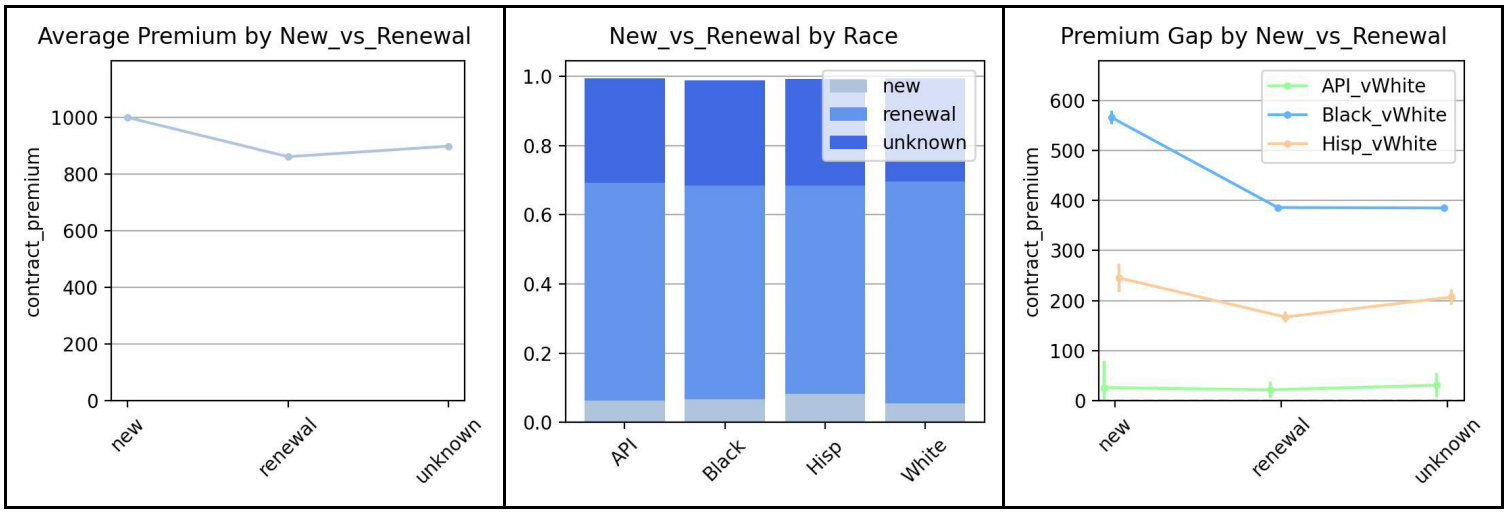
="renewal" if this policy is a renewal

="unknown" if we cannot tell from the data

Derivation from data call: this is derived based on matching "driverID" or "policyID" within a given insurer, across policy periods.

Note: only a subset of data submissions supported the matching of IDs across policy period based on the structure of the data, so this variable is available only for some insurers, representing about ⅔ of all policies.

[25] Note we were missing substantial coverage for this column in our data.


Average Premium by New_vs_Renewal
contract_premium
0
200
400
600
800
1000
new
renewal
unknown
New_vs_Renewal by Race
0.0
0.2
0.4
0.6
0.8
1.0
new
renewal
unknown
API
Black
Hisp
White
Premium Gap by New_vs_Renewal
contract_premium
0
100
200
300
400
500
600
API_vWhite
Black_vWhite
Hisp_vWhite
new
renewal
unknown

Appendix D: Methodology detail: Measuring the Black/white premium gap while accounting for various factors

The basic structure of this analysis is a series of linear regressions that represent nested models predicting premium. Each successive model "accounts for" an additional explanatory factor by adding one or more control variables to the regression equation.

The first, and simplest, model predicts premium (P) based on race alone. Since race is a categorical variable with four possible values in our data (API, Black, Hispanic, white), this appears in regressions as three dummy variables.[26] We fix white as the reference category.

(1) $P = \alpha + \beta_1 * API + \beta_2 * Black + \beta_3 * Hispanic + \varepsilon$

The next model accounts for driver age as an explanatory factor for premium:

(2) $P = \alpha + \beta_1 * API + \beta_2 * Black + \beta_3 * Hispanic + \beta_4 * DriverAge + \varepsilon$

At each step, we add one or more variables to the right-hand side of the equation to account for another explanatory factor.

β_2 is the coefficient of interest throughout this analysis. Its interpretation is roughly "the expected difference (in dollars) between white and Black premiums, after accounting for the other explanatory factors in the equation." For equation (1), since there are no other included explanatory factors, β_2 is simply the difference in average premiums between white and Black.

Modeling premium vs log(premium) – robustness check

The regressions described in this appendix model premium, stated in dollars. As a robustness check we did the same analyses modeling log(premium) instead. This was motivated by two considerations:

1. We understand that in practice insurance premiums are often constructed by taking a base rate and *multiplying* relativity factors for a given applicant. Modeling log(premium) as a sum is equivalent to modeling premium as a product;[27] so this structure might better fit the data generation process.
2. Premium has a long tail (some premiums are very large). Taking the log of premium condenses the distribution and could reduce the impact of outliers on the estimated coefficients.

The results were substantially the same modeling log(premium) instead of premium.

[26] "Dummy variables" are binary variables that indicate when an observation belongs to a certain category. E.g., API=1 if this policyholder is Asian/Pacific Islander, and =0 otherwise.

[27] Since $\log(P) = \alpha+\beta \rightarrow P = e^{\alpha+\beta} = e^{\alpha} * e^{\beta}$

Appendix E: Model of premium bump in response to claims

We merged policies and claims data then built a dataset of premium jumps as follows:

1. Group policies data by driverID
2. For driverIDs with N>1 rows of policies data (i.e. multiple policy periods of the same driverID), create N-1 "premium jump snapshots" showing premium in the previous policy period, claims in the previous policy period, and premium in this policy period
    - This approach excludes 101,456 policies that have just one row of data (i.e., we observe these driverIDs for only one policy period)
    - Overall, we get 84,565 "premium jump snapshots"

Then we do linear regressions to investigate the relationship between a given driver's premium in this policy period (P_{now}), their premium in the previous policy period (P_{last}), their claims activity in the previous policy period (C_{last}), and their race[28]:

1. $P_{now} = \alpha + \beta_1 * P_{last} + \varepsilon$
2. $P_{now} = \alpha + \beta_1 * P_{last} + \beta_2 * C_{last} + \varepsilon$

2B. $P_{now} = \alpha + \beta_1 * P_{last} + \beta_2 * C_{last} + \varepsilon$ [Black drivers only]

2W. $P_{now} = \alpha + \beta_1 * P_{last} + \beta_2 * C_{last} + \varepsilon$ [white drivers only]

3. $P_{now} = \alpha + \beta_1 * P_{last} + \beta_2 * C_{last} + \beta_3 * Race + \varepsilon$

The outputs of these regressions are below. We noted about these regressions:

- The coefficient on claim count (β_2) is positive and highly statistically significant. As expected, claims this policy period lead to higher premium next policy period. Specifically: for each claim this period, premium next policy period is about $30 higher on average.
- R-squared barely changes when adding claims to the regression (0.797 without [regression 1], vs 0.799 with claims [regression 2]). Given that claims do predict premium jumps, it is surprising that including claims information adds little explanatory power to the model. This may reflect the fact that claims are sparse.
- Running the regressions separately for Black and white drivers (regressions 2B and 2W), β_2 is positive and highly statistically significant in both cases, with similar values (28.83 in 2B and 27.52 in 2W). So, the bump in next period's premium based on a claim this period is roughly the same for both races.
- There is still a Black penalty: $35 hike after accounting for last period's premium and claims last period (regression 3)

[28] Race appears in regressions as 3 dummy variables, as described in Appendix D.

Regression 1

OLS Regression Results

Dep. Variable:	prem_after	R-squared:	0.797
Model:	OLS	Adj. R-squared:	0.797
Method:	Least Squares	F-statistic:	3.322e+05
Date:	Tue, 29 Aug 2023	Prob (F-statistic):	0.00
Time:	13:43:31	Log-Likelihood:	-5.9084e+05
No. Observations:	84565	AIC:	1.182e+06
Df Residuals:	84563	BIC:	1.182e+06
Df Model:	1		
Covariance Type:	nonrobust		

	coef	std err	t	P>|t|	[0.025	0.975]
Intercept	58.0150	1.643	35.301	0.000	54.794	61.236
prem_before	0.9217	0.002	576.359	0.000	0.919	0.925

Omnibus:	79070.621	Durbin-Watson:	1.812
Prob(Omnibus):	0.000	Jarque-Bera (JB):	29940326.608
Skew:	3.750	Prob(JB):	0.00
Kurtosis:	94.875	Cond. No.	1.88e+03

Notes:
[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
[2] The condition number is large, 1.88e+03. This might indicate that there are strong multicollinearity or other numerical problems.

Regression 2

OLS Regression Results

Dep. Variable:	prem_after	R-squared:	0.799
Model:	OLS	Adj. R-squared:	0.799
Method:	Least Squares	F-statistic:	1.682e+05
Date:	Tue, 29 Aug 2023	Prob (F-statistic):	0.00
Time:	13:43:31	Log-Likelihood:	-5.9042e+05
No. Observations:	84565	AIC:	1.181e+06
Df Residuals:	84562	BIC:	1.181e+06
Df Model:	2		
Covariance Type:	nonrobust		

	coef	std err	t	P>|t|	[0.025	0.975]
Intercept	55.2416	1.638	33.724	0.000	52.031	58.452
prem_before	0.9147	0.002	568.405	0.000	0.912	0.918
claim_count_before	30.7377	1.055	29.138	0.000	28.670	32.805

Omnibus:	78301.647	Durbin-Watson:	1.815
Prob(Omnibus):	0.000	Jarque-Bera (JB):	30162303.109
Skew:	3.678	Prob(JB):	0.00
Kurtosis:	95.229	Cond. No.	1.88e+03

Notes:
[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
[2] The condition number is large, 1.88e+03. This might indicate that there are strong multicollinearity or other numerical problems.

Regression 2B

OLS Regression Results

Dep. Variable:	prem_after	R-squared:	0.757
Model:	OLS	Adj. R-squared:	0.757
Method:	Least Squares	F-statistic:	6.503e+04
Date:	Thu, 21 Sep 2023	Prob (F-statistic):	0.00
Time:	15:05:48	Log-Likelihood:	-2.9882e+05
No. Observations:	41726	AIC:	5.976e+05
Df Residuals:	41723	BIC:	5.977e+05
Df Model:	2		
Covariance Type:	nonrobust		

	coef	std err	t	P>|t|	[0.025	0.975]
Intercept	78.3996	3.013	26.023	0.000	72.495	84.305
prem_before	0.9088	0.003	354.032	0.000	0.904	0.914
claim_count_before	28.8300	1.499	19.229	0.000	25.891	31.769

Omnibus:	37840.124	Durbin-Watson:	1.808
Prob(Omnibus):	0.000	Jarque-Bera (JB):	7252842.226
Skew:	3.761	Prob(JB):	0.00
Kurtosis:	67.149	Cond. No.	2.33e+03

Notes:
[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
[2] The condition number is large, 2.33e+03. This might indicate that there are strong multicollinearity or other numerical problems.

Regression 2W

OLS Regression Results

Dep. Variable:	prem_after	R-squared:	0.839
Model:	OLS	Adj. R-squared:	0.839
Method:	Least Squares	F-statistic:	8.535e+04
Date:	Thu, 21 Sep 2023	Prob (F-statistic):	0.00
Time:	15:05:48	Log-Likelihood:	-2.1681e+05
No. Observations:	32663	AIC:	4.336e+05
Df Residuals:	32660	BIC:	4.337e+05
Df Model:	2		
Covariance Type:	nonrobust		

	coef	std err	t	P>|t|	[0.025	0.975]
Intercept	41.2867	1.833	22.528	0.000	37.695	44.879
prem_before	0.9135	0.002	410.055	0.000	0.909	0.918
claim_count_before	27.5200	1.673	16.446	0.000	24.240	30.800

Omnibus:	23946.431	Durbin-Watson:	1.819
Prob(Omnibus):	0.000	Jarque-Bera (JB):	51011362.708
Skew:	1.998	Prob(JB):	0.00
Kurtosis:	196.561	Cond. No.	1.50e+03

Notes:
[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
[2] The condition number is large, 1.5e+03. This might indicate that there are strong multicollinearity or other numerical problems.

Regression 3

OLS Regression Results

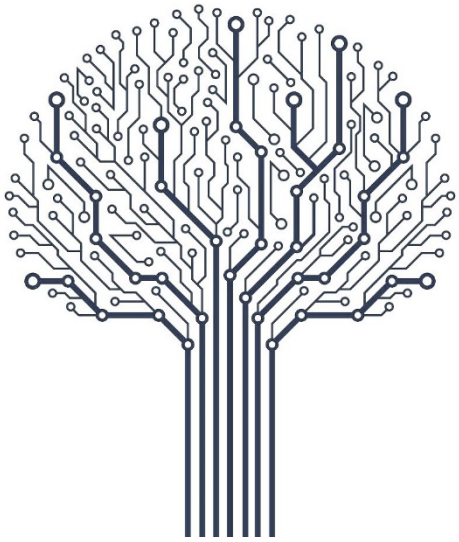
Dep. Variable:	prem_after	R-squared:	0.800
Model:	OLS	Adj. R-squared:	0.800
Method:	Least Squares	F-statistic:	6.764e+04
Date:	Tue, 29 Aug 2023	Prob (F-statistic):	0.00
Time:	13:43:31	Log-Likelihood:	-5.9023e+05
No. Observations:	84565	AIC:	1.180e+06
Df Residuals:	84559	BIC:	1.181e+06
Df Model:	5		
Covariance Type:	nonrobust		

	coef	std err	t	P>|t|	[0.025	0.975]
Intercept	45.9190	1.829	25.107	0.000	42.334	49.504
C(inferred_race, Treatment(reference="White"))[T.API]	-13.8812	5.019	-2.766	0.006	-23.719	-4.044
C(inferred_race, Treatment(reference="White"))[T.Black]	34.9454	2.007	17.412	0.000	31.012	38.879
C(inferred_race, Treatment(reference="White"))[T.Hisp]	3.2631	3.383	0.965	0.335	-3.368	9.894
prem_before	0.9063	0.002	543.262	0.000	0.903	0.910
claim_count_before	29.0008	1.057	27.446	0.000	26.930	31.072

Omnibus:	78969.362	Durbin-Watson:	1.814
Prob(Omnibus):	0.000	Jarque-Bera (JB):	30559969.247
Skew:	3.734	Prob(JB):	0.00
Kurtosis:	95.829	Cond. No.	5.86e+03

Notes:
[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
[2] The condition number is large, 5.86e+03. This might indicate that there are strong multicollinearity or other numerical problems.

Appendix 14



Fintech Regulatory Landscape in the District of Columbia and Recommendations for Improvement

DISB Office of Innovation

2024

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I. Introduction

The global financial landscape is evolving rapidly, driven by disruptive technologies that are fundamentally transforming how people interact with money. Fintech, or financial technology, has been a key driver in reshaping the financial services industry over the past fifteen years. Fintech offers a unique opportunity to democratize access to convenient and affordable financial services. This is particularly beneficial for individuals and communities who have historically been underserved by traditional banking institutions.

Regulation is a fundamental aspect of the financial services industry, and Fintech is no exception. The primary challenge lies in the disparity between the rapid rate of the innovation and the ability of regulators to keep pace. New technologies, such as artificial intelligence, are complex and constantly evolving. They require an adaptive regulatory environment. Modernized technology policies are essential to foster a thriving Fintech ecosystem.

The U.S. financial regulatory structure is complex, with responsibilities divided among federal government agencies and state regulators. State and federal financial regulators oversee financial market participants and collaborate to ensure the U.S. financial system is safe, sound, and resilient. Simultaneously, states strive to create a competitive regulatory environment to attract financial institutions and startups to their jurisdictions.

This report provides an overview of federal and state regulations governing the Fintech industry, with a particular emphasis on the existing regulatory framework in the District of Columbia. The report also examines regulations and regulatory frameworks applicable to emerging technologies, such as blockchain and artificial intelligence.

It is important to note that this report provides a high-level overview of the current regulatory landscape and is not intended to be exhaustive. Developments in the world of Fintech regulation are rapidly changing and are likely to accelerate in the coming years. The report concludes with recommendations and policy improvement proposals.

II. Overview of Fintech Regulation at the Federal Level

The regulatory landscape governing the Fintech industry in the United States consists of various federal and state regulations. While there is no single, overarching regulator for Fintech, various federal agencies have jurisdiction over different aspects of the industry. The Securities and Exchange Commission (SEC) oversees securities offerings, including those involving digital assets. The Commodity Futures Trading Commission (CFTC) regulates derivatives, including cryptocurrency futures and options. The Federal Reserve Board and the Office of the Comptroller of the Currency (OCC) have authority over banking activities, including those conducted by Fintech companies. Additionally, the Consumer Financial Protection Bureau (CFPB) enforces federal consumer protection laws, which can impact Fintech companies offering consumer financial products and services.

1. U.S. Securities and Exchange Commission

1.1. SEC Mission and Objectives

The U.S Securities and Exchange Commission (SEC) is a U.S. government agency responsible for regulating the securities markets and protecting investors. The federal securities laws empower the Securities and Exchange Commission with broad authority over all aspects of the securities industry. The SEC's mission is to protect investors, maintain fair and efficient markets, and facilitate capital formation.

1.2. SEC Fintech Regulation

The SEC regulates the Fintech industry by ensuring that Fintech companies comply with federal securities laws, protecting investors, and maintaining market integrity. This includes regulating various Fintech products and services, such as crowdfunding platforms, digital assets, and robo-advisors.

- The U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, and the Financial Crimes Enforcement Network issued the Joint Statement on Activities Involving Digital Assets to remind persons engaged in activities involving digital assets of their anti-money laundering and countering the financing of terrorism (AML/CFT) obligations under the Bank Secrecy Act (BSA).
- The SEC's Divisions of Enforcement and Trading and Markets issued a Statement on Potentially Unlawful Online Platforms for Trading Digital Assets as a number of these platforms provide a mechanism for trading assets that meet the definition of a "security" under the federal securities laws.
- The U.S. Securities and Exchange Commission and the Financial Industry Regulatory Authority (FINRA) issued the Joint Staff Statement on Broker-Dealer Custody of Digital Asset Securities to address questions concerning the application of the federal securities laws and the FINRA rules to the potential intermediation, including custody, of digital asset securities and transactions.
- The U.S. Securities and Exchange Commission published the Framework for "Investment Contract" Analysis of Digital Assets regarding the application of Howey test to digital assets.
- The SEC Division of Corporation Finance, Division of Investment Management, and Division of Trading and Markets published the Statement on Digital Asset Securities Issuance and Trading that highlights SEC enforcement actions involving the intersection of federal securities laws and new technologies.
- The U.S. Securities and Exchange Commission released the Investigative Report about DAO Tokens and ICOs, which reiterates the fundamental principles of the U.S. federal securities laws and describes their applicability to virtual organizations that use blockchain technology to facilitate capital raising.

1.3. SEC FinHub

On October 18, 2018, the SEC launched the Strategic Hub for Innovation and Financial Technology (FinHub). From 2018 to 2023, the FinHub coordinated the SEC's oversight and response regarding emerging financial technologies, including in the areas of distributed ledger technology, automated investment advice, digital marketplace financing, and artificial intelligence.

On December 3, 2023, the SEC announced that FinHub was designated as a stand-alone office within the SEC. Currently, the office leads the SEC's work to identify and analyze emerging financial technologies affecting the future of the securities industry, and engage with market participants, as technologies develop.

2. Financial Industry Regulatory Authority

2.1. FINRA Mission and Objectives

Financial Industry Regulatory Authority (FINRA) is a not-for-profit organization that oversees U.S. broker-dealers. FINRA is authorized by Congress to protect U.S. investors by making sure the broker-dealer industry operates fairly and honestly. FINRA oversees more than 624,000 brokers and analyzes billions of daily market events.

2.2. FINRA Fintech Regulation

The FINRA plays an important role in regulating the Fintech industry, ensuring that innovation aligns with investor protection and market integrity. By monitoring trends, adapting rules, and providing guidance, the FINRA aims to promote responsible innovation in the Fintech landscape.

- The Financial Industry Regulatory Authority (FINRA) and the U.S. Securities and Exchange Commission (SEC) issued the Joint Staff Statement on Broker-Dealer Custody of Digital Asset Securities to address questions regarding the application of the FINRA rules and the federal securities laws to the potential intermediation, including custody, of digital asset securities and transactions.
- The Financial Industry Regulatory Authority (FINRA) rules are applicable to market participants in the Fintech industry and designed to ensure investor protection and securities market integrity.
- The Financial Industry Regulatory Authority (FINRA) reports cover various aspects of Fintech-related activities. Among the most prominent FINRA reports are Report on Distributed Ledger Technology, Report on Technology Based Innovations for Regulatory Compliance in the Securities Industry, Report on Artificial Intelligence in the Securities Industry, and the Report on Digital Investment Advice.

2.3. Office of Financial Innovation

In 2019, FINRA formed an Office of Financial Innovation (OFI) to serve as a central point of coordination for issues related to financial innovations by FINRA member firms, particularly new uses of Fintech. The Office collaborates with teams across FINRA to promote engagement with the industry, regulators, investors, and other stakeholders on matters involving financial innovation by FINRA member firms. This collaboration is accomplished through outreach to FINRA stakeholders, training of FINRA staff, research and publications, internal coordination across FINRA, and collaboration with other regulators.

3. Commodity Futures Trading Commission

3.1. CFTC Mission and Objectives

The mission of Commodity Futures Trading Commission (CFTC) is to promote the integrity and resilience of the U.S. derivatives markets through sound regulation. CFTC regulates the U.S. derivatives markets, including futures and options, and protects the public from fraud, manipulation, and abusive practices in this space.

3.2. CFTC Fintech Regulation

The CFTC plays an important role in regulating the Fintech industry, particularly in the area of derivatives. By monitoring trends and providing guidance, the CFTC promotes responsible innovation while protecting investors in the evolving Fintech landscape.

- The Commodity Futures Trading Commission (CFTC), the Financial Crimes Enforcement Network (FinCEN), and the U.S. Securities and Exchange Commission (SEC) issued the Joint Statement on Activities Involving Digital Assets to remind persons engaged in such activities of their anti-money laundering and countering the financing of terrorism obligations under the Bank Secrecy Act.
- The U.S. Commodity Futures Trading Commission rules are applicable to market participants in the Fintech industry and designed to ensure investor protection and derivatives market integrity.
- The U.S. Commodity Futures Trading Commission reports, such as The CFTC's Role in Monitoring Virtual Currencies, cover various aspects of Fintech-related activities.

3.3. Office of Technology Innovation

On July 26, 2022, the CFTC established the Office of Technology Innovation (OTI) to address evolving market dynamics. OTI serves as the CFTC’s financial technology innovation hub, driving change and enhancing knowledge through innovation, collaboration, and education. OTI fosters innovation in the CFTC's regulatory oversight and functions, supporting the operating divisions and the CFTC’s participation in domestic and international coordination. OTI regularly advocates for the advancement of responsible innovation, industry collaborations, and public outreach and education.

4. Office of the Comptroller of the Currency

4.1. OCC Mission and Objectives

The Office of the Comptroller of the Currency (OCC) charters, regulates, and supervises national banks. The OCC ensures that national banks and federal savings associations operate in a safe and sound manner, provide fair access to financial services, treat customers fairly, and comply with applicable laws and regulations.

4.2. OCC Fintech Regulation

The OCC plays a significant role in regulating the Fintech industry, particularly as it relates to banking operations. The OCC's authority extends to national banks, which are increasingly involved in Fintech activities, such as mobile banking, digital payments, and cryptocurrency-related services.

- The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (Federal Reserve), and the Federal Deposit Insurance Corporation (FDIC) issued the Joint Statement on Liquidity Risks to Banking Organizations Resulting from Crypto Market Vulnerabilities and outlined some effective practices to manage such risks.
- The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (Federal Reserve), and the Federal Deposit Insurance Corporation (FDIC) issued the Joint Statement on Crypto-Asset Risks to Banking Organizations that banks should be aware of.
- The Office of the Comptroller of the Currency interpretative letters cover various aspects of Fintech-related activities. Among the most important OCC interpretative letters are Interpretation on National Bank and Federal Savings Association Authority to Hold Stablecoin Reserves, Interpretation Clarifying Authority of a Bank to Engage in Certain Cryptocurrency Activities, and the Interpretation on Authority of a National Bank to Provide Cryptocurrency Custody Services.

4.3. Office of Financial Technology

On March 30, 2023, the OCC announced the establishment of its Office of Financial Technology to bolster the agency's expertise and ability to adapt to the rapid pace of technological changes in the banking industry. The Office of Financial Technology broadens the OCC's focus in this area and ensures the agency's leadership and agility in providing high-quality supervision of bank-fintech partnerships. It enhances the agency's knowledge and expertise of financial technology platforms and applications in support of the OCC's mission. The office serves as the central point of contact for requests and information related to innovation.

5. Financial Crimes Enforcement Network

5.1. FinCEN Mission and Objectives

Financial Crimes Enforcement Network (FinCEN) is a bureau of the U.S. Department of the Treasury. FinCEN's mission is to safeguard the financial system from illicit use, combat money laundering, and promote national security through the collection, analysis, and dissemination of financial intelligence. FinCEN exercises its regulatory functions primarily under the Bank Secrecy Act, a Federal AML/CFT statute.

5.2. FinCEN Fintech Regulation

The FinCEN plays a crucial role in regulating the Fintech industry by combating financial crimes and ensuring compliance with anti-money laundering (AML) and counter-terrorism financing (CTF) laws. FinCEN requires certain Fintech companies, including money transmission businesses and virtual currency exchanges, to register with them and report suspicious activity. This helps to prevent illicit activities such as money laundering, terrorist financing, and other financial crimes from being facilitated through Fintech platforms. By imposing registration requirements, reporting obligations, and conducting examinations, FinCEN helps to maintain the integrity of the financial system and protect against the misuse of technology for criminal purposes.

- The Financial Crimes Enforcement Network (FinCEN), the U.S. Commodity Futures Trading Commission (CFTC), and the U.S. Securities and Exchange Commission (SEC) issued the Joint Statement on Activities Involving Digital Assets to remind persons engaged in such activities of their anti-money laundering and countering the financing of terrorism (AML/CFT) obligations under the Bank Secrecy Act (BSA).

6. Consumer Financial Protection Bureau

6.1. CFPB Mission and Objectives

Consumer Financial Protection Bureau (CFPB) implements and enforces federal consumer financial law and ensures that markets for consumer financial products are fair, transparent, and competitive.

6.2. CFPB Fintech Regulation

The CFPB plays a significant role in regulating the Fintech industry by ensuring that consumers are treated fairly and protected from deceptive or harmful practices. The CFPB has authority over a wide range of financial products and services, including those offered by Fintech companies. The CFPB works to prevent unfair practices by Fintech companies, and it can take enforcement actions against those that violate consumer protection laws.

- The CFPB rules are applicable to Fintech companies and designed to ensure consumer protection.
- The CFPB proposed a Rule to Jumpstart Competition and Accelerate Shift to Open Banking that would accelerate a shift toward open banking, where consumers would have control over data about their financial lives and would gain new protections against companies misusing their data.
- The CFPB also proposed Oversight of Big Tech Companies and Other Providers of Digital Wallets and Payment Apps that would ensure that these nonbank financial companies – specifically those larger companies handling more than 5 million transactions per year – adhere to the same rules as large banks, credit unions, and other financial institutions already supervised by the CFPB.

6.3. Office of Competition and Innovation

On May 24, 2022, the CFPB opened the Office of Competition and Innovation, as part of a new approach to help spur innovation in financial services by promoting competition and identifying blocks for new market entrants. The new office supports a broader initiative by the CFPB to analyze obstacles to open markets, host incubation events, and, in general, make it easier for people to switch financial providers.

7. Federal Deposit Insurance Corporation

7.1. FDIC Mission and Objectives

The mission of the Federal Deposit Insurance Corporation (FDIC) is to maintain stability and public confidence in the nation's financial system. In support of this goal, the FDIC oversees federal deposit insurance coverage and examines and supervises financial institutions for safety, soundness, and consumer protection.

7.2. FDIC Fintech Regulation

The FDIC plays an important role in regulating the Fintech industry, particularly as it relates to banks and other insured institutions. The FDIC's primary function is to protect depositors' money by insuring bank accounts up to a certain amount. However, the FDIC also has regulatory authority over insured institutions, which includes banks involved in Fintech activities. The FDIC ensures that these institutions are operating in a safe and sound manner, adhering to banking regulations, and protecting consumers.

- The FDIC regulates Fintech companies to ensure their safety, soundness, and consumer protection.
- The Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Board of Governors of the Federal Reserve System (Federal Reserve) issued the Joint Statement on Crypto-Asset Risks to Banking Organizations that banks should be aware of.
- The Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Board of Governors of the Federal Reserve System (Federal Reserve) issued the Joint Statement on Liquidity Risks to Banking Organizations Resulting from Crypto Market Vulnerabilities and outlined some effective practices to manage such risks.

8. Federal Reserve

8.1. Federal Reserve Mission and Objectives

The Federal Reserve System is the central bank of the United States. The Federal Reserve conducts monetary policy, promotes the stability of the financial system and the safety and soundness of financial institutions, fosters payment and settlement system safety and efficiency, and promotes consumer protection.

8.2. Federal Reserve Fintech Regulation

The Federal Reserve is responsible for supervising banks and other financial institutions involved in Fintech activities. By ensuring the safety and soundness of the financial system, the Federal Reserve helps to create a conducive environment for innovation and growth within the financial services industry.

- The Federal Reserve regulates Fintech companies to ensure payment system safety and efficiency.
- The Board of Governors of the Federal Reserve System (Federal Reserve), the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) issued the Joint Statement on Liquidity Risks to Banking Organizations Resulting from Crypto Market Vulnerabilities and outlined some effective practices to manage such risks.
- The Board of Governors of the Federal Reserve System (Federal Reserve), the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) issued the Joint Statement on Crypto-Asset Risks to Banking Organizations that banks should be aware of.
- The Board of Governors of the Federal Reserve System (Federal Reserve) issued the Supervisory Letter on Engagement in Crypto-Asset-Related Activities by Federal Reserve-Supervised Banking Organizations, which provides that a Federal Reserve-supervised banking organization engaging or seeking to engage in crypto-asset-related activities should notify its lead supervisory point of contact at the Federal Reserve.
- The Board of Governors of the Federal Reserve System (Federal Reserve) issued a guide for community banks "Conducting Due Diligence on Financial Technology Firms: A Guide for Community Banks", which is intended to be a resource for community banks when performing due diligence on Fintech firms.

III. Notable Fintech Regulations and Initiatives at the State Level

While the federal government oversees many aspects of the financial services industry, states also have significant regulatory authority. These include such areas as money transmission, lending, and insurance, with specific requirements varying from state to state. In recent years, certain states have taken proactive steps to implement regulations for emerging financial technologies to provide regulatory clarity and guidance.

Arizona

The Arizona's Regulatory Sandbox grants participants limited access to the Arizona market to test innovative financial products or services without first obtaining full state licensure or other authorization. The Sandbox legislation was initiated to encourage businesses to develop innovative products and services in the financial services sector. Creating the Sandbox was meant to send a strong message that Arizona is leading the way in fostering innovation aimed at making financial products and services more available, safe, and affordable.

California

The Office of Financial Technology Innovation (OFTI) has been established within the California Department of Financial Protection and Innovation (DFPI). The OFTI supports responsible financial innovation in California by engaging with stakeholders and conducting research into emerging products to identify opportunities and risks. The OFTI conducts research into emerging products to identify opportunities and risks, helps Fintech companies navigate the regulatory environment by connecting them with DFPI resources, and collaborates with other regulators on matters related to Fintech to ensure a coordinated approach.

The California Digital Financial Assets Law regulates businesses involved in digital asset activities in California. The law establishes licensing, disclosure, reporting and other requirements, with significant implications for companies that engage in a digital asset business in California. Specifically, the Digital Financial Assets Law prohibits a person from engaging in digital financial asset business activity unless the person is licensed with the DFPI. The law also exempts licensed activity by specified entities and becomes effective on July 1, 2025.

Connecticut

Connecticut has launched the Fintech Regulatory Sandbox and the Insurtech Regulatory Sandbox programs. The Fintech Regulatory Sandbox allows startup companies to make an innovative product or service, without obtaining a license or other authorization that may otherwise be required. The Insurtech Regulatory Sandbox facilitates the development of new technologies and types of insurance for start-up insurance companies that do not have the capital or labor resources to comply with the insurance requirements of the state.

On and after October 1, 2024, any person who owns, operates, solicits, markets, advertises or facilitates virtual currency kiosks in Connecticut shall be deemed to be engaged in the business of money transmission in this state and shall be subject to licensure pursuant to House Bill No. 5211, Public Act No. 24-146.

Florida

Financial Technology Sandbox has been created within the Office of Financial Regulation to allow financial technology innovators to test new products and services in a supervised, flexible regulatory environment using exceptions to specified general law and waivers of the corresponding rule requirements under defined conditions. The creation of a supervised, flexible regulatory sandbox was designed to provide a welcoming business environment for technology innovators and ensure significant business growth.

Florida Blockchain Task Force has been established within the Florida Department of Financial Services to develop a master plan for fostering the growth of the blockchain industry in the state, to recommend policies and to help make Florida a leader in blockchain technology. The task force aims to recommend effective policies and initiatives that will position Florida as a leader in blockchain technology. By studying the potential benefits of blockchain-based systems for recordkeeping, data security, and financial transactions, the task force seeks to identify ways to improve government efficiency and enhance interactions with businesses and the public.

Georgia

Georgia has established itself as a major financial technology (Fintech) hub in the United States. According to the Georgia Department of Economic Development, a significant portion of the country's financial transactions are processed by companies based within the state. Specifically, 70% of all U.S. financial transactions are handled by payment processing firms located in Georgia. Additionally, Georgia hosts more than 200 Fintech companies that offer banking, blockchain, information security, and data analytics services.

The Georgia Fintech Academy is a collaboration between Georgia's Fintech industry and the University System of Georgia. The Georgia Fintech Academy is a diversity talent development initiative designed for the Fintech industry. Students from across the University System of Georgia can participate in classes, events, and projects to prepare for jobs in the Fintech industry. Importantly, The Georgia Fintech Academy brings the most diverse set of students into the Fintech industry than anywhere else in the United States.

Hawaii

Hawaii Department of Commerce and Consumer Affairs issued a Press Release which indicated that crypto companies no longer require a money transmitter license to conduct business within the state. However, such companies will be responsible for complying with any applicable federal licensing or registration requirements, including those set forth by the Financial Crimes Enforcement Network (FinCEN), Securities and Exchange Commission (SEC), and the Financial Industry Regulatory Authority (FINRA), as well as any federal regulatory requirements involving consumer protection, anti-money laundering measures, etc.

Idaho

Idaho Department of Finance has created a Financial Innovation Lab to facilitate engagement between the regulators, industry, policymakers, academia, and the public to share key information, concepts, and research on how digital technology innovations are changing the financial services industry. The goal of the Financial Innovation Lab is to bring together the best minds in the Fintech space to strategize on potential best practices for harnessing innovations, while also educating interested parties and stakeholders.

The Idaho Code includes Chapter 53 “Digital Assets”, which defines the legal status of digital assets within the state. The law provides definitions and classifications for digital assets. Specifically, the law states that digital securities are considered intangible personal property and are classified as investment property. In contrast, virtual currency is also defined as intangible personal property but is not categorized as a security. Additionally, the law clarifies that digital assets can be purchased and sold in the same manner and are subject to the same state laws as other forms of personal property.

Illinois

Office of Innovation has been established by the Idaho Department of Financial and Professional Regulation (IDFPR). The Office of Innovation promotes responsible innovation in the industries and professions regulated by IDFPR. The Office meets with and provides resources to innovators, entrepreneurs, and consumer advocates. It identifies and researches emerging marketplace risks, trends, and opportunities related to innovation. It also develops and coordinates innovation policy initiatives across IDFPR, as well as work with other regulators.

The Blockchain Technology Act establishes a legal framework for the use of blockchain technology in Illinois. The act defines key terms like "blockchain," "smart contract," “cryptographic hash”, and "electronic record", and clarifies their legal status. The act also outlines the permitted uses of blockchain technology while imposing limitations in specific contexts. Notably, the Blockchain Technology Act prohibits local governments from imposing restrictions on the use of blockchain technology or smart contracts by individuals or entities.

Kansas

The Office of the State Bank Commissioner (OSBC) issued the regulatory guidance that provides an explanation of the types of virtual currencies (centralized vs. decentralized virtual currencies). It also explains the application of the Kansas Money Transmitter Act (KMTA) to virtual currencies. Operators engaging in activities that may be considered money transmission involving a centralized virtual currency will need to obtain an individual money transmission license from the OSBC. Entities engaged solely in the transmission of decentralized cryptocurrencies would not need to obtain a license in the State of Kansas.

Kentucky

The Kentucky Office of Regulatory Relief administers the General Regulatory Sandbox Program. The Sandbox gives businesses the chance to experiment with products and services by temporarily waiving administrative regulations. The Program allows entrepreneurs to determine if customers value products or services that are not possible under the Commonwealth's current regulatory framework. If a Sandbox demonstration proves successful, the Kentucky Office of Regulatory Relief or participants may provide recommendations to the Governor and the General Assembly on eliminating or modifying the waived administrative regulations.

Louisiana

Louisiana has introduced licensing requirements for virtual currency businesses. Key provisions of the legislation include updated terms and definitions, increased financial requirements, streamlined licensing procedures, and enhanced consumer protection and recordkeeping requirements for virtual currency businesses. Applicants for the license will need to adopt and implement minimum compliance policies and procedures. These regulatory guidelines aim to ensure the effective regulation of the virtual currency industry in Louisiana.

Maryland

The Commissioner of Financial Regulation has designated an "Innovation Contact" to support innovation efforts in the financial services sector and to facilitate communication with Fintech companies. The Innovation Contact assists Fintech companies in navigating the licensing process and evaluating risk management and compliance management systems. The Innovation Contact also provides information about doing business in Maryland and is available to answer questions about Maryland's financial laws, rules, and regulations, as they might affect financial products in fields such as money transmission, virtual currencies, payments or lending.

Massachusetts

The Mass Fintech Hub is a community established to bring together the resources and networking opportunities to all interested in leveraging the unique assets Massachusetts brings to the advancement of Fintech innovation and business development. The Mass Fintech Hub is funded by various interested partners through an inclusive membership model. The Mass Fintech Hub is an initiative under the Massachusetts Fintech Sandbox, a nonprofit organization. Backed by some of the world's leading financial institutions, data providers and venture capitalists, Fintech Sandbox helps Fintech entrepreneurs build impactful products.

Minnesota

A new Minnesota law went into effect on August 1, 2024, to protect consumers against cryptocurrency fraud. The new legislation requires cryptocurrency ATM operators to disclose full terms and conditions to customers and to warn them of the risks of fraud. It has implemented a $2,000 daily transaction limit to mitigate fraud losses. Additionally, crypto kiosk operators must refund new customers who fall victim to fraud.

Nebraska

The Nebraska Financial Innovation Act provides guidelines on the operation, supervision and regulation of digital asset depositories. Particularly, the Nebraska Financial Innovation Act allows state-charted banks to establish and operate digital asset divisions. The act stipulates that authorizing digital asset depositories in Nebraska will provide a necessary and valuable service to blockchain technology innovators and customers, emphasize Nebraska's partnership with the technology and financial industry, safely grow this state's ever-evolving financial sector, and afford more opportunities for Nebraska residents.

Nevada

Nevada established the Regulatory Experimentation Program for Product Innovation, also known as the Nevada Sandbox Program. This program is designed to foster innovation and economic growth in the state by providing a temporary exemption from certain statutory and regulatory requirements for financial products and services. By participating in the Nevada Sandbox Program, businesses can test new financial products and services in a controlled environment. This allows for experimentation and development of innovative solutions that may not be feasible under traditional regulatory frameworks.

New Hampshire

The New Hampshire Governor's Commission on Cryptocurrencies and Other Digital Assets was established to review the current status of the cryptocurrency and digital asset industry, review the current status of U.S. federal and state laws and regulatory rules, and laws of other jurisdictions, applicable, or potentially applicable, to banks and other businesses that provide services with respect to cryptocurrencies and other digital assets, and to make findings and determinations relative to the industry and any necessary modifications.

New Jersey

Digital Asset and Blockchain Technology Act requires licenses for digital asset business activities within the state. These activities include the sale, purchase, exchange, or storage of digital assets, as well as the operation of digital asset exchanges. The act aims to establish a regulatory framework for the digital asset industry in New Jersey, ensuring consumer protection, market integrity, and compliance with relevant laws and regulations.

On May 7, 2024, the New Jersey Governor announced that New Jersey Economic Development Authority (NJEDA) and Plug and Play, a Silicon Valley-based firm and innovation platform known for connecting startups, corporations, venture capital firms, and government agencies, have launched Fintech accelerator to keep New Jersey at the forefront of innovation, research, and developments. The accelerator will provide resources, mentorship, and funding to startups and entrepreneurs working on cutting-edge financial technology solutions. Pending approval by its Board, the NJEDA intends to invest up to $17.5 million in the Fintech accelerator.

New York

The Department of Financial Services (DFS) created DFS Exchange to stay abreast of innovations in the financial services industry and to promote responsible financial innovation within the state. The DFS Exchange aims to help DFS staff stay informed about innovations in the financial services industry and identify policy-oriented or practical challenges within the current regulatory frameworks. In addition to these objectives, the DFS Exchange seeks to create a transparent and innovation-friendly regulatory environment for financial services innovators, foster competition in the financial services industry, and promote financial inclusion.

The BitLicense law, enacted in New York in 2015, established a regulatory framework for businesses operating in the digital asset industry within the state. It requires individuals and entities to obtain a license from the New York State Department of Financial Services (DFS) before engaging in any virtual currency business activity, such as the sale, purchase, exchange, or storage of digital assets. BitLicense law aims to protect consumers, maintain market integrity, and ensure compliance with relevant laws and regulations within the digital asset space.

North Carolina

The Innovation Council was established in North Carolina to support innovation, investment, and job creation by encouraging participation in the Regulatory Sandbox. The program permits a person or entity to temporarily test an innovative financial or insurance product or service and make it available to consumers on a limited basis without being subject to certain licensing or other regulatory obligations imposed under applicable State law. The Innovation Council is empowered to set standards, principles, guidelines, and policy priorities for the types of innovations that the Regulatory Sandbox program will support.

North Dakota

North Dakota Department of Financial Institutions has issued regulatory guidance clarifying that individuals and businesses engaged in the purchase, sale, or exchange of virtual currency for personal or non-commercial purposes are not required to obtain a money transmitter license. However, the guidance emphasizes that any entity involved in the transmission of money or virtual currency on behalf of others, such as operating a digital asset exchange or providing money transmission services, would still be subject to licensing requirements.

Ohio

Regulatory Sandbox for "novel financial products and services" is codified in Ohio Revised Code Chapter 1355. Existing regulatory requirements are adjusted to provide Regulatory Sandbox applicants the opportunity to offer and test new products and services in a live environment, for a trial period, without the usual licensing process. Sandbox applicants may test their "novel financial product or service" for a period of up to twenty-four months.

Oklahoma

Oklahoma has enacted legislation regulating the use of blockchain technologies and digital assets within the state. The law prohibits the Oklahoma State Government from restricting the use of digital assets for purchasing legal goods or services or self-custody using a self-hosted or hardware wallet. Additionally, the law allows for the operation of blockchain nodes without requiring a money transmitter license and outlines actions that state and local governments cannot take to hinder the use of digital assets for digital asset mining, staking, and operating nodes on a blockchain network.

Oregon

The Oregon Division of Financial Regulation has established the Oregon Innovation Hub to help insurance, financial, and technology companies bring innovative products, services, and tools to Oregonians. The Hub offers a Regulatory Sandbox that allows businesses to test financial products and services. The Regulatory Sandbox allows businesses to test products and services within a well-defined space for a limited duration, includes safeguards to minimize the results of failure and maintain the safety and soundness of Oregon's financial system, and provides support through collaborative regulatory requirements.

South Dakota

Insurance Regulatory Sandbox allows entrepreneurs to test innovative insurance product or service without obtaining a license or other authorization that might otherwise be required. The law establishes a process for obtaining waivers, outlines the scope of permissible waivers, and sets forth requirements for applicants, including financial solvency, consumer protection measures, and reporting obligations. It also addresses the confidentiality of waiver applications and materials and provides for the termination of waivers in certain circumstances. Overall, the law seeks to balance innovation with consumer protection and market stability.

Texas

Texas Department of Banking issued an Industry Notice 2021-03, which allows Texas state-chartered banks to provide customers with virtual currency custody services, so long as the bank has adequate protocols in place to effectively manage the risks and comply with applicable laws and regulations. The Texas Department of Banking believes that existing provisions in the Texas Finance Code authorize financial institutions to offer custody and safekeeping services for virtual currencies, despite the differences in handling these assets compared to more traditional assets.

Utah

Regulatory Sandbox, administered by the Utah Office of Regulatory Relief, allows businesses to experiment with products, production methods, or services by temporarily waiving state law and allowing entrepreneurs to determine if customers value products that don't fit within the state's current regulatory framework.

The Utah Code defines a "blockchain token" as an electronic record that is recorded on a blockchain and can be traded between individuals without an intermediary. Importantly, the code explicitly excludes blockchain tokens from the definition of money transmission, meaning that entities dealing with blockchain tokens are not subject to the same regulatory requirements as traditional money transmitters.

Virginia

Virginia law permits banks in the Commonwealth to provide virtual currency custody services if they have established adequate protocols to effectively manage the associated risks. The law defines "virtual currency" and provides that a bank may choose to offer such custody services in a nonfiduciary capacity or a fiduciary capacity. If it chooses to provide such custody services in a fiduciary capacity, it must possess trust powers and have a trust department approved by the State Corporation Commission.

Washington

The Washington State Department of Financial Institutions has created the Center for Fintech Information (CFI) to facilitate communication between the Department and entrepreneurs, start-ups, and Fintech companies. The CFI website offers a variety of resources including information on licensing and regulatory requirements for Fintech businesses in Washington, guidance documents related to virtual currencies and money transmission, and a glossary of common Fintech terms. The CFI also provides a decision tree tool to help Fintech companies determine which licenses and regulations apply to their specific business model.

West Virginia

The Fintech Sandbox, managed by the West Virginia Division of Financial Institutions, allows entities to test innovative financial products or services for a two-year period without obtaining a license. After the end of the sandbox period, if the test of the product or service has been deemed successful, the entity would be able to continue operating in West Virginia subject to any licensure requirements at that time.

Wyoming

The Wyoming Stablecoin Act establishes the Wyoming stable token, a virtual currency that is pegged to and redeemable for one (1) United States dollar. For the purposes of administering the Wyoming stable token, the act creates the Wyoming Stable Token Commission and the Wyoming Stable Token Trust Account.

The Financial Technology Sandbox is available in Wyoming. The Wyoming Secretary of State and the Wyoming Banking Commissioner have the authority to waive specific statutes or rules to allow for the testing of innovative financial products or services through this program for a limited period of time.

The Wyoming Money Transmitters Act exempts from licensing as money transmission activities that involve "buying, selling, issuing, or taking custody of payment instruments in the form of virtual currency or receiving virtual currency for transmission to a location within or outside the United States by any means".

Wyoming Law classifies digital assets and provides guidance for banks offering digital asset custodial services. A bank may provide custodial services upon providing sixty days written notice to the Commissioner, and may serve as a qualified custodian, as specified by the SEC or as a custodian authorized by the CFTC or other law.

IV. Fintech Regulatory Landscape in the District of Columbia

In this chapter, we will review the most common Fintech products and their regulation in the District of Columbia within the insurance, securities, and banking industries. We will also examine emerging sectors, such as blockchain and artificial intelligence (AI), and their regulatory landscape in the District.

1. Securities Industry

1.1. Overview of Fintech Products in the Securities Industry

Fintech services are democratizing the investment landscape, making it more accessible and affordable to everyone. Fintech platforms offer user-friendly interfaces and lower fees, allowing anyone to participate in the securities market regardless of account size. Fintech platforms leverage technology to expedite investment processes, reduce costs, and provide investment services with lower fees and investment amounts.

The main Fintech solutions transforming the investment management industry include:

1.1.1. Robo-Advisers

Robo-adviser services such as Betterment and Wealthfront use algorithms to create personalized investment portfolios based on investor's individual risk tolerance and financial goals. Robo-advisers have lower minimum investment requirements compared to traditional investment advisers. These platforms provide low-cost investing solutions by eliminating the need for human advisers and automating investment operations.

1.1.2. Trading Apps

Trading apps like Robinhood and eToro are making investing more accessible, allowing users to easily allocate capital across a diverse range of asset classes. These platforms democratize access to a variety of investment instruments, such as stocks, bonds, exchange-traded funds (ETFs), and even alternative asset classes. Individuals can now buy and sell investments using trading apps with a few clicks thanks to technological advancements.

1.2. Regulation of Fintech Products in the Securities Industry

1.2.1. Robo-Advisers

Under the Code of the District of Columbia §31-5602.02 (a), no person shall transact business in the District of Columbia as an investment adviser unless the person is licensed or exempt from the licensing requirement. In most cases, Fintech companies that intend to engage in the investment advisory business in the District of Columbia must first obtain a license from the Department of Insurance, Securities and Banking (DISB).

DISB has jurisdiction over Investment Advisers with up to $100 million in Assets Under Management (AUM). When a DISB-registered Investment Adviser's AUM reaches the $100 million threshold, the RIA may register with the Securities and Exchange Commission (SEC). However, when the RIA's AUM exceeds $110 million, they must register with the SEC, unless a registration exemption is available.

Robo-advisers can register with the SEC as "Internet Investment Advisers," exempting them from the $100 million AUM threshold. To qualify for this exemption, a company must maintain a fully operational interactive website to deliver digital investment advice to multiple clients on an ongoing basis and provide advice to all of its clients exclusively through the website, in accordance with the SEC's Final Rule "Exemption for Certain Investment Advisers Operating Through the Internet".

Investment advisers that only operate in DC and only provide advice to clients within DC may be exempt from registration with the SEC under the "intrastate" exemption. However, advisers seeking this exemption cannot provide advice on securities listed on a national exchange, such as the NYSE or NASDAQ.

In addition, if any person intends to act as an Investment Adviser Representative (IAR) in the District of Columbia, whether for an Internet Investment Adviser or a traditional RIA, they must obtain an IAR license from DISB. Investment Advisers must submit a notice filing with DISB through the Investment Adviser Registration Depository (IARD) and the license application fee for all persons who will work as IARs.

1.2.1.1. Investment Adviser Registration Requirements

Investment Advisers (DISB-Registered Firms)

1) Notice filing through the Investment Adviser Registration Depository (IARD).
2) Form ADV Part 2 (Brochure) filed electronically with IARD.
3) Clean Hands form (If the state adviser is a sole proprietorship).
4) A financial statement, if the state adviser has custody of clients' funds.
5) Investment Adviser Affidavit.

Investment Adviser Representatives (SEC and DISB-Registered Firms)

1) Form U4 filed with IARD for all persons who will act as IARs.
2) Proof of a passing score on Series 65 or Series 7 and Series 66 exams.
3) IAR Fingerprints submitted with Fieldprint.

The above-listed registration requirements are general and subject to change as determined by jurisdictions. Additional information and documentation may be required.

1.2.1.2. Robo-Adviser Registration Examples

Robo-advisers typically register as Registered Investment Advisers with the SEC. Here are some examples:

1) Betterment. Investment advisory services are provided by Betterment LLC, an SEC-registered Investment Adviser. Brokerage services are provided by Betterment Securities, an SEC-registered Broker-Dealer (FINRA Member).
2) Wealthfront. Investment advisory services are provided by Wealthfront Advisers LLC, an SEC-registered Investment Adviser. Cash accounts are offered by Wealthfront Brokerage LLC, a Member of FINRA.

1.2.2. Trading Apps

Under the Code of the District of Columbia §31-5602.01 (a), no person shall transact business in the District as a broker-dealer unless the person is licensed or exempt from the licensing requirement. Fintech companies that intend to engage in the business of purchasing or selling securities in the District must first obtain a Broker-Dealer license.

Generally, broker-dealers must register with the Securities and Exchange Commission (SEC) and become members of the Financial Industry Regulatory Authority (FINRA). A broker-dealer that conducts all of its business in one state ("Intrastate Broker-Dealer") does not have to register with the SEC. To qualify for this exception, all securities transactions must be done within the borders of one state. This means that, without SEC registration, a broker-dealer cannot participate in any transaction executed on a national securities exchange.

In addition, if any person intends to act as an Agent of Broker-Dealer in the District of Columbia, for either an Intrastate Broker-Dealer registered with DISB or a SEC-registered Broker-Dealer (FINRA member), they must obtain a Broker-Dealer Agent license from DISB. Broker-Dealers must submit a Form U-4 and the license application fee for all persons who will work as Agents of Broker-Dealers in the District.

1.2.2.1. Broker-Dealer Registration Requirements

Broker-Dealers (FINRA Members)

1) A notarized Statement of Financial Condition.
2) A copy of any subordination agreement to meet net capital requirements.
3) Broker-Dealer Transaction Certification Form.
4) Clean Hands Form submitted by the principal of the firm.

Broker-Dealers (Non-FINRA Members)

1) Form BD filed electronically with DISB Lock Box.
2) A notarized Statement of Financial Condition.
3) A copy of any subordination agreement to meet net capital requirements.
4) Broker-Dealer Transaction Certification Form.
5) Clean Hands Form submitted by the principal of the firm.

Broker-Dealer Agents (FINRA Members)

1) A Form U4 filed electronically with FINRA Gateway.
2) Proof of a passing score on a securities exam.

Broker-Dealer Agents (Non-FINRA Members)

1) A Form U4 filed electronically with DISB Lock Box.
2) Proof of a passing score on a securities exam.
3) BD Agent Fingerprints submitted with Fieldprint.

The above-listed registration requirements are general and subject to change as determined by jurisdictions. Additional information and documentation may be required.

1.2.2.2. Trading App Registration Examples

Trading Apps typically register as Broker-Dealers with the SEC. Here are some examples:

1) Robinhood. Brokerage services are offered through Robinhood Financial LLC, a registered Broker-Dealer (member SIPC). Cryptocurrency services are offered through Robinhood Crypto, LLC.
2) eToro. Securities trading is offered by eToro USA Securities Inc., member of FINRA and SIPC, a Broker-Dealer that does not provide investment advice. Crypto trading is offered by eToro USA LLC.

2. Banking Industry

2.1. Overview of Fintech Products in the Banking Industry

In recent years, Fintech has been a major force of disruption in the banking industry. Fintech companies are leveraging innovation to offer a better customer experience. They provide convenient mobile apps for everyday banking, often with lower fees and faster processing times compared to traditional banks. Additionally, Fintech companies offer alternative lending options and challenge the dominance of established financial institutions.

The main Fintech solutions transforming the banking industry include:

2.1.1. Payment Apps

Fintech is transforming how people make payments, offering faster, more convenient, and secure payment methods. Mobile wallets like Apple Pay and Google Pay allow users to make contactless payments using their smartphones, eliminating the need for physical cards. Peer-to-peer (P2P) Payment Platforms like Venmo and Zelle enable instant money transfers between individuals, simplifying expense sharing and personal payments. Finally, blockchain-based payment solutions can offer faster and more secure cross-border transactions with lower fees compared to traditional banking systems.

2.1.2. Fintech Lending

Fintech is making lending more accessible and efficient by simplifying the loan application process and offering alternative lending options. Online lending companies like SoFi and Upstart provide online loan applications with faster approval times and potentially lower interest rates compared to traditional banks. Peer-to-Peer (P2P) lending platforms like LendingClub and Prosper connect borrowers and lenders directly, potentially offering lower interest rates for borrowers and higher returns for lenders.

2.1.3. Digital Banking

Fintech offers banking solutions that are more convenient, accessible, and user-friendly than traditional banks. For example, neobanks such as Chime and Revolut are entirely digital banks with no physical branches. Neobanks provide banking services online, which allows them to offer reduced fees. Neobanks have become a key part of the financial ecosystem due to their ease of use and low cost. They often allow formerly unbanked consumers to access credit cards, checking accounts, and other tools to improve their financial health.

2.1.4. Buy Now, Pay Later (BNPL)

Buy Now, Pay Later (BNPL) has become increasingly popular as an alternative to conventional credit cards in the past decade. BNPL loan is a short-term financing option that allows consumers to split the cost of a purchase into predetermined installments. BNPL loan generally requires an initial down payment of 25 percent, followed by three additional installments due every two weeks. BNPL services, such as Klarna, Affirm, and Zip, enable consumers to split purchase costs into predetermined installments.

2.1.5. Earned Wage Access (EWA)

Earned wage access (EWA) services have grown in popularity as more providers offer them and more businesses and consumers use them. EWA services, such as Payactiv, DailyPay, and One@Work, enable workers to access a portion of their paycheck before their regular payday. EWA providers may charge a fee for the service. However, EWA fees are typically lower than the high-interest rates and fees associated with payday loans. EWA can be offered by employers as a benefit or by third-party providers directly to employees.

2.2. Regulation of Fintech Products in the Banking Industry

2.2.1. Payment Apps

Pursuant to the Code of the District of Columbia §26-1002, no person shall engage in the business of money transmission in the District of Columbia without obtaining a money transmitter license from the District of Columbia Department of Insurance, Securities and Banking, unless exemptions apply. "Money transmission" means the sale or issuance of payment instruments or engaging in the business of receiving money for transmission or transmitting money within the United States, or to locations abroad, by any and all means.

The Department of Insurance, Securities, and Banking Guidance 24-BB-001-08/09/24 clarifies that a Money Transmission license is required for entities operating Bitcoin Teller Machines (BTMs) or virtual currency kiosks and that are engaging in, or planning to engage in, the transfer of money with Bitcoin or other virtual currency used as a medium of exchange, method of payment or store of value in the District.

2.2.1.1. Money Transmitter Registration Requirements

Money Transmitters (Electronic Submission)

1) Application through the Nationwide Multistate Licensing System ("NMLS") website.
2) Financial Statements.
3) Business Plan.
4) Flow of Funds Structure.
5) DC Certificate of Registration.
6) Formation Document.
7) Management/Organizational Chart.
8) Electronic Surety Bond.
9) AML/Compliance Program.
10) Other Required Information and Documents.

The above-listed registration requirements are general and subject to change by the NMLS and jurisdictions.

2.2.1.2. Payment App Registration Examples

Payment Apps typically register as Money Transmitters with the DISB. Here are some examples:

1) PayPal. MSB license has been granted by the DISB.
2) Venmo. MSB license has been granted by the DISB.
3) Google Pay. MSB license has been granted by the DISB.

2.2.2. Fintech Lending

Pursuant to the Code of the District of Columbia §26-901, any person, firm, voluntary association, joint-stock company, incorporated society, or corporation, not exempt by section §26-912 of the Code of the District of Columbia, engaging in the business of loaning money upon which a rate of interest greater than 6% per annum shall obtain a money lender license. In accordance with sections §26-905 and §28-3301 of the D.C. Code, no such person or entity shall charge or receive an interest rate exceeding 24% per annum on any loan.

Fintech lending companies typically either act as direct lenders or establish a bank partnership. Fintech lending companies acting as direct lenders in the District of Columbia, must receive a money lender license from the DISB. At the same time, many Fintech lenders partner with chartered banks to bypass state restrictions. They handle marketing, while banks underwrite and fund loans. This "rent-a-charter" process is configured in a way to ensure that the loan only needs to comply with the usury limit of the bank's home state. However, bank – Fintech partnerships can still be challenged by consumer advocates through "true lender" litigation.

Further in this section, we will examine DC Council Bill 25-0609, which aims to prevent out-of-state lenders from partnering with state-chartered banks outside of the District to evade the local usury cap of 24%. The bill also includes an anti-evasion provision defining a "true lender" of a consumer loan.

District of Columbia Bill 25-0609 to Opt DC Out of Section 521 of the Depository Institution Deregulation and Monetary Control Act (DIDMCA)

Depository Institution Deregulation and Monetary Control Act (DIDMCA) allows FDIC-insured, state-chartered banks to apply their home state's interest rate to loans made in other states. Accordingly, a bank chartered in a state without an interest rate cap can charge interest rates above the DC's usury limit of 24% on loans made in the District. DIDMCA was enacted by Congress in 1980, following the Supreme Court's decision in Marquette Nat. Bank v. First of Omaha Svc. Corp., 439 U.S. 299 (1978), which ruled that nationally chartered banks are exempt from state usury laws.

While DIDMCA allows nationally chartered banks to avoid state usury caps, it provides states with the option to opt out of these provisions. By opting out, the District of Columbia could enforce its usury caps and prevent out-of-state banks (like those chartered in Delaware or South Dakota) from imposing their higher interest rates on District residents.

On November 30, 2023, DC Councilmember Kenyan R. McDuffie introduced the Protecting Affordable Loans Amendment Act of 2023 (PALs Act). This legislation aims to opt the District of Columbia out of Section 521 of DIDMCA and prevent out-of-state lenders from partnering with state-chartered banks outside of the District to evade the local usury cap of 24%. Currently, the bill is with the DC Council's Committee on Business and Economic Development for consideration. A public hearing was held on March 13, 2024.

The legislation also contains an anti-evasion provision. The Code of the District of Columbia would be amended to define a "true lender" of a consumer loan. Specifically, the definition of "loan" would be amended to include money or credit provided to a consumer in exchange for the consumer's agreement to a certain set of terms, including, but not limited to, any finance charges, interest, or other payments, closed-end and open-end credit. A loan will be considered as having been made in the District if the lendee is a resident of the District at the time the lender receives either a signed writing evidencing the transaction or modification, or a written or oral offer of the buyer, lessee, or debtor to enter into or modify the transaction.

"Lender" would be defined to include any person that offers or makes a loan, arranges or facilitates a loan for a third party, or acts as an agent for a third party in making or servicing a loan, including any person "engaged in a transaction that is in substance a disguised loan or a subterfuge for the purpose of avoiding the proposed legislation, and that: 1) Holds, directly or indirectly, the whole, predominant, or partial economic interest, risk or reward in the loan; 2) Holds the right, requirement, or first right of refusal to acquire, the loan or a receivable or interest in the loan; or 3) Circumstances indicate that the person is the lender and the transaction is structured to evade the DC Code's requirements.

2.2.2.1. Money Lender Registration Requirements

Money Lenders (Electronic Submission)

1) Application through the NMLS website.
2) Financial Statements.
3) Business Plan.
4) DC Certificate of Registration.
5) Formation Document.
6) Management/Organizational Chart.
7) Electronic Surety Bond.
8) Publication Requirement.
9) Other Required Documents.

The above-listed registration requirements are general and subject to change as determined by jurisdictions. Additional information and documentation may be required.

2.2.2.2. Fintech Lender Registration Examples

Money lenders typically register with the DISB as Money Lenders unless they form a partnership with a bank that underwrites and funds a loan. Here are some examples of DISB-registered online lending platforms:

1) SoFi. Money lender license has been granted by the DISB.
2) Upstart. Money lender license has been granted by the DISB.

2.2.3. Digital Banking

The Office of the Comptroller of the Currency has exclusive authority to issue a national bank charter, while any state (and the District of Columbia) can issue a state charter. In accordance with section §26-103(b) of the D.C. Code, no corporation shall engage in or do the business of a bank of deposit or a fiduciary business in the District of Columbia until the approval and consent of the Commissioner of the DISB is secured.

2.2.3.1. Registration Requirements

The Department of Insurance, Securities and Banking charters depository institutions (banks), credit unions and trust companies in the District. The new application or conversion process is a joint effort between the state and federal regulator which minimizes investigation, turnaround time and the regulatory burden on the applicant.

2.2.3.2. Registration Examples

Digital banks (neobanks) typically partner with OCC-chartered financial institutions. Here are some examples:

1) Chime partners with The Bancorp Bank and Stride Bank.
2) Revolut partners with Metropolitan Commercial Bank.

Currently, only a few U.S. Fintech companies, including SoFi and Square, hold national charters issued by the Office of the Comptroller of the Currency.

2.2.4. Buy Now Pay Later (BNPL) Products

On May 22, 2024, The Consumer Financial Protection Bureau (CFPB) issued an Interpretive Rule on digital user accounts used to access credit. This rule applies to lenders that market loans as "Buy Now, Pay Later" (BNPL). This interpretive rule describes how these lenders meet the criteria for being “card issuers” and “creditors”.

This interpretive rule’s legal analysis states that lenders that issue digital user accounts that consumers use from time to time to access credit products to purchase goods and services are “card issuers”, including when those products are marketed as Buy Now, Pay Later (BNPL). Such lenders are “card issuers” because such digital user accounts are “credit cards” under CFPB’s Regulation Z (Truth in Lending). Traditional BNPL products are closed-end loans payable in four or fewer installments without a finance charge, used to make purchases on credit. Consequently, BNPL loans are subject to some, but not all, of Regulation Z’s credit card regulations.

The CFPB is not the only regulatory agency exercising oversight over the growing BNPL industry. At the state level, California has already incorporated BNPL products under its California Financing Law (CFL). Since 2020, California regulators have made it clear that all BNPL plans are considered “loans” under the CFL, and therefore BNPL providers must have a license in order to issue them. With these licenses, BNPL providers are subject to rules and regulations regarding how BNPL loans can be marketed and how much interest can be charged.

2.2.4.1. Registration Requirements

The District of Columbia has not yet implemented specific regulations for Buy Now, Pay Later (BNPL) products. While DISB oversees various financial institutions, there is currently no explicit requirement for BNPL providers to obtain a Money Lender license with DISB for offering BNPL loans. This may create regulatory uncertainty for both BNPL providers and consumers in the District of Columbia.

2.2.4.2. Registration Examples

BNPL providers typically partner with OCC-chartered banks. For example, payment options through BNPL provider Affirm are provided by Cross River Bank, Celtic Bank, and Lead Bank (FDIC members); or Affirm Loan Services, LLC (licensed as a Money Lender with DISB). Loans through BNPL provider Zip are originated by FDIC-insured WebBank. Zip is also licensed as a lender in certain US states but not in the District of Columbia.

2.2.5. Earned Wage Access (EWA) Products

Some states enacted laws providing the official legal framework for EWA back in 2023, but the debate continues over whether these products should be considered consumer loans. Nevada became the first state to finalize an EWA law, requiring EWA providers to be licensed and offer at least one free option for early wage access, among other safeguards. Importantly, Nevada does not classify EWA as consumer loans. Shortly after, Missouri passed a similar law with EWA licensing requirements, also avoiding loan classification for EWA products.

However, the EWA regulatory landscape shifted on July 18, 2024, when the Consumer Financial Protection Bureau (CFPB) proposed an interpretive rule explaining that many EWA products could be considered consumer loans subject to the Truth in Lending Act. The CFPB also published report examining employer-sponsored paycheck advance loans. The report finds that workers using employer-sponsored products take out an average of 27 such loans per year and that the typical employer-sponsored loan carries an APR exceeding 100%.

2.2.5.1. Registration Requirements

The District of Columbia has not yet implemented specific regulatory requirements for Earned Wage Access (EWA) products. While the DISB oversees consumer lending services, there's currently no requirement for EWA providers to obtain a license with DISB. In order to implement proper regulation of EWA products in the District, it makes sense to wait for the final CFPB rule regarding EWA regulatory framework to be officially published.

2.2.5.2. Registration Examples

EWA providers typically partner with OCC-chartered banks. For example, the Payactiv Visa prepaid card is issued by Central Bank of Kansas City, Member FDIC. The DailyPay Visa prepaid card is issued by The Bancorp Bank, Member FDIC. The One@Work Mastercard is issued by Coastal Community Bank, Member FDIC.

3. Insurance Industry

3.1. Overview of Fintech Products in the Insurance Industry

The insurance industry, historically known for its risk-averse nature, is undergoing a transformation driven by Fintech services that are making insurance products more accessible and affordable to consumers. This transformation is also facilitated by startup companies that are introducing innovative business models and utilizing mobile and online platforms to streamline the customer experience. Another emerging area is the implementation of AI tools. AI algorithms can analyze vast datasets to assess risk profiles and automate the underwriting process, making it faster and potentially more accurate.

3.1.1. Insurtech

Insurtech platforms leverage technology to personalize insurance policies, streamline claims processing, and offer on-demand coverage. Tech-driven insurance platforms like Lemonade and Pie Insurance are changing the way individuals and small businesses get covered. They use innovative tools to make purchasing personal and commercial insurance faster, more transparent, and ultimately, more affordable.

3.2. Regulation of Fintech Products in the Insurance Industry

3.2.1. Insurtech

In accordance with the Code of the District of Columbia § 47–2603, an insurer must apply for an annual license (Certificate of Authority) issued by the DC DISB Commissioner in order to engage in the insurance business in the District of Columbia. The applicant must file a Uniform Certificate of Authority Application (UCAA) as developed by the National Association of Insurance Commissioners (NAIC). A primary application should be used by newly formed District insurance companies and HMO's seeking a Certificate of Authority in the District of Columbia and for insurers wishing to re-domesticate to the District. All other insurance companies and HMO's, already licensed elsewhere, should submit an expansion application.

Pursuant to the Code of the District of Columbia §31-1131.03(a), a person shall not sell, solicit, or negotiate insurance in DC for any class of insurance unless the person is properly licensed. Both individuals and firms may apply for a license either as a resident or nonresident applicant. A person who maintains his or her principal place of residence and principal place of business in the District shall apply for a resident insurance producer license with the DISB. A person who maintains his or her principal place of residence and principal place of business outside the District shall apply for a nonresident insurance producer license with the DISB.

3.2.1.1. Registration Requirements

Insurance Companies

1) Uniform Certificate of Authority Application (UCAA). Primary UCAA applications are submitted in hard copy to the DISB. Expansion UCAA applications are submitted electronically through the NAIC website.
2) The initial Certificate of Authority application fee is $500 for both primary and expansion applications.
3) Minimum Capital and Surplus Requirements.
4) Statutory Deposit Requirements.
5) Plan of Operation.
6) Line of Business Matrix
7) Financial Statements.
8) Rate and Form Filing through SERFF.
9) Questionnaire Questions.
10) Public Records Package.
11) NAIC Biographical Affidavit.
12) Disclaimer of Control.
13) Custody Agreements.
14) Independent CPA Audit Report.
15) Risk-Based Capital Report.
16) Reports of Examination (for expansion application).
17) Certificate of Compliance (for expansion application).
18) Other required documents.

Insurance Producers

1) Electronic Application at www.nipr.com
2) DC insurance licensing examination (if exam required)
3) Fingerprinting and a background check if an applicant transitions from non-resident to resident status.
4) Insurance Producer Bond Form.
5) Other Required Documents.

3.2.1.2. Registration Examples

Insurtech companies typically register as insurers with the DISB. Here are some examples:

1) Lemonade. Licensed in the District of Columbia (Property/Casualty).
2) Pie Insurance. Licensed in the District of Columbia (Property/Casualty).

4. Digital Assets

4.1. Digital Asset Market Overview

Recent years have witnessed a substantial rise of blockchain technology and its applications. Digital assets, including utility tokens, stablecoins, cryptocurrencies, and NFTs, have experienced significant growth and volatility, capturing the attention of both investors and regulators. The underlying blockchain technology, with its promise of decentralization and immutability, has sparked innovation across various financial sectors. The SEC's approval and subsequent launch of Bitcoin and Ethereum ETFs in 2024, coupled with increasing institutional interest in blockchain technology, signals increasing mainstream acceptance of digital assets.

Decentralized Finance (DeFi) has emerged as a significant disruptor in the financial industry, offering peer-to-peer financial services without intermediaries. DeFi lending protocols, such as AAVE with its approximately $20 billion in locked liquidity, have attracted a growing user base, challenging traditional financial institutions. Additionally, DeFi trading protocols such as Uniswap have demonstrated significant growth, facilitating over $500 billion in trading volume and exceeding 70 million individual trades.

The rapid evolution of the blockchain industry has presented both opportunities and challenges for the financial sector and regulators to navigate. While blockchain technology has the potential to enhance efficiency, security, and financial inclusion, particularly in facilitating instant and cost-efficient cross-border payments, it also raises concerns about market manipulation, consumer protection, and money laundering. As a result, financial regulators are still seeking to strike a balance between fostering innovation and mitigating risks.

4.2. Digital Asset Market Regulation

The digital asset and blockchain industry has evolved rapidly in recent years, requiring corresponding regulatory developments. At the federal level, the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) have been the primary regulators in this emerging space. The SEC has claimed jurisdiction over digital assets it considers securities, while the CFTC has declared authority over those it deems commodities. Both agencies have taken over 100 enforcement actions in the digital asset space, resulting in billions in penalties and restitution.

However, a lack of clear federal regulations has hindered the innovation of the blockchain industry and market participants still seek regulatory clarity to ensure compliance. There is growing consensus among stakeholders on the need for a comprehensive regulatory approach. However, progress has been slow, and the blockchain industry continues to operate in a state of regulatory uncertainty. At the same time, regulatory inaction can expose financial markets and investors to significant risks, including market volatility, fraud, and investor losses. Federal legislation is needed to establish a clear regulatory framework that will protect investors.

State-level regulation of digital assets has also emerged to fill a regulatory gap. Some states, such as New York, New Jersey, and California, have implemented specific licensing, disclosure, and reporting requirements for cryptocurrency businesses. Other states have enacted laws exempting digital asset transactions from money transmission regulation requirements. The District of Columbia applies money transmission regulations to digital asset transactions and can potentially implement additional requirements, such as disclosure and reporting, for cryptocurrency businesses, without waiting for the implementation of federal crypto regulations.

5. Artificial Intelligence

5.1. Artificial Intelligence Landscape

Artificial Intelligence (AI) is one of the most powerful technologies of our time, with broad applications. AI is transforming many industries across the globe, including financial services and investment management. From fraud detection and risk assessment to algorithmic trading and personalized financial advice, AI is revolutionizing operations and customer experiences. Machine learning models are being employed to analyze vast datasets, identify patterns, and make predictions with unprecedented accuracy. Additionally, AI-powered chatbots and virtual assistants are enhancing customer service by providing instant and personalized support. This surge in AI innovation has led to increased investments, the formation of new startups, and competition for talent.

Responsible AI use has the potential to make our world more productive, innovative, and secure, and at the same time, irresponsible use could exacerbate fraud, discrimination, bias, and disinformation; and pose risks to national security. Therefore, it is crucial to understand both the benefits and risks of AI to ensure its responsible and compliant development. Without proper controls, AI systems can amplify undesirable outcomes for individuals and communities. With proper controls, AI systems can mitigate and manage these risks.

AI risk management is a key component of responsible development and use of AI systems. Responsible AI practices help ensure that decisions about AI system design, development, and use are aligned with the intended aim and values. Federal government has already introduced important guidelines and policies related to the responsible use of AI technology. Several states have followed with local initiatives that emphasize the focus on social responsibility, economic sustainability, safety, transparency, and privacy when using AI tools.

5.2. Artificial Intelligence Regulation

5.2.1. AI Regulation at the Federal Level

Among the most important federal AI policies and guidelines in the United States are Blueprint for an AI Bill of Rights released by the White House, the AI Risk Management Framework prepared by NIST, and the National AI Research and Development Strategic Plan released by the National Science and Technology Council (NSTC). Besides that, on October 30, 2023, President of the United States issued an Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence.

Federal agencies have released several important AI reports and guidelines. The SEC issued an Investor Alert Artificial Intelligence (AI) and Investment Fraud jointly with FINRA and NASAA. FINRA issued Artificial Intelligence (AI) in the Securities Industry report. CFPB released Guidance on Credit Denials by Lenders Using Artificial Intelligence. NAIC published NAIC Principles on Artificial Intelligence (AI) and NAIC Model Bulletin: Use of artificial intelligence systems by insurers.

5.2.2. AI Regulation at the State Level

State regulators have released several AI policies and Executive Orders. Alabama Governor issued Executive Order 738 to create an AI Task Force. Alaska Governor issued Bulletin B 24-01 "Use of Artificial Intelligence Systems by Insurers". California Governor issued Executive Order N-12-23 to study the development, use, and risks of AI technology and to develop a responsible process for evaluation and deployment of AI tools. Connecticut Judicial Branch introduced Artificial Intelligence Responsible Use Framework.

Maryland Governor issued Executive Order "Catalyzing the Responsible and Productive Use of Artificial Intelligence in Maryland State Government". Massachusetts Governor released Executive Order No. 629 "Establishing an Artificial Intelligence Strategic Task Force". The New York City published Artificial Intelligence Action Plan. Oregon Governor released Executive Order 23-26 to establish a State Government AI Advisory Council. Pennsylvania Governor released Executive Order 2023-19 focused on the Generative AI.

Vermont Governor signed the Act No. 137 relating to the creation of the Artificial Intelligence Task Force. Virginia Governor released Executive Order No. 30 to implement standards for the safe use of AI. Wisconsin Governor released Executive Order #211 to create the Governor's Task Force on Workforce and Artificial Intelligence. In the District of Columbia, Mayor Bowser issued an Executive Order #2024-028 "Articulating DC's Artificial Intelligence Values and Establishing Artificial Intelligence Strategic Benchmarks".

5.3. Artificial Intelligence Adoption

5.3.1. AI Adoption by Federal Agencies

The federal government is leveraging AI to better serve the public across a wide array of use cases, including in healthcare, transportation, the environment, and benefits delivery. The federal government is also establishing strong guardrails to ensure its use of AI keeps people safe and doesn't violate their rights.

List of Government Agencies with Links to Their AI Use Cases:

- Department of Agriculture;
- Department of Commerce;
- Department of Education;
- Department of Energy;
- Department of Health and Human Services;
- Department of Homeland Security;
- Department of Housing and Urban Development;
- Department of Justice;
- Department of Labor;

- Department of State;
- Department of Transportation;
- Department of Treasury;
- U.S. General Services Administration;
- U.S. Office of Personnel Management;
- U.S. Securities and Exchange Commission;
- Financial Crimes Enforcement Network.

5.3.2. AI Adoption by State Agencies

Several state governments, including Maryland, Virginia, and the District of Columbia, have issued executive orders governing the use of Artificial Intelligence (AI) within state agencies. These executive orders outline state AI principles and values and establish AI task forces and advisory councils to oversee the implementation of AI tools. Links to these executive orders can be found in Section 5.2.2 of this report.

5.3.3. AI Adoption by Market Participants

Financial market participants are exploring and deploying AI tools across different functions of their organizations and financial regulators have already released a few helpful guidances. For example, FINRA published the paper Artificial Intelligence in the Securities Industry. SEC proposed the rule Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers. NAIC issued the NAIC Model Bulletin about the use of AI systems by insurers and the NAIC Principles on Artificial Intelligence.

V. Recommendations and Policy Proposals

1. Securities Industry

Securities industry is primarily regulated by the U.S. Securities and Exchange Commission at the federal level. However, broker-dealers and investment advisers are subject to oversight by both federal and state authorities.

The District of Columbia currently has clear registration guidelines and requirements for the securities market participants. The existing licensing framework utilized by the Department of Insurance, Securities, and Banking has proven effective, and therefore it is recommended to maintain it for registering Fintech companies operating as Broker-Dealers or Investment Advisers in the District. This also applies to the registration process of Broker-Dealer Agents and Investment Adviser Representatives in the District of Columbia, which is both sensible and consistent with regulations in other states.

2. Banking Industry

A. Money Transmission Modernization Act

The District of Columbia has established clear regulatory guidelines and registration requirements for state-chartered banks (D.C. Code §26-103(b)) and money transmitters (D.C. Code §26-1002). To streamline the supervision and regulation of money transmitters in the District, the Department of Insurance, Securities, and Banking (DISB) is working on the adoption of the Money Transmission Modernization Act (MTMA).

MTMA is important because it establishes nationwide standards and requirements for money transmitters. As of September 2024, twenty-six states have adopted the law in full or in part, and 19 states have introduced MTMA legislation. MTMA benefits Fintech companies by providing a consistent licensing framework across U.S. states, reducing compliance costs and enabling them to expand operations more efficiently.

B. District of Columbia Usury Interest Rate

DC Bill 25-0609 discussed in Section 2.2.2 of this Report (Page 25) is intended to target predatory lending and protect DC residents. However, there is a risk that it could unintentionally harm responsible lenders offering safe and affordable loans. This could limit credit accessibility for DC residents, particularly underbanked consumers with lower credit scores who may lose access to previously available financing. In addition, state-chartered banks will be at a disadvantage to their nationally chartered counterparts who are allowed to charge interest rates at the 36% rate provided by the Military Lending Act.

If the Council still passes this bill, it may make sense to revisit DC's interest rate laws to ensure that they align with current market conditions, allowing DC residents access to credit options while maintaining a cap at 36% rate. The 36% interest rate limit has become the broadly accepted dividing line between responsible lending and predatory credit that undermines financial inclusion. This interest rate cap can help prevent predatory lending and ensure borrowers can repay loans without falling into a debt trap.

As a reference, the Military Lending Act requires that loans made to active duty military members or their dependents be capped at 36% APR. Consumer advocacy groups, including the National Consumer Law Center (NCLC) and the Center for Responsible Lending (CRL) advocate for extending the 36% rate to all consumers, which would essentially eliminate payday and other high-cost lending nationwide.

C. EWA Products in the District of Columbia

The Earned Wage Access (EWA) is a popular financial product that offers employees the ability to access a portion of their earned wages before payday. However, with the growth of this sector comes a need for clear regulations to ensure consumer protection and responsible practices. The District of Columbia has not implemented yet specific regulatory guidelines for EWA products. This lack of clarity may create regulatory uncertainty for EWA providers and consumers in the District. EWA providers might be unsure of licensing and reporting requirements, while consumers might be unaware of potential costs associated with EWA services.

To address these concerns, the District of Columbia could consider implementing regulatory guidance for EWA providers. This guidance could require EWA providers to register with the Department of Insurance, Securities, and Banking, similar to Nevada and Missouri EWA registration requirements (see page 29 for details). Registration would allow the DISB to monitor EWA services and ensure they operate transparently. Regulations could also require EWA providers to disclose fees upfront in a clear and transparent manner. This would empower consumers to make informed choices about using EWA services and avoid unexpected costs.

Clear regulations would also create a more stable and predictable environment for EWA providers operating in the District. This would encourage responsible practices within the EWA industry and foster consumer trust. Finally, registration with the DISB would make it easier for consumers to verify the legitimacy of an EWA provider. By implementing clear regulations for EWA products, DISB can promote responsible access to earned wages, protect consumers, and foster a healthy financial marketplace.

To ensure proper regulation of EWA products in the District of Columbia, it would make sense to wait for the CFPB's final rule on EWA services, which will allow DC regulations to align with the federal framework. The proposed CFPB interpretive rule requires public comments to be submitted until August 30, 2024. Based on the public comments and the agency's own analysis, the CFPB will have a few options: A) Finalize the Rule. B) Make Substantial Changes. C) Withdraw the Rule. The DISB could make a decision about the proper regulation of EWA products after the public comment period for the CFPB's rule has closed and the CFPB issues its final decision.

D. BNPL Products in the District of Columbia

The Buy Now, Pay Later (BNPL) industry has seen explosive growth in recent years, offering consumers a convenient way to access short-term credit for retail purchases. However, with this growth comes a need for regulations to protect consumers. The District of Columbia currently lacks explicit regulatory guidelines. This lack of regulation in DC may create uncertainty for both BNPL providers and consumers. Providers may be unsure of the licensing requirements, while consumers may be unaware of the potential risks associated with BNPL loans. These risks can include high interest rates, late fees, and the possibility of debt collection issues.

To address these concerns, DC could consider implementing regulatory guidance for BNPL loan providers. This guidance could require BNPL providers to obtain a Money Lender license from the Department of Insurance, Securities, and Banking, similar to California's BNPL licensing requirements (see page 28 for details). Licensing would ensure BNPL providers adhere to consumer protection standards. An explicit licensing requirement would empower the DISB to oversee BNPL lenders, ensuring they follow fair lending practices and disclose loan terms clearly. This would help consumers make informed decisions about BNPL loans and avoid potential risks.

Clear regulations would also create a more stable and predictable environment for BNPL providers operating in the District. This would encourage responsible lending practices and foster a healthy BNPL market. Finally, licensing would require BNPL providers to register with the DISB, making it easier for consumers to verify the legitimacy of a lender. By implementing regulations for BNPL providers, the District of Columbia can promote responsible lending practices, protect consumers, and foster a healthy financial marketplace.

3. Insurance Industry

U.S. insurance companies are regulated primarily by the individual states, rather than by the federal government. Each state exercises regulatory control over insurance businesses operating within its borders, establishing its own legal framework. The District of Columbia has established clear registration guidelines and regulatory requirements for insurance companies. Given the effectiveness of the existing licensing framework, we recommend its continued application for registering Insurtech businesses.

4. Digital Assets

A. Registration Requirements

The digital asset industry is expanding in the US market, with more service providers offering trading, investing, and payment services. While states like New York and New Jersey have implemented licensing requirements for digital asset businesses, many other states have yet to establish specific regulations and requirements, awaiting regulatory clarity at the federal level. The District of Columbia has not implemented licensing or registration requirements for digital asset businesses, besides the money transmitter licensing requirement.

The most comprehensive digital asset regulatory framework at the state level was initially established in New York in 2015 with the introduction of the BitLicense Law. A BitLicense is a virtual currency business license required for any person engaged in virtual currency business activity. To obtain a BitLicense, businesses must receive approval from the New York State Department of Financial Services. A similar licensing requirement was introduced in New Jersy through the Digital Asset and Blockchain Technology Act, in Louisiana through the Senate Bill 185, and in California through The Digital Financial Assets Law.

Though the licensing of digital asset businesses could be efficient in terms of establishing strict oversight for all such businesses operating in the District of Columbia, it would require allocating significant resources for DISB to manage applications and review supporting documents. For instance, New York State requires BitLicense applicants to submit a substantial amount of documentation, such as:

- *a list of all of the applicant's affiliates and an organization chart illustrating the relationship among the applicant and such affiliates;*
- *a list of, and detailed biographical information for, each individual applicant and each director, principal officer, principal stockholder, and principal beneficiary of the applicant;*
- *a background report prepared by an independent investigatory agency for each individual applicant, and each principal officer, principal stockholder, and principal beneficiary;*
- *a set of completed fingerprints and two portrait-style photographs of each individual;*
- *an organization chart of the applicant and its management structure, including its principal officers or senior management, indicating lines of authority and the allocation of duties;*
- *a current financial statement for the applicant and each principal officer, principal stockholder, and principal beneficiary of the applicant, and a projected balance sheet and income statement;*
- *a description of the proposed, current, and historical business of the applicant, including detail on the products and services provided and to be provided, the jurisdictions in which the applicant is engaged in business, the principal place of business, the primary market of operation, the projected customer base, any specific marketing targets, and the physical address of any operation in New York;*
- *details of all banking arrangements;*
- *all written policies and procedures;*
- *an affidavit describing any pending or threatened administrative, civil, or criminal action, litigation, or proceeding before any governmental agency, court, or arbitration tribunal against the applicant or any of its directors, principal officers, principal stockholders, and principal beneficiaries;*

- *verification from the New York State Department of Taxation and Finance that the applicant is compliant with all New York State tax obligations;*
- *a copy of any insurance policies maintained for the benefit of the applicant, its directors or officers;*
- *an explanation of the methodology used to calculate the value of virtual currency in fiat currency.*

Notice Filing as an alternative to a Licensing Process

Financial regulators should be aware of digital asset service providers operating within their jurisdiction and serving consumers, to make sure they comply with laws and regulations. The DISB may consider requiring digital asset businesses to submit a Notice (Notice Filing) rather than a license application to operate in the District and serve local residents. Such a requirement would enable the DISB to maintain a registry of digital asset service providers, including information about the scope of their business, contact details, and District location.

DISB could also implement certain provisions from the BitLicense law to help protect consumers, such as:

- Require digital asset business providers to establish robust AML and KYC programs.
- Require digital asset business providers to disclose their terms and conditions, as well as any material risks, to their customers.
- Require digital asset business providers to have a phone number and an email address for customer service requests and complaints, which should be clearly displayed on the website and mobile application used for digital asset activities.
- Require digital asset business providers to have written policies and procedures in place to fairly and timely resolve customer complaints.

B. Regulation of BTMs

Bitcoin ATMs, or crypto transaction kiosks, allow users to buy and sell cryptocurrencies like Bitcoin in exchange for cash or debit card payments. Bitcoin ATMs are typically not specifically licensed in US states, but a Money Transmitter license is usually required for their operation. California was the first state to enact legislation specifically regulating digital financial asset transaction kiosks. Starting July 1, 2025, any business operating such a kiosk in California must obtain a license from the California Department of Financial Protection and Innovation.

The DISB's Guidance 24-BB-001-08/09/24 states that a money transmission license is required for entities operating Bitcoin ATMs in the District, but unlike California, a specific Bitcoin ATM license is not needed.

As mentioned in previous Subsection A (page 37), a Notice (Notice Filing) instead of a License application might be required for operating a Bitcoin ATM in the District. This would allow DISB to effectively track Bitcoin ATMs within its jurisdiction. Additionally, DISB could adopt certain provisions from the California law to protect consumers, such as a prohibition of an operator of a Bitcoin ATM from accepting or dispensing more than $1,000 (or another amount determined by the DISB) in a day from or to a customer, and a requirement of clear disclosure of terms and conditions to customers.

C. Money Transmission Regulations

The Money Transmission Modernization Act (MTMA) developed by the Conference of State Bank Supervisors (CSBS) sets nationwide standards for money transmitter regulations. CSBS explained in its MTMA FAQ that virtual currencies that are accepted by multiple parties as a value that can be exchanged for money, goods or services fit

squarely within the definition of money transmission. However, ambiguity between state and federal regulators has necessitated a separate Article XIII of MTMA that makes clear virtual currency is included in money transmission when received for transmission.

Currently, the Department of Insurance, Securities, and Banking (DISB) is working on the adoption of the MTMA in the District. Incorporating Article XIII of the Money Transmission Modernization Act into a DC law could create a clearer regulatory framework for virtual currency transactions in the District of Columbia.

D. Application of Securities Laws

Some U.S. states have exempted virtual currencies from securities regulations, a decision that can be justified in certain cases. For example, the Idaho Digital Asset Act distinguishes digital securities and virtual currencies, the latter of which do not constitute securities under Idaho law. This type of regulatory guidance provides clarity and facilitates compliance for both market participants and consumers.

While federal law has yet to establish a clear distinction between digital currencies, digital securities, and digital commodities, individual states can implement their own regulations. For instance, the DISB could issue an interpretive rule classifying fully backed U.S. dollar stablecoins that do not accrue interest as non-securities, thereby exempting them from securities laws. To proceed with this proposal, a legal opinion from the DISB OGC regarding the application of securities laws to specific digital assets is likely required.

E. Custody of Digital Assets

Banks traditionally provide custody services for a wide range of assets. This banking function is essential as customers rely on banks to securely safeguard their holdings. While the custody of digital assets may present technical challenges compared to traditional assets, it still offers customers the benefit of entrusting their holdings to a dependable financial institution rather than potentially insecure online storage options.

The specific digital asset custody service a bank provides often depends on its expertise, risk tolerance, and business model. For example, a bank might offer custody by storing copies of customers' private keys while granting customers direct control over their digital assets. Alternatively, a bank could assume full control of customers' digital assets by generating new private keys held by the bank on behalf of the customer.

Several US states have already enacted regulations allowing state-chartered banks to offer digital asset custodial services. For example, Wyoming Statutes allows banks to provide digital asset custodial services upon providing a written notice to the Commissioner. Texas Department of Banking issued an Industry Notice 2021-03, which allows Texas state-chartered banks to provide customers with virtual currency custody services, so long as the bank has adequate protocols in place to effectively manage the risks and comply with applicable law.

The Code of Virginia permits banks to provide customers with virtual currency custody services so long as they have adequate protocols in place to effectively manage risks and comply with applicable laws. Prior to a bank offering virtual currency custody services, the bank shall carefully examine the risks involved in offering such services through a methodical self-assessment process. And finally, the Nebraska Financial Innovation Act outlines guidelines for the operation, regulation, and supervision of digital asset depositories.

It would be prudent to establish a regulatory framework in the District of Columbia similar to those in Virginia and Texas, allowing DC state-chartered banks to offer digital asset custody services provided they implement robust protocols to effectively manage risks and comply with laws. As previously mentioned, this regulatory approach would empower DC residents to safeguard their digital assets with a trusted financial institution.

Summary of Potential Regulatory Framework for Digital Assets in the District of Columbia

- **Registration Requirements:** The Department of Insurance, Securities, and Banking may consider requiring digital asset businesses to submit a Notice Filing to operate in the District. A Notice Filing would enable DISB to maintain a record of digital asset businesses operating within the District of Columbia. This would provide valuable information about their business scope, contact details, and District location. Additionally, DISB could also implement certain provisions from the BitLicense law to help protect D.C. consumers.

- **Regulation of BTMs:** A Notice Filing could be a viable regulatory requirement for operating a Bitcoin ATM in the District. This would allow DISB to effectively track Bitcoin ATMs within its jurisdiction. DISB could also adopt certain provisions from California law to protect consumers. These might include a prohibition on accepting or dispensing more than $1,000 (or a different amount determined by DISB) in a day, and a requirement for clear disclosure of terms and conditions to customers.

- **Money Transmission Regulations:** The Money Transmission Modernization Act (MTMA) developed by the Conference of State Bank Supervisors sets nationwide standards for money transmitter regulations. MTMA explicitly includes virtual currency within the definition of money transmission in its standalone Article XIII. Incorporating Article XIII of the Money Transmission Modernization Act into a DC law could create a clearer regulatory framework for virtual currency transactions in the District of Columbia.

- **Application of Securities Laws:** While federal law has yet to establish a clear distinction between digital currencies, digital securities, and digital commodities, individual states can implement their own regulations. DISB could issue an interpretive rule classifying fully backed U.S. dollar stablecoins that do not accrue interest as non-securities. To proceed with this proposal, a legal opinion from the DISB OGC regarding the application of securities laws is likely required.

- **Custody of Digital Assets:** State-chartered banks offering professional digital asset custody services can help customers mitigate security risks. It would be prudent to establish a regulatory framework in the District similar to those in Virginia and Texas, allowing DC state-chartered banks to offer digital asset custody services provided they implement robust protocols to effectively manage risks. This regulatory approach would empower DC residents to safeguard their digital assets with a trusted financial institution.

5. Artificial Intelligence (AI)

The federal government and state governments, including the District of Columbia, are taking proactive steps by implementing regulations for the responsible use of AI within their agencies. These regulations often lay out AI values, initiatives, and roadmaps. The implementation process can be time-consuming and require significant effort. However, the potential results are substantial: AI can significantly improve government operations and efficiency, ultimately serving the public in a more effective manner.

The following legislative provisions, based on best AI regulation practices implemented in other states, could be adopted in the District of Columbia.

A. AI Bill of Rights

Oklahoma has proposed an "AI Bill of Rights" (House Bill 3453) to establish the rights of residents when interacting with Artificial Intelligence. The bill establishes a robust regulatory framework to protect consumers when interacting with AI and could potentially serve as an example for the regulatory approach in the District.

Specifically, the AI Bill of Rights declares that all citizens of the state are entitled to the following rights:

1. *The right to know when they are interacting with an artificial intelligence engine rather than a real person.*
2. *The right to know when their data is being used in an artificial intelligence model and the right to opt-out.*
3. *The right to know when contracts and other documents that they are relying on were generated by an artificial intelligence engine rather than a real person.*
4. *The right to know when they are consuming images or text that were generated entirely by an artificial intelligence engine and not reviewed by a human.*
5. *The right to know that any company which includes any of their data in an artificial intelligence model has implemented industry best practice security measures for data privacy, and conducts at least annual risk assessments to assess design, operational and discrimination harm.*
6. *The right to approve any derivative media that is generated by an artificial intelligence engine and uses audio recordings of their voice or images of them to recreate their likeness.*
7. *The right to not be subject to algorithmic bias which discriminates based on age, race, national origin, sex, disability, pregnancy, religious beliefs, veteran status, or any other legally protected classification.*

B. Anti-Discrimination Provisions

The California Artificial Intelligence Accountability Act (Senate Bill 896) reiterates, similar to the aforementioned Oklahoma AI Bill of Rights, that "No individual or group should be discriminated against on the basis of race, gender, age, religion, sexual orientation, or any other protected characteristic in the design, development, deployment, or use of AI systems." This type of regulatory guidance is crucial for protecting consumers and could be implemented in the District, either as part of the "AI Bill of Rights" or as a standalone regulatory provision.

C. Important AI Disclosures

The California Artificial Intelligence Accountability Act (Senate Bill 896) also stipulates that "The public has the right to know when they are interacting with AI tools and to have a clear identification of that interaction." Massachusetts Bill 4788 includes a similar provision: "Each generative artificial intelligence system used to create audio, video, text or print AI-generated content shall include a clear and conspicuous disclosure (notice) that identifies the content as AI-generated content". This regulatory approach is reasonable and is recommended for implementation in the District, either as part of the "AI Bill of Rights" or as a standalone provision.

6. Exemptive Letter

Fintech companies operating in the District of Columbia may experience regulatory uncertainty due to the innovative nature of their products and services. To address this uncertainty, it could be helpful if Fintech companies could submit a formal request for an Exemptive Letter to determine if their activities are exempt from DISB oversight. Following the submission of the application, a review would be conducted by DISB's licensing divisions, to determine whether specific business activities fall under their oversight. Upon review, an Exemptive Letter would be issued by the DISB if applicable. While this could provide an exemption from DISB licensing requirements, it would not exempt companies from complying with other relevant laws and regulations.

Please refer to Appendix 1 on Page 42 for a template of the Exemptive Letter

Appendix 1

Date: [Insert Date]

To: [Recipient's Name]
[Recipient's Company Name]
[Recipient's Address]

Subject: Exemption from DISB Regulation

Dear [Recipient's Name],

We are writing to inform you about the status of your application for an exemptive letter from the District of Columbia's Department of Insurance, Securities, and Banking (DISB).

Upon review of your application dated [Insert Application Date], our licensing divisions have determined that your business activities do not fall under the regulatory oversight of the DISB.

Exemption Details:

Company Name: [Recipient's Company Name]

Exemption Granted From: Regulatory oversight by the DISB

Scope of Exemption: This exemption only applies to the regulations enforced by the DISB and does not extend to other state or federal regulatory requirements.

Exemption Reference Number: [Unique Reference Number]

Please note that this letter of exemption does not exempt your company from complying with other District of Columbia or federal regulatory requirements. Your company is still required to adhere to all relevant laws and regulations enforced by other state and federal agencies.

We recommend that you consult with legal counsel to ensure full compliance with all applicable regulatory requirements. It is your responsibility to remain informed of any changes in regulations that may affect your company's operations.

This exemptive letter is effective as of the date of issuance and does not guarantee continued exemption in the event of any future changes to your business model or operations that may bring your company within the DISB jurisdiction.

Should you have any questions or require further clarification, please feel free to contact our office.

Sincerely,
[Signature]
[Name of the DISB Official]
[Title]
Department of Insurance, Securities, and Banking
District of Columbia

VI. Conclusion

A technology-friendly regulatory environment in the District of Columbia is essential to position it as a leading Fintech hub. By implementing clear, predictable, and technology-neutral regulations, the District can attract innovative Fintech companies, stimulate job growth, and increase tax revenue. Furthermore, a robust Fintech sector can enhance financial inclusion, providing underserved populations with affordable and accessible financial services. This, in turn, can contribute to reducing economic inequality.

The rapid evolution of Fintech, driven by emerging technologies such as blockchain and artificial intelligence, underscores the need for a dynamic and adaptive regulatory approach. This report provided a high-level overview of federal and state regulations governing financial technology, analyzed the current Fintech regulatory landscape in the District of Columbia, and identified opportunities to improve Fintech policies in the District based on best practices from other state jurisdictions.

To strengthen the local Fintech ecosystem, this report underscored the importance of clear regulations to foster innovation and attract Fintech businesses to the District. This approach aligns with the District's goal of positioning itself as a premier financial innovation center, promoting economic growth and enhancing financial inclusion for its residents. By creating a supportive regulatory environment, the District can enable Fintech businesses to thrive and contribute to the local economy.

Appendix 15



Financial Inclusion Gap: A Study of Underserved DC Population

DISB Office of Innovation

2024

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Introduction

Based on the most updated U.S. Census Bureau data, the District of Columbia, with a population of approximately 690,000, has a higher poverty rate (14.00%) than the national average (12.5%), despite having a higher median household income ($108,210) than the national average ($77,720). As such, despite recent economic growth, D.C. faces challenges in addressing poverty and ensuring economic opportunity for its residents.

Furthermore, according to the most recent Federal Deposit Insurance Corporation (FDIC) research on unbanked and underbanked populations conducted in 2021, the District of Columbia's unbanked population was 4.5%, meaning that 4.5% of households had no bank or credit union accounts. Additionally, its underbanked population was 13.1%, indicating that 13.1% of households had bank accounts but did not use them regularly or relied on alternative financial services.

For comparison, based on the FDIC research conducted in 2021, DC's neighboring state Maryland had a poverty rate of 9.5%, an underbanked population of 15.7%, and an unbanked population of 5.0%. Virginia had a poverty rate of 10.2%, an underbanked population of 7.8%, and an unbanked population of 1.8%. See the table below with a breakdown of population, poverty rates, underbanked and unbanked population rates in D.C., Maryland and Virginia.

State/District	Population	Poverty Rate	Underbanked Population	Unbanked Population
District of Columbia	689,545	14.0%	13.1%	4.5%
Maryland	6,177,224	9.5%	15.7%	5.0%
Virginia	8,631,393	10.2%	7.8%	1.8%

The District of Columbia needs to ensure equitable access to financial services for its underserved communities. Our research revealed that traditional financial institutions often prioritize serving affluent neighborhoods in the District, leaving underserved populations with limited options for banking, loans, and other essential financial products.

This report examines the financial landscape in the District, identifying the unmet needs of underserved DC residents. By analyzing demographic data, assessing the availability of financial services, and examining existing barriers, this report evaluates the state of the financial inclusion in the District. It also provides recommendations to bridge the financial inclusion gap and ensure equitable access to financial services for all DC residents.

Financial Inclusion in the United States

The most recent comprehensive research of the financial inclusion and underbanked population in the United States was conducted by the Federal Deposit Insurance Corporation (FDIC) in partnership with the U.S. Census Bureau in 2021. The research was presented in the FDIC report called "2021 FDIC National Survey of Unbanked and Underbanked Households". Here are some of the key findings highlighted in the report.

Underbanked and Unbanked Households

Approximately 14% of U.S. households were "underbanked" and approximately 4.5% of U.S. households were "unbanked" in 2021. "Unbanked" category means that no one in the household had a checking or savings account. This represents approximately 6 million U.S. households. Approximately 81.5% of U.S. households were "fully banked" in 2021.

Unbanked Rates by Household Characteristics

Unbanked rates in 2021 varied considerably across the U.S. population. For example, unbanked rates were higher among lower-income households, less-educated households, Black households, Hispanic households, and single-mother households.

Differences in unbanked rates between Black/Hispanic and White households in 2021 were present at every income level. For example, among households with income between $30,000 and $50,000, 8% of Black households and 8.4% of Hispanic households were unbanked, compared with 1.7% of White households.

Unbanked Households: Reasons for Not Having a Bank Account

The FDIC survey asked unbanked households about their reasons for not having a bank account in 2021. "Don't have enough money to meet minimum balance requirements" was the most cited reason. "Don't trust banks" was the second-most cited reason, and "Avoiding a bank gives more privacy" was the third-most cited reason for not having a bank account.

Almost three in ten unbanked households surveyed by the FDIC in 2021, cited a reason related to service fees – "Bank account fees are too high" or "Bank account fees are too unpredictable" – as the main reason for not having a bank account.

Banked Households: Primary Method Used to Access Bank Accounts

The FDIC survey asked banked households about the method they used to access their bank accounts in the past 12 months: visiting a bank teller; using an ATM; calling the bank; online banking; mobile banking; or using some other method.

Use of mobile banking increased sharply and remained the prevalent method of account access in 2021. Use of a bank teller declined considerably but remained prevalent among certain segments of the population, including lower-income households, less-educated households, older households, and households that did not live in a metropolitan area.

Prepaid Cards and Nonbank Online Payment Services

The FDIC survey asked all households about their use of prepaid cards and nonbank online payment services, such as PayPal, Venmo, and Cash App. Approximately 7% of households were using prepaid cards and almost half of all households were using online payment services. Use of prepaid cards was much higher and use of online payment services was much lower among unbanked households than among banked households.

Nonbank Money Orders, Check Cashing, and Money Transfer Services

The FDIC survey asked all households about their use of nonbank money orders and nonbank check cashing in the past 12 months. Use of money orders and check cashing declined steadily between 2017 and 2021. Use of money orders, check cashing, and money transfer services in 2021 were more common among unbanked households.

Almost one-third of unbanked households used money orders, compared with 8.7% of banked households. Unbanked households were almost ten times as likely to use check cashing as banked households. About one in seven unbanked households used money transfer services, more than double the share of banked households.

How Households Pay Bills or Receive Income

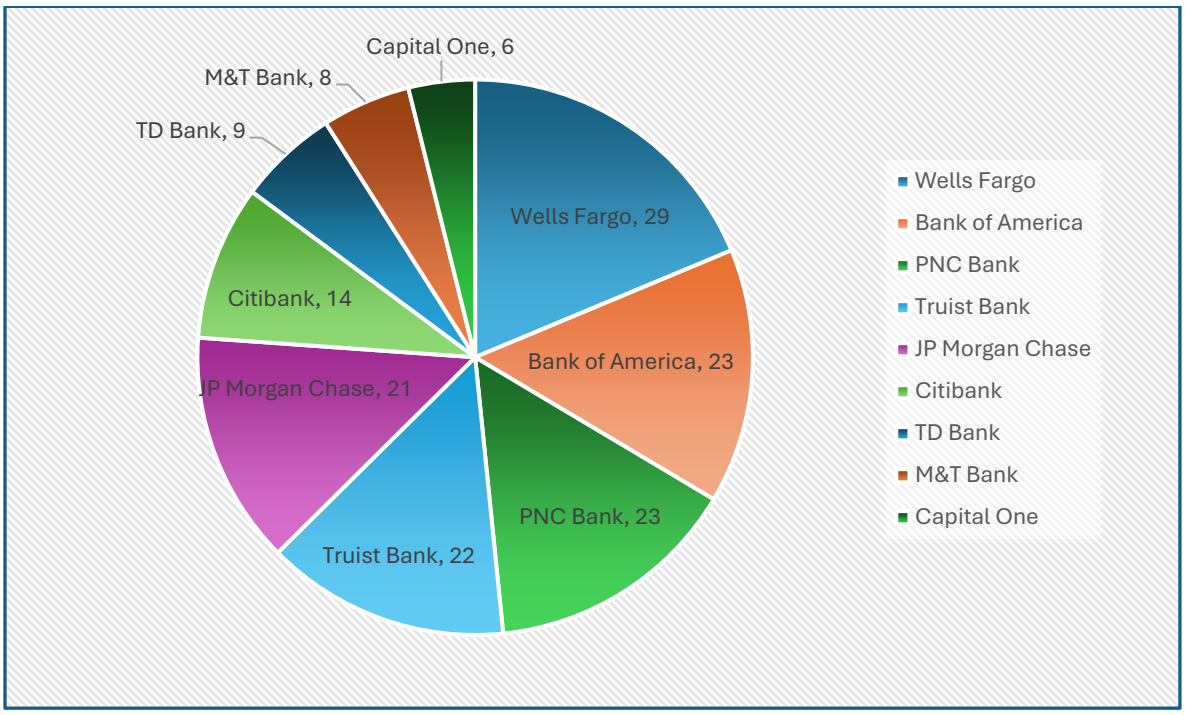
Paying bills and receiving income are core financial transactions that most households conduct regularly. Almost all banked households used their bank accounts to pay bills or receive income in 2021. Households with less than $15,000 in income, households with no high school diploma, Black and Hispanic households, and unemployed households were the least likely to use their bank accounts to pay bills or receive income.

Financial Inclusion in the District of Columbia

Bank Branches

As of September 2024, 197 bank branches operated in the District of Columbia, with the majority of them located in Wards 2 and 3. The banks with the most branches in D.C. are:

- **Wells Fargo** (29 branches)
- **Bank of America** (23 branches)
- **PNC Bank** (23 branches)
- **Truist Bank** (22 branches)
- **JP Morgan Chase** (21 branches)
- **Citibank** (14 branches)
- **TD Bank** (9 branches)
- **M&T Bank** (8 branches)
- **Capital One** (6 branches)



ATMs

As of September 2024, 265 non-depository ATMs operated in the District of Columbia. Assuming that each bank branch has at least one ATM available, the total amount of ATMs in the District would be over 462. Unlike bank branches, ATMs are distributed more evenly across the city, providing District residents with greater access to financial services. However, many of ATMs located in DC are non-depository, meaning that District residents cannot deposit money to their bank accounts through these automatic teller machines.

Bank Branch and ATM Distribution by DC Ward

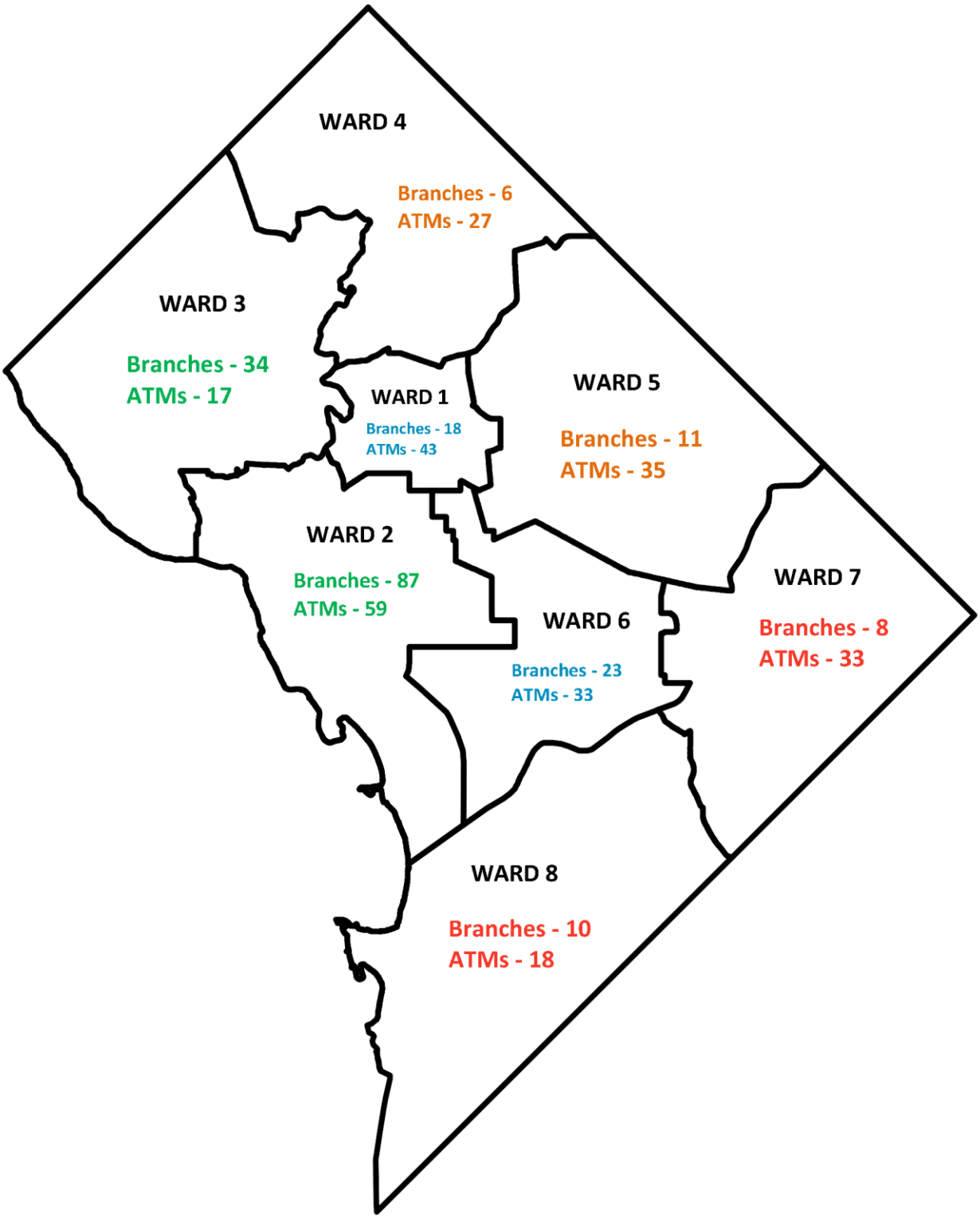
The following table provides a detailed analysis of the number of bank branches and ATMs in each D.C. ward.

Ward	Population	Poverty Rate	Black Population	Percent Black	Bank Branches	ATMs
1	79,448	11.7%	18,807	23.7%	18	43
2	77,904	12.4%	8,617	11.1%	87	59
3	79,851	7.6%	6,832	8.6%	34	17
4	86,071	8.7%	41,897	48.7%	6	27
5	89,628	15.6%	53,463	59.6%	11	35
6	80,772	11.3%	18,667	23.1%	23	33
7	89,870	23.8%	76,223	84.8%	8	33
8	87,043	27.7%	72,585	83.4%	10	18

This table demonstrates that the majority of bank branches in D.C. are located in affluent wards, while wards with the highest poverty rates have a scarcity of financial institutions. Specifically, over 60% of all D.C.-based bank branches are located in Wards 1 and 2, which have an average poverty rate of 10%. Conversely, Wards 7 and 8, which have an average poverty rate of 26%, have only 9% of the total bank branches.

Additionally, the percentage of the Black population in Wards 7 and 8, which have only a few bank branches, is on average 84%. In contrast, Wards 2 and 3, with the most bank branches, have a Black population not exceeding 10% on average. This correlation clearly indicates a disparity in access to bank branches between the Black population and the white population in the District of Columbia.

The following chart shows the distribution of banks and ATMs in each DC ward.



How Fintech Democratizes Financial Services

The FDIC report "2021 FDIC National Survey of Unbanked and Underbanked Households" indicated that while many banked households use nonbank online payment services such as PayPal, Venmo, and Cash App to complement banking products, unbanked households may be using them as substitutes for banking or other financial services.

The FDIC survey indicated that the most common reason for not having a banking account is due to high fees and minimum balance requirements. This underscores the critical role of Fintech in closing the financial gap. By offering technological solutions to underserved communities, Fintech can provide equitable access to financial services.

Fintech offers banking solutions that are more convenient, accessible, and user-friendly than traditional banks. For example, neobanks such as Chime and Revolut are entirely digital banks with no physical branches. This type of Fintech service are especially relevant to the DC financial landscape, where the majority of bank branches are located in affluent wards, while wards with the highest poverty rates have a scarcity of bank branches.

Neobanks provide banking services online, which allows them to offer reduced service fees. This type of Fintech company has become a key part of the financial ecosystem due to their ease of use and low cost. They often allow formerly unbanked consumers to access credit cards, checking accounts, and other tools to improve their financial health.

Fintech is also making lending more accessible by simplifying the loan application process and offering alternative lending options. Online lending companies like SoFi and Upstart provide online loan applications with faster approval times and potentially lower interest rates compared to traditional banks. Fintech payment platforms like Venmo enable instant money transfers between individuals, simplifying personal payments.

How Fintech is Empowering the Underbanked and Unbanked Population:

1. Convenience:
    - Fintech apps offer convenient, mobile-based banking solutions, making financial services instantly available.
2. Accessibility:
    - Fintech companies typically have lower minimum balance requirements and fewer fees compared to traditional banks.
3. Financial Literacy:
    - Fintech apps often include financial education tools, such as budgeting calculators and spending trackers, to help users manage their money.

4. Microloans and Credit Building:
    - Fintech companies offer microloans and other alternative lending options to individuals with limited credit histories, providing them with opportunities to build credit history.
5. Remittances and International Money Transfers:
    - Fintech-powered remittance services often offer lower fees and faster transfer times compared to traditional banks, making it easier for individuals to send money to family and friends in other countries.

The Essential Role of Fintech in Bridging the Gap of Financial Exclusion

Financial inclusion means that all individuals and businesses have affordable access to financial services, and many Fintech companies are working to address this issue.

Financial inclusion is important because it provides affordable and convenient access to basic financial services that have historically been less accessible to low-income and marginalized communities. When these groups gain access to financial services, often through Fintech, they experience increased financial empowerment.

Importantly, the benefits of financial inclusion extend far beyond individual empowerment. It also contributes to economic growth. When more people can use financial services, they are better positioned to participate in and contribute to the economy.

The unbanked population, including essential workers and recent immigrants, represents a significant portion of the hardest-working individuals in the United States. However, they are often overlooked by banks, which don't have these consumers' financial data and credit scores, to offer them consumer loans and other traditional banking services.

This highlights a need for innovation within the financial services sector to create a more inclusive system. Fintech startups are now offering tailored solutions for the unbanked population, including accounts without minimum balance requirements, eliminating monthly and overdraft fees, and providing access to essential financial services.

Recommendations

Research findings indicate that bank branches in Washington, D.C., are disproportionately located in affluent neighborhoods, leaving residents in underserved areas with limited access to traditional banking services. This disparity, combined with a lack of financial education and knowledge, can exacerbate financial vulnerability, hindering access to essential financial products and services for many D.C. residents.

This unequal distribution of banking resources can lead to increased reliance on alternative financial services, such as payday loans and check cashing, often associated with high fees, further exacerbating financial hardship. Addressing this disparity requires expanding access to traditional banking services in underserved areas, promoting financial literacy, and supporting the development of community-based financial institutions.

Access to traditional financial institutions can be expanded by encouraging banks and credit unions to establish branches in underserved D.C. neighborhoods. Fintech companies can also play a crucial role in bridging the financial exclusion gap. By fostering the growth of the local Fintech ecosystem, D.C. can reduce financial exclusion while attracting tech talent, creating a foundation for the economic development in the District.

Financial inclusion efforts, such as public awareness and education campaigns, would be beneficial. The choice of unbanked households to use nonbank financial services suggests that they do not perceive banking products as meeting their needs. Educational campaigns can clarify consumer protections, the applicability of deposit insurance, and highlight the advantages and opportunities offered by the traditional banking system.

The DC Department of Insurance, Securities, and Banking has a mission of empowering and educating D.C. residents on financial matters. The DISB already plays an important role in educating consumers about their rights and responsibilities, as well as the risks and benefits of various financial products. Webinars, educational materials, public outreach events and workshops are critical for fostering financial inclusion in the District.

Finally, Community Development Financial Institutions (CDFIs) can help with providing access to affordable financial services for underserved communities. CDFIs are dedicated to serving communities often overlooked by traditional financial institutions, particularly in low-income areas. As of September 2024, there are 17 certified CDFIs in D.C.

Since 1996, the CDFI Fund, a program of the U.S. Department of the Treasury, has awarded over $50 million to DC-based CDFIs, enabling them to provide essential financial services to D.C. residents and businesses. These mission-driven organizations can help bridge the gap between traditional financial institutions and underserved communities in the District.

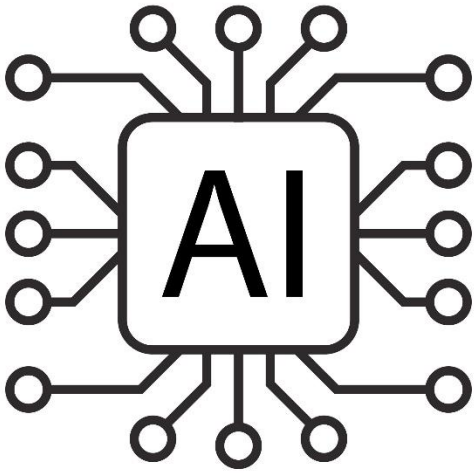
Conclusion

The research presented in this report highlights the financial inclusion gap in the District. Underserved residents and businesses face challenges, including high fees, limited access to credit, and geographic disparities in the availability of financial services.

To promote financial inclusion, the District needs a multifaceted approach. This includes expanding access to affordable banking services, promoting financial education, supporting alternative financial services, and investing in community development.

These recommendations can help the District establish a more equitable financial system that benefits its residents and contributes to the D.C. economic prosperity.

Appendix 16



AI Technology Regulatory Landscape in the United States

DISB Office of Innovation

2024

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I. Introduction

Artificial Intelligence (AI) is one of the most powerful technologies of our time, with broad applications. AI is transforming many industries across the globe, including financial services. Responsible AI use has the potential to make our world more productive, innovative, and secure, and at the same time, irresponsible use could exacerbate fraud, discrimination, bias, and disinformation; and pose risks to national security. Therefore, it is crucial to understand both the benefits and risks of AI to ensure its responsible and compliant development.

AI risk management is a key component of responsible development and use of AI systems. Responsible AI practices help ensure that decisions about AI system design, development, and use are aligned with the intended aim and values. Federal government has already introduced important guidelines and policies related to the responsible use of AI technology. Several states have followed with local initiatives that emphasize the focus on social responsibility, economic sustainability, safety, transparency, and privacy when using AI tools.

II. AI Regulation at the Federal Level

1. The White House

The current Administration has taken significant action to promote responsible AI innovation that places people and the public good at the center, and manages risks to individuals and the U.S. society, security, and economy. This includes the Blueprint for an AI Bill of Rights, the AI Risk Management Framework, a Roadmap for standing up a National AI Research Resource, as well as National AI Research and Development Strategic Plan.

On October 30, 2023, President of the United States issued a landmark Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence to ensure that America leads the way in seizing the promise and managing the risks of AI. The Executive Order establishes new standards for AI safety and security, protects privacy, advances equity and civil rights, promotes innovation and competition, and more.

The National AI Advisory Committee (NAIAC) was formed of experts with a broad and interdisciplinary range of AI-relevant experience from across the private sector, academia, non-profits, and civil society. The NAIAC is tasked with advising the President and the National AI Initiative Office on topics related to AI technology.

The National AI Initiative Office is charged with overseeing and implementing the United States national AI strategy. The Office serves as the central hub for Federal coordination and collaboration in AI research and policymaking across the government, as well as with private sector, academia, and other stakeholders.

2. U.S. Securities and Exchange Commission

Investor Alert: Artificial Intelligence (AI) and Investment Fraud (issued jointly by the SEC, FINRA, and NASAA).

Proposed Rule: Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers.

3. Financial Industry Regulatory Authority

Investor Alert: Artificial Intelligence (AI) and Investment Fraud (issued jointly by the SEC, FINRA, and NASAA).

Report: Artificial Intelligence (AI) in the Securities Industry.

4. Commodity Futures Trading Commission

Customer Advisory: AI Won't Turn Trading Bots into Money Machines.

Request for Comment: The Use of Artificial Intelligence in CFTC-Regulated Markets.

5. Office of the Comptroller of the Currency

Report: Semiannual Risk Perspective for Fall 2023 (the report highlights AI in banking as an emerging risk).

6. Financial Crimes Enforcement Network

Report: Identity-Related Suspicious Activity: 2021 Threats and Trends.

7. Consumer Financial Protection Bureau

Guidance on Credit Denials by Lenders Using Artificial Intelligence.

Adverse action notification requirements in connection with credit decisions based on complex algorithms.

Algorithms, artificial intelligence, and fairness in home appraisals.

8. National Association of Insurance Commissioners

NAIC Principles on Artificial Intelligence (AI).

NAIC Model Bulletin: Use of artificial intelligence systems by insurers.

III. AI Regulation at the State Level

Alabama

Executive Order 738 to create a Task Force to recommend policies for the responsible and effective use of Generative Artificial Intelligence (GenAI) in state executive-branch agencies.

Alaska

Bulletin B 24-01 "Use of Artificial Intelligence Systems by Insurers".

Arizona

House Bill 2394 about the digital impersonation of candidate and injunctive relief.

Arkansas

State AI legislation is not implemented.

California

Executive Order N-12-23 dated September 6, 2023, to study the development, use, and risks of AI technology and to develop a responsible process for evaluation and deployment of AI tools within state government.

Artificial Intelligence Accountability Act (Senate Bill 896).

Artificial Intelligence: Training Data Transparency (Senate Bill AB-2013).

Colorado

Regulation 10-1-1 (3 CCR 702-10) to establishes governance and risk management framework requirements for life insurers use of external consumer data and information sources, algorithms, and predictive models.

Connecticut

Public Act No.23-16, Concerning Artificial Intelligence, Automated Decision-Making And Personal Data Privacy.

Artificial Intelligence Responsible Use Framework introduced by the State of Connecticut Judicial Branch.

Delaware

House Bill 333 to create Delaware Artificial Intelligence Commission.

Florida

CS/HB Bill 149 on Advanced Technology.

CS/SB Bill 850 about the use of Artificial Intelligence in political advertising.

Georgia

Bill HB887 about the use of Artificial Intelligence in making decisions related to healthcare, etc.

Hawaii

Bill (SB) 2572 “Artificial Intelligence Safety and Regulation”.

Illinois

Statute 820 ILCS 42/1 “Artificial Intelligence Video Interview Act”.

Indiana

Bill 150 “Artificial Intelligence and Cybersecurity”.

Iowa

Bill 599 about the conduct of elections, including the use AI.

Kansas

“Generative Artificial Intelligence Policy” by Kansas Office of Information Technology Services.

Bill HB 2559 about prohibiting the use of generative AI to create false representations of candidates in election campaign media.

Kentucky

House Bill 45 “Act Relating to Privacy Protection”.

Senate Bill 52 “Act relating to technology in education and declaring an emergency”.

Louisiana

Act 457 criminalizes deepfakes involving minors and defines the rights to digital image and likeness.

Maine

State AI legislation is not implemented.

Maryland

Executive Order “Catalyzing the Responsible and Productive Use of Artificial Intelligence in Maryland State Government”.

Massachusetts

Executive Order No. 629 “Establishing an Artificial Intelligence Strategic Task Force”.

Bill 4788 regarding the artificial intelligence disclosure.

Michigan

Act No. 265 regarding the use of Artificial Intelligence in election communications.

Minnesota

Statue 609.771 regarding the use of deep fake technology to influence an election.

Mississippi

Senate Bill NO. 2062 “Artificial Intelligence in Education Task Force Act”.

Missouri

House Bill NO. 1814 to establish the Missouri State Technology Task Force.

Montana

State AI legislation is not implemented.

Nebraska

Bill 1203 to regulate artificial intelligence in media and political advertisements.

Nevada

State AI legislation is not implemented.

New Hampshire

State of New Hampshire Code of Ethics for AI Systems.

Bill HB1688 regarding the use of Artificial Intelligence by state agencies.

New Jersey

The New Jersey Supreme Court's Committee on AI issued Preliminary Guidelines on New Jersey Lawyers' Use of Artificial Intelligence.

Senate Bill No. 3876 about the regulation of automated systems and AI used by state agencies.

New Mexico

Act to regulate the use of Artificial Intelligence and require disclaimers in election campaign.

New York

The New York State Office of Information Technology issued a Policy on Acceptable AI Use by State Agencies.

Local Law 144 regarding automated employment decision tools.

The New York City Artificial Intelligence Action Plan.

North Carolina

Guidance on the use of Generative Artificial Intelligence in public schools.

North Dakota

State of North Dakota Artificial Intelligence Policy released by North Dakota IT Agency.

Ohio

State of Ohio Administrative Policy **"**Use of Artificial Intelligence in State of Ohio Solutions".

Guidance for Policymakers, Teachers, and Parents to Advance AI Readiness in Ohio Schools.

House Bill 410 to regulate dissemination of deepfake media to influence an election.

Oklahoma

AI Usage Standard released by the Oklahoma Office of Management & Enterprise Services.

House Bill 3453 to establish the rights of Oklahomans when interacting with Artificial Intelligence.

House Bill 3577 about the use of AI in healthcare insurance.

House Bill 3825 about the use of AI in in election campaign.

Oregon

Executive Order NO. 23-26 "Establishing a State Government Artificial Intelligence Advisory Council".

House Bill 4153 to create the Task Force on Artificial Intelligence.

Senate Bill 1571 about the use of AI in in election campaign.

Pennsylvania

Executive Order 2023-19 "Expanding and Governing the Use of Generative Artificial Intelligence Technologies Within the Commonwealth of Pennsylvania".

House Resolution No. 170 to establish an AI Advisory Committee.

House Bill No. 1598 about the disclosures regarding AI-generated content.

Rhode Island

Executive Order 24-06 "Artificial Intelligence and Data Centers of Excellence".

House Bill 7158 "Artificial Intelligence Accountability Act".

South Carolina

House Bill 4660 about deceptive and fraudulent deepfake media in elections.

South Dakota

Senate Bill 96 to prohibit the use of a deepfake to influence an election.

Tennessee

House Bill 1630 about the use of Artificial Intelligence in schools.

House Bill 2091 “Ensuring Likeness Voice and Image Security (ELVIS) Act”.

Texas

House Bill 2060 to establish the AI Advisory Council.

Utah

Senate Bill 149 to create the Artificial Intelligence Policy Act.

Vermont

Act No. 137 relating to the creation of the Artificial Intelligence Task Force.

House Bill 710 relating to regulating developers and deployers of certain artificial intelligence systems.

Virgin Islands

State AI legislation is not implemented.

Virginia

Executive Order No. 30 “Implementation of Standards for the Safe Use of Artificial Intelligence Across the Commonwealth”.

House Bill No. 747 “Artificial Intelligence Developer Act”.

Washington

House Bill 1951 "Promoting ethical artificial intelligence by protecting against algorithmic discrimination".

Senate Bill 5152 about defining synthetic media in campaigns for elective office.

House Bill 1934 to establish an Artificial Intelligence Task Force.

West Virginia

House Bill 5690 to create a West Virginia Task Force on Artificial Intelligence.

AI Guidance for West Virginia Schools.

Wisconsin

Executive Order #211 to create the Governor's Task Force on Workforce and Artificial Intelligence.

Assembly Bill 664 about disclosures regarding content generated by AI in political advertisements.

Wyoming

Draft Bill regarding unlawful distribution of misleading synthetic media and civil liability.

Draft Bill regarding unlawful distribution of misleading synthetic media and criminal liability.

Draft Bill regarding the registration of a large-scale machine learning (foundation) models.

IV. AI Regulatory Landscape in the District of Columbia

1. Mayor's Executive Order #2024-028

Mayor's Executive Order #2024-028 dated February 8, 2024, titled "Articulating DC's Artificial Intelligence Values and Establishing Artificial Intelligence Strategic Benchmarks".

The Executive Order outlines the following actions required to integrate AI into government operations:

- Defining DC's AI Values, which will serve as the cornerstone of implementing AI solutions in District government. DC's AI Values are: Clear Benefit to the People, Safety & Equity, Accountability, Transparency, Sustainability, and Privacy & Cybersecurity.

- Establishing an Advisory Group on AI Values Alignment, comprised of public and government members to ensure public oversight of District government's AI adoption efforts. The Advisory Group will monitor agency AI adoption efforts and advise the Mayor on AI Values.
- Establishing an AI Taskforce of government personnel to work with agencies to produce governance policies, procedures, and documents throughout 2024, and to begin a three-year process of helping every agency develop specific AI strategic plans.
- Setting AI Benchmarks for DC Government by imposing a schedule of deadlines through Fiscal Year 2024 for the creation of core components and documents that will shape DC's AI Strategic Plan.

2. Stop Discrimination by Algorithms Act of 2023

DC Council Bill 250114 "Stop Discrimination by Algorithms Act of 2023".

The Bill No. 250114 was introduced in the DC Council to prohibit users of algorithmic decision-making from utilizing algorithmic eligibility determinations in a discriminatory manner, to require corresponding notices to individuals whose personal information is used, and to provide for appropriate means of civil enforcement.

V. AI Tools Adoption by Government Agencies

1. AI Adoption by Federal Agencies

The federal government is leveraging AI to better serve the public across a wide array of use cases, including in healthcare, transportation, the environment, and benefits delivery. The federal government is also establishing strong guardrails to ensure its use of AI keeps people safe and doesn't violate their rights.

List of Government Agencies with Links to Their AI Use Cases:

- Department of Agriculture;
- Department of Commerce;
- Department of Education;
- Department of Energy;
- Department of Health and Human Services;
- Department of Homeland Security;
- Department of Housing and Urban Development;
- Department of the Interior;
- Department of Justice;
- Department of Labor;
- Department of State;
- Department of Transportation;
- Department of Treasury;
- Department of Veteran Affairs;

- Export-Import Bank of the United States (EXIM);
- National Aeronautics and Space Administration;
- National Archives and Records Administration;
- National Institute of Standards and Technology;
- National Science Foundation;
- National Transportation Safety Board;
- Small Business Administration;
- Social Security Administration;
- U.S. Agency for International Development;
- U.S. Environmental Protection Agency;
- U.S. General Services Administration;
- U.S. Office of Personnel Management;
- U.S. Securities and Exchange Commission;
- Financial Crimes Enforcement Network.

Government agencies and their AI use cases can be found on the AI.GOV website.

2. AI Adoption by State Agencies

Several state governments, including Maryland, Virginia, and the District of Columbia, have issued executive orders on the use of Artificial Intelligence (AI) within state agencies. These executive orders outline state AI principles and establish AI task forces and advisory councils to coordinate efforts in implementing AI tools.

Links to the state executive orders are provided in Section III of this report.

McKinsey & Company's article "Deploying Generative AI in US State Governments" identifies four archetypes of AI tools that state governments can consider to improve operations.

- **Content summarization and synthesis** – summarize/extract insights from unstructured data sources; interpret text (~40% of all working hours across industries can be affected by AI).
- **Content generation** – generate documents, e.g. articles, emails, contracts (~80% adoption rate of Harvey AI by law firms beta testing the legal assistant).
- **Customer engagement** – enhance customer service and client outreach, e.g. chatbots (>60% automation potential created by AI for customer experience volumes over 5-10 years).
- **Coding and software** – interpret and generate computer code (>55% efficiency gains for software developers by using AI coding tools).

Furthermore, McKinsey & Company suggests evaluating infrastructure and data architecture needs to ensure AI models can work seamlessly with the government's existing systems. Since meaningful changes in data architecture and governance can take years, getting started early is essential. It is also important to plan for the effects of AI on staff recruitment and retention. As AI functionality continues to be embedded in everyday operations, it may have a profound impact on work processes across the entire organization. Finally, identifying business processes for which AI may create the greatest value is crucial. Adoption of AI in state government business processes will affect entire workflows, often eliminating steps for staff and those being served.

VI. AI Tools Adoption by Market Participants

1. Use of Artificial Intelligence Systems by Broker Dealers and Investment Advisors

Artificial Intelligence in the Securities Industry (FINRA).

Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers (Proposed Rule by SEC).

2. Use of Artificial Intelligence Systems by Insurers

NAIC Principles on Artificial Intelligence.

NAIC Model Bulletin: Use of Artificial Intelligence Systems by Insurers.

VII. Conclusion

Artificial Intelligence is already here, and it will fundamentally reshape the future of work. This new powerful technology presents a unique opportunity for governments to enhance services, streamline operations, and make data-driven decisions. However, unlocking these benefits requires careful planning and responsible use. While AI can undoubtedly improve operational efficiency, potential risks necessitate strong governance frameworks and transparent design. The federal government and state governments, including the District of Columbia, are taking proactive steps by implementing regulations for the responsible use of AI within their agencies. These regulations often lay out AI values, initiatives, and roadmaps. The implementation process can be time-consuming and require significant effort. However, the potential results are substantial: AI can significantly improve government operations and efficiency, ultimately serving the public in a more effective manner.

Appendix 17



Startup Accelerator Ecosystem Report

DISB

Office of Innovation

2024

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I. About Startup Accelerators

A startup accelerator is a specialized program designed to facilitate the growth and scalability of startups, often by providing funding in exchange for equity. These programs offer comprehensive support, including mentorship, co-working space, networking, and fundraising opportunities, to early-stage projects. Startup incubators focus on supporting early-stage startup projects that have already developed a minimum viable product (MVP), helping them validate their business model.

Startup accelerators have rigorous selection processes, with an acceptance rate of less than 5% of applications being accepted. Startup accelerators typically offer a fixed term (3-6 months), cohort-based programs that usually conclude with a demo day, where startup founders present their ideas to potential investors. Accelerators typically provide seed financing to startups, and successful startups may secure additional funding from venture investors after the demo day.

Susan Cohen, a professor of entrepreneurship at the University of Richmond and a leading scholar on startup accelerators, provides a comprehensive definition of the concept:

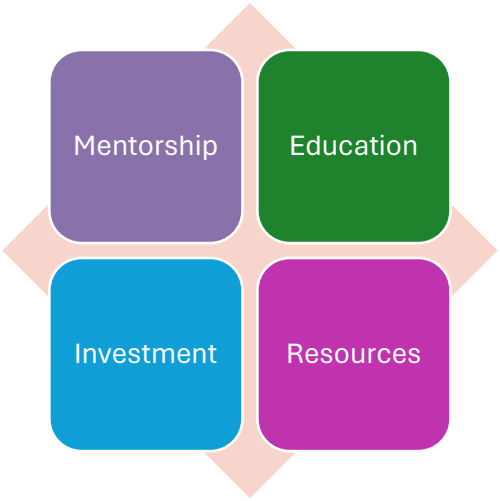
"Broadly speaking, accelerators help ventures define and build their initial products, identify promising customer segments, and secure resources, including capital and employees. More specifically, accelerator programs are programs of limited duration that help cohorts of startups with the new venture process. They usually provide a small amount of seed capital, plus working space. They also offer networking opportunities, with both peer ventures and mentors, who might be successful entrepreneurs, program graduates, venture capitalists, angel investors, or even corporate executives. Finally, most programs end with a demo day where ventures pitch to a large audience of investors" (Cohen, 2013).

In later work, Cohen and Hochberg (2014) further refine the definition of a startup accelerator as "a fixed-term, cohort-based program, including mentorship and educational components, that culminates in a public pitch event or demo day."

In short, four elements make accelerators distinct from other supporting institutions: they are fixed-term, cohort-based, mentor-driven, and culminate in a graduation or demo day.

The first startup accelerator program was launched in 2005 by Y Combinator in California and became extremely successful. Today, there are thousands of startup accelerators worldwide, each with its own distinct focus and investment approach. The most renowned accelerators, such as Y Combinator, Techstars, and 500 Startups, are based in the United States. Accelerators play an increasingly important role in fostering innovation and entrepreneurship in startup ecosystems globally.

How Startup Accelerators Add Value



Entrepreneurs starting their first startup venture often require support, and accelerators can play a crucial role in providing this assistance. By offering mentorship and expertise, providing guidance on pitching a business idea, facilitating investor connections, and offering seed financing, accelerators provide invaluable resources for early-stage startups. Additionally, accelerators facilitate access to subject matter experts who can assist startups in achieving their product-market fit (PMF) and developing effective go-to-market strategies (GTM).

Mentorship

Accelerator programs often leverage the expertise of experienced entrepreneurs, industry experts, and venture investors. These mentors can offer invaluable insights, knowledge, and guidance to participating startups, assisting them in refining their business models, identifying potential challenges, and making well-informed decisions.

Education

Accelerators typically offer workshops and educational programs tailored to the specific needs of startups. These programs cover various aspects of entrepreneurship, including business planning, financial management, market analysis, marketing strategies, and investor relations. Such educational opportunities provide founders with the knowledge and skills to build successful businesses.

Access to Capital

Startup accelerators often provide funding through a combination of direct investment and access to venture capital networks. This financial support enables startups to cover operational expenses and validate their business ideas. Furthermore, the association with a reputable accelerator enhances the credibility of a startup to potential investors, facilitating easier access to additional funding.

Additional Resources

In addition to mentorship, education, and funding opportunities, accelerators can offer other helpful resources to startup founders. These resources may include guidance on legal and compliance matters, marketing support, and access to specialized software. By leveraging these resources, startups can streamline their operations and scale more efficiently.

The Acceleration Process



Application and Selection

Joining a startup accelerator is a competitive and selective process. Startups must submit a business plan, a pitch deck, and other relevant information like financial projections. Accelerators meticulously evaluate applications based on factors such as market potential and the expertise of the founding team and their ability to scale the project. Only the most promising startups are included in the cohort.

Cohort-based Approach

Upon acceptance, startups join a group of fellow entrepreneurs who participate in the accelerator program. The cohort-based approach encourages networking and peer learning. Startups collaborate, sharing experiences, insights, and building networks. These interactions significantly contribute to the overall growth, success, and learning of startups, fostering a stronger sense of community.

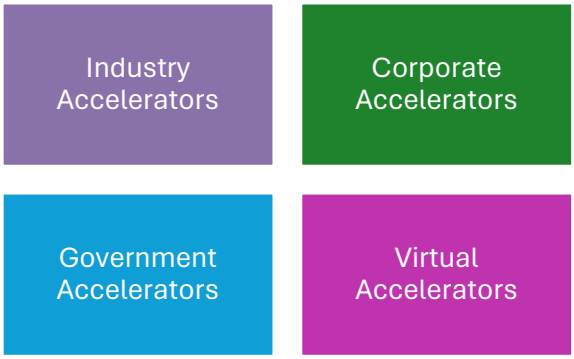
Intensive Curriculum

During the accelerator program, startups participate in a structured and intensive curriculum of workshops and mentorship sessions. This rigorous learning journey covers various areas of startup development, including business model evaluation, product-market fit strategies, customer acquisition methods, and legal and compliance considerations. Mentors provide personalized guidance, feedback, and relevant resources to help each startup overcome unique challenges and facilitate their success.

Demo Day and Beyond

Most accelerators organize a demo day at the end of the program, where startups pitch their ideas to potential investors. This high-profile event provides a platform to generate investor interest and secure funding. But the support doesn't stop there. Many accelerators offer ongoing guidance even after the program ends, assisting startups in their post-acceleration journey.

Types of Accelerators



A. Industry Accelerators

Industry accelerators focus on startups operating within a particular sector, such as healthcare, Fintech, or clean energy. These programs provide tailored support through deep expertise, industry connections, and specialized mentorship. By addressing industry-specific challenges and opportunities, industry accelerators offer startups tailored support to navigate their market sector effectively.

B. Corporate Accelerators

Corporate accelerators are managed by established companies aiming to drive innovation in their market segment. These accelerator programs offer startups a unique launchpad, granting access to corporate resources, industry expertise, and potential business partnerships and investment opportunities. Startups in a corporate accelerator often collaborate closely with the sponsoring company, benefiting from their market insights, distribution channels, and customer base.

C. Virtual Accelerators

Virtual accelerators leverage technology to offer remote support and resources to startups, removing geographical constraints and allowing entrepreneurs from anywhere in the world to participate. These programs provide online mentorship, fundraising opportunities, and educational resources, making them beneficial for startups in regions with limited startup support networks, such as developing countries.

D. Government Accelerators

Government accelerators, operated by public institutions such as economic development agencies or innovation departments, provide startups with funding, mentorship, and access to government resources, such as research facilities. These programs often focus on sectors that align with national or regional economic development strategies, like clean energy or biotechnology, offering startups unique growth opportunities and the potential for collaboration with other government-funded initiatives.

II. Startup Accelerator Ecosystem in the United States

Overview of the U.S. Startup Accelerator Ecosystem

The United States is home to many accelerators that are geographically diverse and have different industry focuses. While established regions such as Silicon Valley and New York attract a large share of startup activity and funding, other U.S. regions also create startup accelerators that receive substantial early-stage funding. U.S. state leaders increasingly view accelerated startups as a source of economic growth and accelerators have become important elements of state economic growth infrastructure.

Y Combinator and TechStars, both U.S.-based, have established themselves as the two largest startup accelerators worldwide. Y Combinator launched the first accelerator program in 2005, followed closely by TechStars in 2006. Both programs have evolved over the years. Y Combinator consolidated its multi-state presence into a single Silicon Valley location in 2009. At the same time, TechStars has expanded globally, with 46 programs worldwide since its launch in Boulder, Colorado. They both remain the two most renowned accelerator programs.

U.S. ACCELERATOR LANDSCAPE

(Data from SelectUSA, a federal government program housed within the U.S. Department of Commerce charged to promote and facilitate business investment into the United States.)

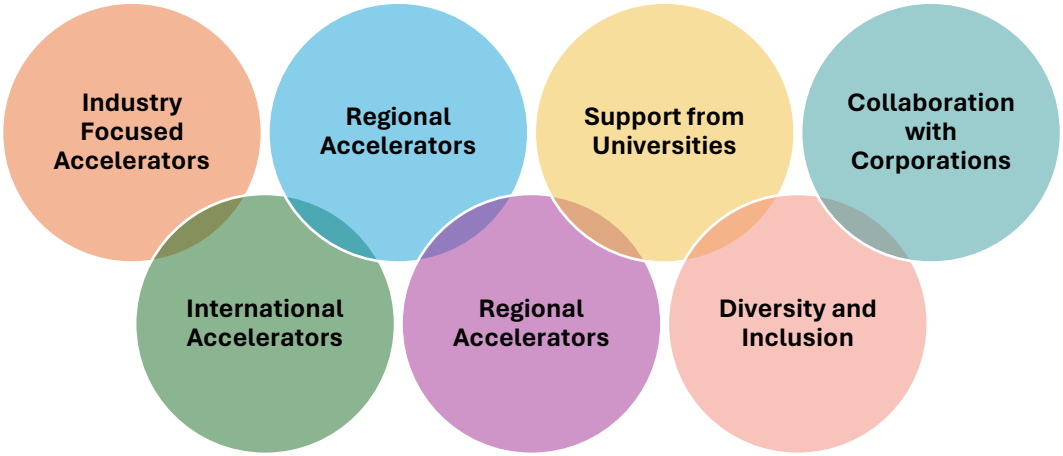
150 Accelerators	→	The United States is home to at least 150 unique accelerators: 141 identified by StartupBlink and an additional nine identified by the SelectUSA Survey.
31 States and Territories	→	These accelerators operate around the country in 29 states and two territories.
44 Metro Areas	→	There are 44 metropolitan areas in the U.S. with at least one accelerator: 38 identified by StartupBlink and an additional six identified by the SelectUSA Survey.

Based on the Brookings Institution research, in terms of their geography, accelerator programs are unsurprisingly concentrated in the well-known technology startup hubs and major cities of San Francisco -Silicon Valley, Boston-Cambridge, and New York. These three regions account for about 40 percent of all accelerators in the United States, and almost two-thirds of accelerator-funded deals between 2005 and 2015. However, a good amount of activity is occurring outside of these prime tech hubs.

StartupBlink identified 141 accelerators, 146 support organizations, and 2,971 startups across the United States in 2022. Together, these entities were located in 51 states and territories, including the District of Columbia and Puerto Rico, and 187 metropolitan and micropolitan areas. Additionally, in SelectUSA's May 2022 survey, state EDOs voluntarily provided information on 11 accelerators and 44 support organizations, including 12 incubators and eight state government resource organizations.

Since Cohen and Hochberg (2014) first identified the increased variety of industry-focused accelerators, this report observes a similar trend. While over 60 percent of the accelerators identified by StartupBlink did not have an industry focus, the remaining accelerators covered a broad range of industries, such as Health, E-Commerce and Retail, Software and Data, Fintech, Transportation, and Education.

Trends in the U.S. Accelerator Ecosystem Developments



Industry Focused Accelerators

Traditionally, most startup accelerators functioned as industry generalists. This trend continues, with a majority of U.S. accelerators remaining open to startups from any industry sector. However, startup accelerator specialization is rising, with accelerators increasingly targeting specific industries.

Regional Accelerators

In addition to industry-focused accelerators, there has been a growth in regional accelerators. These programs cater to startups in specific geographic areas. The rise of regional accelerators reflects a shift towards a more geographically distributed innovation landscape in the USA.

Virtual and Hybrid Accelerators

The COVID-19 pandemic acted as a catalyst for the widespread adoption of virtual accelerator models. These programs offer startups the attractive advantage of remote access to resources and mentorship, effectively dismantling geographical barriers. While in-person interaction remains irreplaceable for building strong connections, virtual models enable a more diverse range of startups and mentors to participate, significantly expanding the reach and impact of startup accelerators.

International Accelerators

As the startup ecosystem continues to globalize, there is an increasing trend of startup accelerators expanding their reach beyond their home markets. This trend unlocks exciting opportunities for cross-border collaboration. Startups can now tap into a global network of ideas, talent, and investment possibilities. By fostering international connections, global accelerators empower startups to scale beyond their home markets and attract investment capital from around the world.

Support from Universities

Startups increasingly access university support through two main channels: university-affiliated accelerators and university support organizations. While accelerators offer a structured program with mentorship and resources, universities themselves often provide networking opportunities and other forms of assistance outside of a formal accelerator program.

Collaboration with Corporations

Collaboration between startup accelerators and corporations is becoming more prevalent. Corporations are increasingly recognizing the value of working with startups to access cutting-edge technologies, disruptive business models, and fresh talent. Startup accelerators act as intermediaries, facilitating these connections and fostering a win-win situation for both parties.

Diversity and Inclusion

Diversity and inclusion are a growing focus for startup accelerators. Many programs are actively building a more equitable ecosystem by supporting underrepresented founders. By doing so, startup accelerators are not only fostering a more equitable startup ecosystem but also tapping into diverse talent and perspectives that can drive innovation.

III. Startup Accelerator Ecosystem in the DMV Area

Based on our research, each of the DMV areas – Maryland, Virginia, and the District of Columbia – has around twenty active accelerators, with Maryland slightly leading in this space. Conversely, government support for early-stage startup projects demonstrates regional disparities, with Maryland and Virginia offering more robust assistance and infrastructure compared to the District of Columbia.

In this section, we present an overview of major government support programs for early-stage startup projects and startup accelerator programs in the DMV area.

Maryland

Government Initiatives

Maryland Technology Development Corporation (TEDCO)

TEDCO was established by the Maryland General Assembly in 1998 to facilitate the creation of businesses and support their growth in all regions of the state. TEDCO provides funding, expertise, and connections that early-stage technology companies need to thrive in Maryland. TEDCO mission is to enhance economic empowerment by fostering an inclusive and entrepreneurial innovation ecosystem; identify, invest in, and help grow technology companies in Maryland. TEDCO Vision is to be the recognized national leader for supporting technology-based, economic, and entrepreneurial development while being the hub of Maryland's innovation ecosystem.

Maryland Innovation Initiative (MII)

Maryland Innovation Initiative was created as a collaboration between the State of Maryland and five Maryland academic research institutions (Johns Hopkins University; Morgan State University; University of Maryland, Baltimore; University of Maryland, Baltimore County; University of Maryland, College Park). Through the State of Maryland's Technology Development Corporation (TEDCO), funds are available to foster the commercialization of university technologies through technology validation, market assessment, and the creation of start-up companies in Maryland. Currently, MII provides funding of up to $415,000 to support technology startup companies.

Maryland Entrepreneur Hub

Maryland Entrepreneur Hub's mission is to connect all parts of the entrepreneurial community, working together to create a robust ecosystem of healthy, successful businesses. The Maryland Entrepreneur Hub enables innovators, startup founders, and small business owners to find and connect with the right resources for their business, including investors, universities, mentoring programs, networking groups, training programs, and more. The Maryland Entrepreneur Hub partners with the University System of Maryland, State of Maryland's Technology Development Corporation (TEDCO), and the Maryland Department of Commerce.

Non-Government Initiatives

University of Maryland Innovation Gateway

University of Maryland Innovation Gateway provides networking and investment opportunities, entrepreneurship events, and workshops for early-stage startup companies. The University of Maryland provides resources for supporting students, faculty, alumni, and startups & businesses aspiring to successfully launch or grow a venture. Located at the heart of the University of Maryland campus, the IDEA Factory is a state-of-the-art facility that fosters innovation, collaboration, and entrepreneurship across disciplines, and is home to cutting-edge research and education.

Montgomery County Business Center

Montgomery County manages three business incubators to help startups create and grow their business. All facilities feature a full menu of resources and support services, including business consulting, compliance and accounting resources, intellectual property and commercialization assistance, and access to state and county funding programs to support business growth.

The Frederick Innovative Technology Center

FITCI programs combine a range of educational programs, professional expertise, and events to address the three fundamental needs of emerging startup companies: coaching, connections, and capital. The FITCI's Edge Accelerator is an industry-agnostic accelerator program designed to help entrepreneurs accelerate their ideas and businesses. The Edge accelerator offers intense, immersive education to rapidly advance the lifecycle of a startup.

Maryland Innovation Center

Maryland Innovation Center (MIC), created by Howard County Economic Development Authority, provides the space and speeds the pace of achievement. Mentorship, knowledge, and connections help companies from over 18 industries disrupt the marketplace, develop their ideas, and discover the right pathways for their business goals. Currently, 37 of the 56 companies located at the MIC are small, minority, and veteran-owned businesses enterprises.

Columbia Gateway Innovation District

Columbia Gateway, established by Howard County Economic Development Authority, is home to over 300 businesses, employing approximately 10,000 people. The Columbia Gateway will be transformed into an innovation district, fostering collaboration on new technologies and services between leading-edge companies, established educational institutions, and startups.

Fintech Ecosystem in Maryland

The Maryland state government has implemented various initiatives to foster the growth of Fintech services, creating a supportive environment for financial innovation.

Maryland promotes collaboration between Fintech companies and local financial regulators. The Commissioner of Financial Regulation has designated an "Innovation Contact" within the Maryland Office of Financial Regulation to support innovation efforts in the financial services sector and to facilitate communication between the Commissioner's Office and Fintech entrepreneurs.

Maryland is establishing innovation hubs in the region (e.g. Maryland Entrepreneur Hub), and is creating infrastructure for startups, including Fintechs, such as the Innovation District Project in Howard County. It also encourages collaboration with academic research institutions through initiatives like Maryland Innovation Initiative and University of Maryland Innovation Gateway.

The Maryland state government provides access to funding programs, such as financing for early-stage technology companies facilitated by the Maryland Technology Development Corporation which aims to become a hub of Maryland's innovation ecosystem. Foreign Fintech companies can explore the local market with the backing of the Maryland Global Gateway Soft Landing Program.

Virginia

Government Initiatives

Virginia Innovation Partnership Corporation (VIPC)

VIPC is the nonprofit operations arm of the Virginia Innovation Partnership Authority (VIPA). VIPC was formed to support the expansion of innovation, opportunity, and job creation in Virginia. VIPC accelerates early commercialization & funding support for innovations, entrepreneurs, and startups in Virginia. VIPC concentrates on the early commercialization and seed funding stages of innovation, helping innovators and tech entrepreneurs launch and grow new companies, create jobs, and accelerate economic growth throughout the Commonwealth of Virginia.

Virginia Chamber, Innovation and Technology Executive Committee

The Innovation and Technology Executive Committee provides leadership and advises policy research aimed at strengthening Virginia's technology and innovation ecosystem. The Executive Committee aims to strengthen Virginia's status as a global innovation and technology leader with a robust supply of technology workers. The Executive Committee's mission is to advance innovation, technology, and entrepreneurship in Virginia to support economic growth and job creation.

Non-Government Initiatives

Startup Virginia

Startup Virginia is a Richmond, Virginia, non-profit organization that supports startups and innovators with an engaged community, holistic programs, targeted resources, and dynamic workspace to help them reach their full potential and positively impact Virginia's economic landscape. Startup Virginia provides access to capital through their professional network.

Virginia Tech Innovation Campus

Opening in spring 2025 in Alexandria, Virginia, the Virginia Tech Innovation Campus equips Virginia Tech students to solve urgent challenges, alongside leading researchers, and industry executives. With open access to an inclusive tech ecosystem at the doorstep of industry giants, the Virginia Tech Innovation Campus gives students the tools to drive change and jumpstart their careers.

Blueprint Virginia 2030

Blueprint Virginia 2030 is a plan of action to ensure the Commonwealth of Virginia strengthens and secures its position as a leader in the global economy and is the best state in the nation for doing business. Notably, "Innovation and Technology" was designated as one of the major focus areas highlighted by the Chamber in the Blueprint Virginia 2030.

Fintech Ecosystem in Virginia

The Virginia state government supports the development of the Fintech ecosystem through various financing programs, collaboration initiatives, and educational support.

To attract and retain Fintech businesses, Virginia offers financial support, including venture financing aimed at assisting tech entrepreneurs in launching and growing new companies. For example, Virginia Innovation Partnership Corporation provides five financing programs, including funding for technology-focused startup companies. Support for venture capital financing and access to state-backed funding programs are key components of Virginia's strategy.

Virginia actively promotes collaboration among Fintech companies, state government, and other stakeholders. Initiatives such as Startup Virginia facilitate interaction and partnerships with innovative startup companies, fostering Fintech ecosystem development.

Recognizing the critical role of skilled talent in the Fintech sector, Virginia invests in educational initiatives. Programs like the Virginia Tech Innovation Campus, set to open in spring 2025, provide technical skills and business knowledge to excel in the rapidly evolving Fintech landscape.

District of Columbia

Government Initiatives

Washington DC Economic Partnership (WDCEP)

WDCEP is a nonprofit, public-private partnership at the core of economic development in Washington, DC. WDCEP connects the public sector to national and international corporations to advance sustainable and inclusive economic development. WDCEP mission is to foster and enhance economic growth and business prospects in the District of Columbia while providing support for business retention, expansion, and attraction initiatives.

The Golden Triangle Business Improvement District

The Golden Triangle BID is a non-profit corporation that works to enhance the Golden Triangle – the 44-square-block neighborhood that stretches from Dupont Circle to Pennsylvania Avenue in Washington, DC. Founded in 1997, the Golden Triangle BID encourages economic development through a variety of engaging events and capital improvement projects, such as an upcoming Innovation District in DC, which includes an Innovation Hub.

Non-Government Initiatives

Entrepreneur Development Network DC (EDNDC)

In collaboration with Wells Fargo, The George Washington University and Howard University have launched the Entrepreneur Development Network DC (EDNDC). This program empowers early-stage innovators and aspiring startups with the tools they need to thrive. Through training programs and coaching led by university instructors, mentors, and experienced entrepreneurs, EDNDC helps participants build robust business models and develop effective go-to-market strategies.

Fintech Ecosystem in the District of Columbia

The District of Columbia government has implemented several important initiatives to support the growth of financial technology companies.

The DC Department of Insurance, Securities and Banking has established the Office of Innovation to drive innovation in the financial services industry, promoting economic growth and financial inclusion for DC residents. The Office of Innovation aims to create a business and regulatory environment in the District of Columbia that fosters responsible financial innovation.

The District of Columbia offers two programs to support financial technology companies. The DC BizCAP program, established by the DC Department of Insurance, Securities and Banking, provides capital to small businesses and entrepreneurs. The Qualified High Technology Companies program, administered by the DC Office of Tax & Revenue, offers tax benefits to high technology companies.

Through public-private partnerships, organizations like the Washington DC Economic Partnership and the Golden Triangle Business Improvement District can help with driving Fintech development in the District of Columbia. Specifically, the Golden Triangle BID is creating an Innovation District in DC, which includes an Innovation Hub where Fintech companies can establish their offices.

Startup Landscape: A Comparison of DMV Regions

Here's a comparison of startup environment and government support in the DMV region.

DMV Area	Strengths	Weaknesses
District of Columbia	✓ Strategic location in the center of policymaking with direct access to regulators. ✓ Washington, D.C., historically attracts a highly skilled and diverse workforce. ✓ Access to small business financing through the DISB BizCAP program.	✓ Lack of government-backed startup accelerators and innovation hubs. ✓ Limited access to startup financing offered by the state government.
Maryland	✓ Strong government support through state initiatives like TEDCO and MII. ✓ Robust startup ecosystem with many startup accelerators. ✓ Diverse talent pool with strong connections to research institutions.	
Virginia	✓ Diverse startup funding opportunities through VIPC. ✓ Strong presence of innovation hubs such as Startup Virginia. ✓ Strong commitment to innovation, as evidenced by Blueprint Virginia 2030.	

IV. Suggestions for DC Startup Ecosystem Improvements

General Suggestions for Startup Ecosystem Improvements

Here are some areas where DC could improve to compete with MD and VA for innovative startups:

1. Expand and diversify financing programs: While DC has programs like DC BizCAP, MD and VA utilize more diverse funding initiatives through public-private partnerships.
2. Enhance the startup ecosystem: DC startup ecosystem feels smaller compared to ecosystems in MD and VA. Establishing incubators, accelerators, and fostering collaboration with universities could create a more vibrant startup community.
3. Streamline regulations: Navigating regulations and paperwork can be a headache for startups. Simplifying bureaucratic processes and offering regulatory guidance specific to startups could reduce their administrative burden and encourage them to choose DC.
4. Leverage unique strengths: DC has unique advantages like its proximity to government agencies and international organizations. Building programs that provide startups with access to these resources could be beneficial.
5. Corporate tax rate: Businesses in D.C. and Maryland face a higher corporate tax burden (8.25%) compared to Virginia (6.00%). Offering targeted tax breaks for innovative companies could make DC more attractive to startups.

Suggestions for DC Fintech Ecosystem Improvements

To strengthen D.C.'s Fintech accelerator ecosystem, two options exist: establishing a dedicated FinTech accelerator utilizing public-private partnership or collaborating with existing accelerators.

Option #1:

The District of Columbia has a dynamic entrepreneurial landscape with around twenty startup accelerators. However, D.C. lacks a dedicated Fintech accelerator. This lack hinders the District's potential to capitalize on the economic growth Fintech can bring. By expanding access to financial services, the Fintech industry can foster economic activity and inclusion for D.C. residents.

A Fintech accelerator supported by the DC Government could enhance the scalability of local financial technology startups. It would achieve this by providing expertise, mentorship, compliance guidance, networking opportunities, and access to funding. The accelerator focus would be on early-stage Fintech ventures with already developed MVP (minimum viable product).

To address venture funding needs, a Fintech startup accelerator can establish partnerships with DC based venture firms specializing in the Fintech sector. Additionally, partnerships with local universities can provide expertise and mentorship. Finally, requiring Fintech startups to establish residency in D.C. for a specific period can ensure their contribution to the local economy.

Option #2:

The Department of Insurance, Securities, and Banking, represented by the Office of Innovation, can further strengthen the local Fintech ecosystem by collaborating with already established generalist accelerators in the DC area. These partnerships would allow existing startup accelerators to allocate resources specifically for supporting early-stage Fintech ventures.

We identified three generalist startup accelerators in D.C.: two university-backed programs (Georgetown Startup Accelerator and American University Entrepreneurship Incubator Program) and a commercial accelerator backed by J.P. Morgan (Techstars Washington DC).

The Office of Innovation can contribute to the success of existing startup accelerators, leveraging its expertise, network, and resources. By providing regulatory guidance, the Office of Innovation can help Fintech startups foster responsible innovation. This collaborative approach offers a cost-effective and strategic pathway to strengthening D.C.'s Fintech ecosystem.

By implementing these recommendations, the DC startup accelerators can attract more Fintech ventures, provide them with the necessary resources for success, and ultimately contribute to a thriving and innovative entrepreneurial environment and economic growth in the District.

Appendix 18

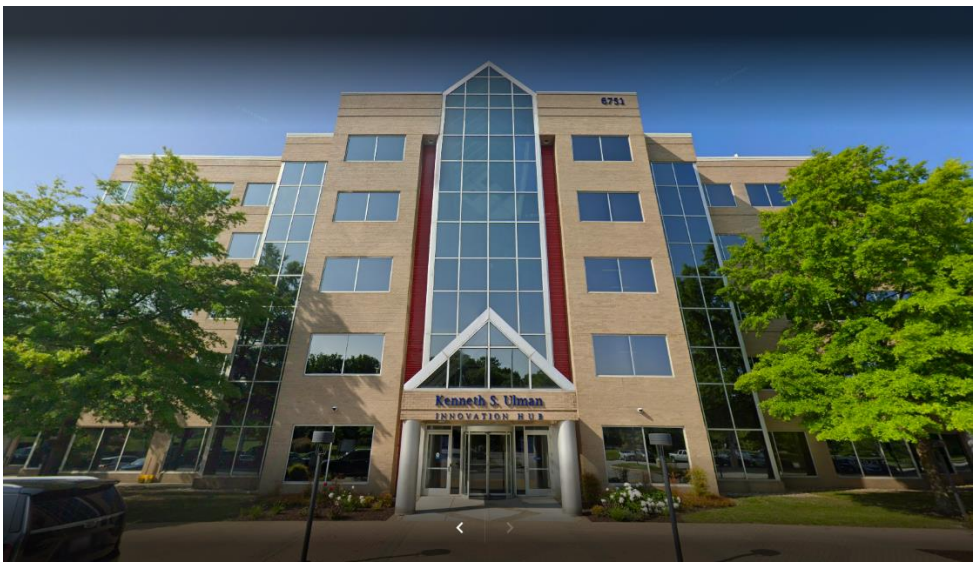
Startup Ecosystems and Venture Landscapes in the DMV Area.

I. Government Initiatives and Programs Supporting Innovative Companies.

Maryland:

Maryland Innovation Center (powered by Howard County Economic Development Authority)

Maryland Innovation Center (MIC) provides the space and speeds the pace of achievement. Mentorship, knowledge, and connections help companies from over 18 industries disrupt the marketplace, develop their ideas, and discover the right pathways for their business goals. Currently, 37 of the 56 companies located at the MIC are small, minority, and veteran-owned businesses enterprises.



Columbia Gateway Innovation District (powered by Howard County Economic Development Authority)

Today, Columbia Gateway is home to over 300 businesses, employing approximately 10,000 people. Under County Executive Calvin Ball's new vision and the direction of the HCEDA, the business park would be turned into an innovation district, where leading-edge companies work with anchor educational intuitions and startups to collaborate on new technologies and services.



Maryland Technology Development Corporation (TEDCO)

TEDCO provides funding, resources, and connections that early-stage technology companies need to thrive in Maryland. TEDCO mission is to enhance economic empowerment by fostering an inclusive and entrepreneurial innovation ecosystem; identify, invest in, and help grow technology companies in Maryland. TEDCO Vision: to be the recognized national leader for supporting technology-based, economic, and entrepreneurial development while being the hub of Maryland's innovation ecosystem.

Maryland Innovation Initiative (MII)

Maryland Innovation Initiative was created as a collaboration between the State of Maryland and five Maryland academic research institutions (Johns Hopkins University; Morgan State University; University of Maryland, Baltimore; University of Maryland, Baltimore County; University of Maryland, College Park). Through the State of Maryland's Technology Development Corporation (TEDCO), funds are available to foster the commercialization of university technologies through technology validation, market assessment, and the creation of start-up companies in Maryland.

Maryland Entrepreneur Hub

Maryland Entrepreneur Hub's mission is to connect all parts of the entrepreneurial community, working together to create a robust ecosystem of healthy, successful businesses. The Maryland Entrepreneur Hub enables innovators, startup founders, and small business owners to find and connect with the right resources for their business, including investors, universities, mentoring programs, networking groups, training programs, and more. The Hub partners with the University System of Maryland, Maryland Department of Commerce, and TECO Maryland (Maryland Technology Development Corporation).

University of Maryland Innovation Gateway

Networking and investment opportunities, entrepreneurship events, and workshops for startup companies. The University of Maryland provides resources for supporting students, faculty, alumni, and startups & businesses aspiring to launch or grow a venture. Located at the heart of the University of Maryland campus, the IDEA Factory is a state-of-the-art facility that fosters innovation, collaboration, and entrepreneurship across disciplines, and is home to cutting-edge research and education.



Maryland Global Gateway Soft Landing Program for Foreign Companies

The Maryland Global Gateway Soft Landing Program provides international companies with the opportunity to test out the U.S. market at an affordable rate. Soft Landing program partners provide participating companies with access to facilities, resources, advisors, and more. Eligible companies can receive funding towards physical, programmatic, and other costs associated with market entry.

Overview of the Fintech Ecosystem in Maryland

The Maryland state government has implemented various initiatives to foster the growth of Fintech services, creating a supportive environment for financial innovation.

Maryland actively promotes collaboration between Fintech companies and local financial regulators. The Commissioner of Financial Regulation has designated an "Innovation Contact" within the Maryland Office of Financial Regulation to support innovation efforts in the financial services sector and to facilitate communication between the Commissioner's Office and entrepreneurs and Fintech companies.

Maryland is establishing innovation hubs in the region (e.g. Maryland Entrepreneur Hub), and is creating infrastructure for startups, including Fintech entities, such as the Innovation District Project in Howard County. It also encourages collaboration with academic research institutions through initiatives like the Maryland Innovation Initiative and University of Maryland Innovation Gateway.

The Maryland state government provides access to state-backed funding programs, such as financing for early-stage technology companies facilitated by the Maryland Technology Development Corporation which aims to become a hub of Maryland's innovation ecosystem. Foreign Fintech companies can explore the local market with the backing of the Maryland Global Gateway Soft Landing Program.

Virginia:

Virginia Innovation Partnership Corporation (VIPC)

VIPC is the nonprofit operations arm of the Virginia Innovation Partnership Authority (VIPA). Virginia Innovation Partnership Corporation (VIPC) was formed to support the expansion of innovation, opportunity, and job creation in Virginia. VIPC accelerates early commercialization & funding support for Virginia innovations, entrepreneurs, and startups. VIPC concentrates on the early commercialization and seed funding stages of innovation, helping innovators and tech entrepreneurs launch and grow new companies, create jobs, and accelerate economic growth throughout the Commonwealth of Virginia.



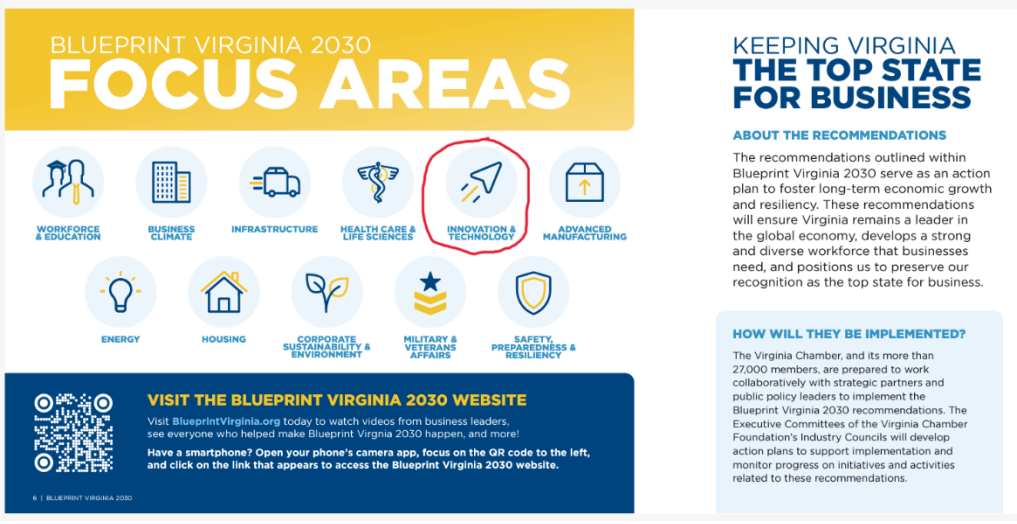
Virginia Chamber, Innovation and Technology Executive Committee

The Innovation and Technology Executive Committee provides thought leadership and advises policy research aimed at strengthening Virginia's technology and innovation ecosystem. The Executive Committee is working collaboratively to advance Virginia's reputation as a global technology center and a destination for entrepreneurs and innovators. Mission: To advance innovation, technology, and entrepreneurship in Virginia to support economic growth and job creation. Vision: To strengthen Virginia's status as a global innovation and technology leader with a robust, well-trained supply of technology workers that supports innovation, research, and entrepreneurial economic development.

Startup Virginia

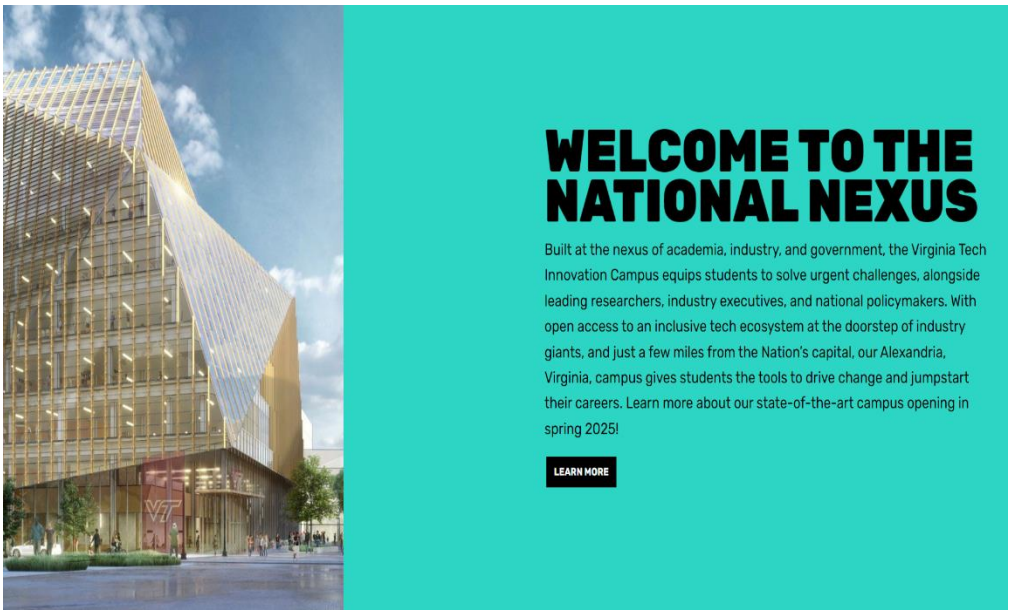
Richmond, Virginia, non-profit organization that supports startups and innovators with an engaged community, holistic programs, targeted resources, and dynamic workspace to help them reach their full potential and positively impact Virginia's economic landscape. Being a non-profit organization, Startup Virginia cannot invest in startup companies. However, they provide access to capital through high-level connections, visibility on their website, and specifically designed programming.

Blueprint Virginia 2030 is a plan of action to ensure the Commonwealth of Virginia strengthens and secures its position as a leader in the global economy and is the best state in the nation for business. The Virginia Chamber collected input by bringing together leaders in business, economic development, workforce, education, housing, and other community representatives to ensure statewide representation of priorities for Virginia's economic prosperity. "Innovation and Technology" is one of the major focus areas highlighted by the Chamber in the Blueprint Virginia 2030.



Virginia Tech Innovation Campus

Opening in spring 2025 in Alexandria, Virginia, the Virginia Tech Innovation Campus equips students to solve urgent challenges, alongside leading researchers, industry executives, and national policymakers. With open access to an inclusive tech ecosystem at the doorstep of industry giants, and just a few miles from Alexandria, VA, the campus gives students the tools to drive change and jumpstart their careers. The Virginia Tech Innovation Campus has set the goal to become the most diverse graduate technology campus in the country, building a more equitable industry from the ground up.



Overview of the Fintech Ecosystem in Virginia

The Virginia state government actively supports the Fintech ecosystem through financing programs, collaboration initiatives, and educational support.

To attract and retain Fintech businesses, Virginia offers diverse financial support programs, including venture financing aimed at assisting tech entrepreneurs in launching and growing new companies. An example is the Virginia Innovation Partnership Corporation, which provides five financing programs, including funding for technology-focused startup companies. Support for venture capital financing and access to state-backed funding programs are key components of Virginia's strategy.

Virginia actively promotes collaboration among Fintech companies, state government, and other stakeholders. Initiatives such as Startup Virginia, along with the Innovation and Technology Executive Committee established within the Virginia Chamber, facilitate interaction and partnerships with innovative startup companies, fostering a dynamic ecosystem for Fintech development.

Recognizing the critical role of skilled talent in the Fintech sector, Virginia invests in educational initiatives. Programs like the Virginia Tech Innovation Campus, set to open in spring 2025, provide the necessary technical skills and business knowledge to excel in the rapidly evolving Fintech landscape.

District of Columbia:



The District of Columbia Business Capital Program (DC BizCAP) is funded by the U.S. Treasury State Small Business Credit Initiative. The District of Columbia Department of Insurance, Securities and Banking (DISB) established and administers DC BizCAP to provide capital to District small businesses and entrepreneurs who continue to encounter reductions in the availability of credit and heightened requirements to obtain financing. Currently, $19 million out of $62 million is available for the small businesses financing (first portion of American Rescue Plan Funding for Small Businesses to Grow or Innovate in DC).

The Office of Innovation (OOI) has been established by the DC Department of Insurance, Securities and Banking (DISB) to drive innovation in the financial services industry and promote economic growth and financial inclusion in the District of Columbia. The office is committed to encouraging the development and adoption of technology-based financial products and services, especially from members of communities that are underserved by traditional financial services companies. The Office of Innovation provides a range of support and resources to fintech, insurtech and regtech companies and entrepreneurs, including regulatory guidance, connections to stakeholders, networking opportunities, and research and analysis.

Qualified High Technology Companies (QHTC), a program administered through the DC Office of Tax & Revenue (OTR), offers incentive packages for high-tech businesses. The incentive reduces the cost of doing business by providing certain credits, exemptions, and other benefits for technology businesses.

Note: Previously offering significant tax breaks and financial incentives to attract high-tech businesses, the District of Columbia's QHTC program underwent major reductions in 2020. This resulted in a significantly less advantageous landscape for qualifying high technology companies within the District.

Entrepreneur Development Network DC (EDNDC). The George Washington University and Howard University have come together to establish the EDNDC, powered by Wells Fargo. EDNDC includes training programs and coaching offered by local university instructors, mentors, and seasoned entrepreneurs. The program helps startups develop successful business models and go-to-market (GTM) strategies. EDNDC is for early-stage innovators and ventures building toward a successful launch.

Washington DC Economic Partnership (WDCEP) is a nonprofit, public-private partnership at the core of economic development in Washington, DC. WDCEP connects the public sector to national and international corporations to advance sustainable and inclusive economic development. WDCEP mission is to foster and enhance economic growth and business prospects in the District of Columbia while providing support for business retention, expansion, and attraction initiatives.

The Golden Triangle Business Improvement District (Golden Triangle BID) is a non-profit corporation that works to enhance the Golden Triangle — the 44-square-block neighborhood that stretches from Dupont Circle to Pennsylvania Avenue in Washington, DC. Founded in 1997, the Golden Triangle BID encourages economic development through capital improvement projects and a variety of engaging events. The Golden Triangle BID is creating an Innovation District in DC, which includes an Innovation Hub.

Overview of the Fintech Ecosystem in the District of Columbia

The District of Columbia government has implemented initiatives to support innovation and growth for Fintech firms, prioritizing the creation of innovation hubs in the region and development of a favorable regulatory environment.

The DC Department of Insurance, Securities and Banking has established the Office of Innovation to drive innovation in the financial services industry, promoting economic growth and financial inclusion for DC residents. The Office of Innovation works with the private sector to create a business and regulatory environment that encourages the development and adoption of innovative financial technologies.

The District of Columbia offers two programs that offer financial incentives and enhance access to capital for Fintech companies: the DC BizCAP program managed by DISB and the Qualified High Technology Companies (QHTC) program administered by the DC Office of Tax & Revenue.

Through public-private partnerships, organizations like the Washington DC Economic Partnership (WDCEP) and the Golden Triangle Business Improvement District (Golden Triangle BID) can help with driving Fintech development in the District of Columbia. Specifically, the Golden Triangle BID is creating an Innovation District in DC, which includes an Innovation Hub where Fintech companies can establish their offices.

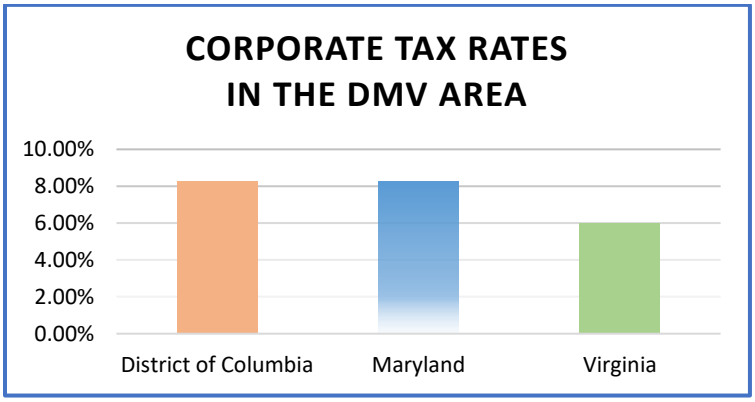
Educational initiatives, such as the Entrepreneur Development Network DC (EDNDC) program, help early-stage Fintech companies in developing successful business models and go-to-market strategies.

The District positions itself as an attractive destination for Fintech innovation, fostering economic growth and cultivating a robust financial services ecosystem. Establishing the Office of Innovation within DISB demonstrates the District's commitment to supporting financial technology innovation and attracting financial technology companies to the region.

II. Corporate Tax Rates in the DMV Area.

District of Columbia and Maryland – 8.25%

Virginia – 6.00%



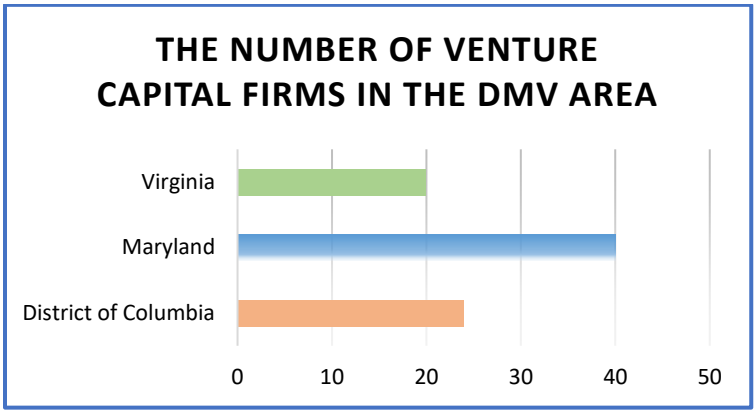
III. Venture Capital Landscape in the DMV Area.

The number of venture capital firms in DC, MD, and VA, as reported by PitchBook.

Venture capital firms in Maryland – 40

Venture capital firms in Virginia – 20

Venture capital firms in DC – 24



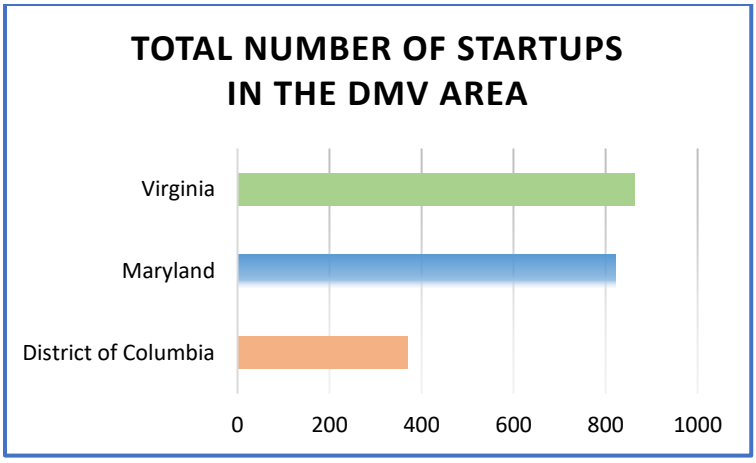
IV. Startup Ecosystems in the DMV Area.

The total number of startups companies (including accelerated and incubated startups) in DC, MD, and VA, as reported by PitchBook.

Startups in Maryland – 821

Startups in Virginia – 863

Startups in DC – 370

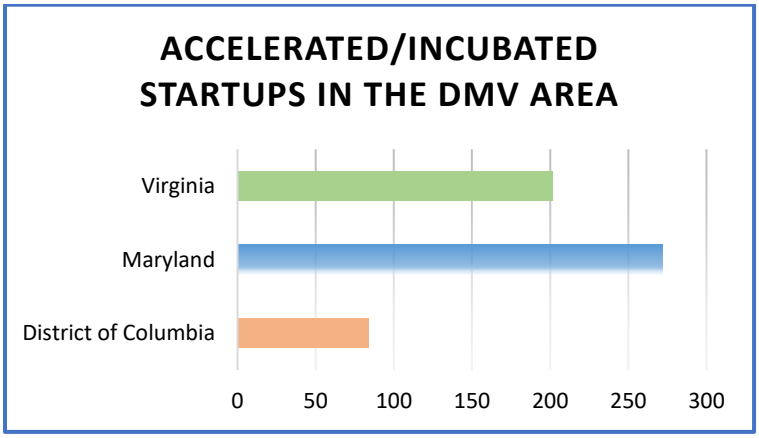


The number of accelerated and incubated startups in DC, MD, and VA, as reported by PitchBook.

Accelerated and incubated startups in Maryland – 272 companies or 33% of the total number of startups

Accelerated and incubated startups in Virginia – 202 companies or 23% of the total number of startups

Accelerated and incubated startups in DC – 84 companies or 23% of the total number of startups



V. Conclusions:

PitchBook data reveals an interesting dynamic in the DMV region's venture capital landscape. Maryland has the highest number of VC firms, with approximately 40 headquartered in the state, while both Virginia and the District of Columbia have almost half as many venture capital firms. However, this Maryland lead in VC firm count does not translate directly into a similar edge in terms of startups. E.g. Virginia, despite having fewer VC firms, seems to have a more vibrant startup ecosystem.

Several potential explanations may account for this discrepancy; however, further research is needed to determine the precise factors at play and to understand the dynamics driving the different trajectories of the VC and startup ecosystems in the DMV region.

1. Maryland VCs might be less active in deploying capital locally. This could be due to factors such as focusing on out-of-state investments or prioritizing specific industry sectors less prevalent in Maryland's startup scene.
2. Virginia startups may receive significant backing from out-of-state VCs. This possibility suggests that Virginia's attractive startup environment draws investment from beyond its own borders, contributing to its success despite a smaller local VC pool.
3. Virginia's fewer VC firms might be more effective in concentrating capital. While Maryland has more firms, Virginia's 20 might collectively manage larger assets (AUM) per firm, allowing them to provide stronger financial support to their portfolio companies.

At the same time, according to PitchBook data, Maryland has the largest share of accelerated/incubated startup companies compared to Virginia and the District of Columbia. This may be explained by a more robust presence of startup incubators and accelerators in Maryland, comparing to Virginia and DC, contributing to a potentially stronger overall startup ecosystem and venture landscape.

Overall, each state has its own strengths and weaknesses in terms of startup environment and government support for innovative companies. Here's a comparison of the three states:

DMV Area	Strengths	Weaknesses
District of Columbia	✓ Access to government grants and funding through programs like DC BizCAP. ✓ Strong concentration of talented individuals due to its location as the nation's capital. ✓ Strategic location in the center of policymaking and direct access to regulators.	✓ Higher corporate tax rate compared to Virginia. ✓ Smaller startup ecosystem compared to Maryland and Virginia. ✓ Lack of startup startup incubators/accelerators and innovation hubs. ✓ Reduced tax breaks for high-tech businesses compared to the past.
Maryland	✓ The highest number of VC firms in the DMV area. ✓ Strong government support through initiatives like TEDCO, MII, and the University of Maryland Innovation Gateway. ✓ Robust startup ecosystem with a high percentage of accelerator/incubator-backed companies. ✓ Diverse talent pool with strong connections to research institutions.	✓ Higher corporate tax rate compared to Virginia.

Virginia	✓ Diverse startup funding opportunities through VIPC. ✓ Strong commitment to innovation, as evidenced by initiatives like Blueprint Virginia 2030. ✓ Upcoming Virginia Tech Innovation Campus will provide access to a diverse tech ecosystem. ✓ Lower corporate tax rate than Maryland and DC.	✓ Fewer government support programs and initiatives compared to Maryland. ✓ Smaller number of VC firms compared to DC and Maryland.

Here are some areas where DC could improve to compete with VA and MD for innovative companies and startups:

1. Corporate tax rate: The 8.25% corporate tax rate in DC is a disadvantage compared to Virginia's 6.00%. Offering targeted tax breaks for innovative companies could make DC more attractive to startups.

2. Expand and diversify financing programs: While DC has programs like DC BizCAP, MD and VA utilize more diverse funding initiatives through public-private partnerships.

3. Enhance the startup ecosystem: DC startup ecosystem feels smaller compared to ecosystems in MD and VA. Establishing incubators, accelerators, and networking programs, and fostering collaboration with universities and research institutions could create a more vibrant startup community.

4. Streamline regulations and bureaucracy: Navigating government regulations and paperwork can be a major headache for startups. Simplifying bureaucratic processes and offering regulatory guidance specific to startups could reduce their administrative burden and encourage them to choose DC.

5. Leverage unique strengths: DC has unique advantages like its proximity to government agencies and international organizations. Building programs and initiatives that leverage these connections to provide startups with access to resources, funding opportunities, and potential clients could be beneficial.

Appendix 19

MURIEL BOWSER
MAYOR

December 9, 2024

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, NW, Suite 504
Washington, DC 20004

Dear Chairman Mendelson:

I hereby submit to the Council of the District of Columbia the *Community Reinvestment Act Performance Evaluation* for Industrial Bank and Founders Bank. Both evaluations were prepared by the Federal Deposit Insurance Corporation (FDIC) and are submitted by the Department of Insurance, Securities and Baking (DISB) pursuant to section 405(b) of the Community Development Act of 2000, effective June 9, 2001 (D.C. Law 13-308; D.C. Official Code § 26-431.05(b).

The evaluation for Industrial Bank covers the period from June 5, 2019, through April 27, 2022. The evaluation for Founders Bank covers the period from April 6, 2020, through January 24, 2022. These evaluations provide an overview of each financial institution's compliance with its community development plan.

My administration is available to discuss any questions you may have regarding these evaluations. In order to facilitate a response to any questions you may have, please contact Karima Woods, Commissioner, DISB, at karima.woods@dc.gov or by phone at (202) 727-8000.

Sincerely,

Muriel Bowser

Enclosures

December 9, 2024

Mayor Muriel Bowser
1350 Pennsylvania Avenue, NW
Washington, DC 20002

RE: 2023 Community Development Plan Annual Report

Dear Mayor Bowser:

Pursuant to D.C. Official Code § 26-431.05(b), the Commissioner of the Department of Insurance, Securities, and Banking is required to submit an annual report to the Mayor and D.C. Council on each financial institution's compliance with its community development plan. In the annual report, the Commissioner shall include an assessment of the community reinvestment performance of each financial institution.

Furthermore, pursuant to D.C. Official Code § 26-431.07, the Commission may accept community development plan evaluations performed by regulators in other jurisdictions, including federal regulators. For fiscal year 2023, the Commissioner accepted the performance evaluations of the Federal Deposit Insurance Corporation (FDIC) in lieu of conducting an evaluation due to limited examiner resources. Please find attached the FDIC's performance evaluations of Founders Bank and Industrial Bank.

If you have any questions regarding the reports, please contact me at karima.woods@dc.gov or by phone at (202) 727-8000.

Sincerely,



Karima M. Woods
Commissioner

Enclosure

2023 Community Development Plan Report
Executive Summary

Community Reinvestment Act

The Community Reinvestment Act (CRA), enacted by Congress in 1977, serves to ensure that banks are providing credit to the communities in which they operate and meeting the needs of low- and moderate-income neighborhoods. CRA examinations are conducted on a regular schedule based on the size of the institution, and ratings can affect future approval of new branches, mergers, and acquisitions.

Pursuant to D.C. Official Code § 26-431.05(b), the Commissioner of the Department of Insurance, Securities and Banking (DISB) is required to submit an annual report to the Mayor and the Council on the compliance of each financial institution licensed by DISB.

Furthermore, pursuant to D.C. Official Code § 26-431.07, the Commissioner may accept community development plan evaluations performed by regulators in other jurisdictions, including federal regulators. For fiscal year 2023, the Commissioner accepted the performance evaluations of the Federal Deposit Insurance Corporation (FDIC) in lieu of conducting a separate District evaluation.

Industrial Bank

Industrial Bank ("Industrial") is a full-service commercial bank established in 1913 and headquartered in the District. Industrial currently operates nine full-service branches in the District, Maryland, New Jersey, and New York, though it only operated seven branches at the time of evaluation. For CRA assessment purposes, Industrial is considered a "large bank".

The CRA assessment for a large bank involves three parts: (1) the lending test; (2) the investment test; and (3) the service test. Industrial received a rating of High Satisfactory on its lending test, and a rating of Outstanding on its investment test and service test. The overall CRA rating during the evaluation period is Outstanding.

Founders Bank

Founders Bank ("Founders") is an independently owned, state-chartered commercial bank that commenced operations in April 2020. Founders currently has one full-service branch in the District. For CRA assessment purposes, Founder is considered a "small bank".

Based on Founders Bank's loan-to-deposit ratio, location of loan originations, geographic distribution of loans, and distribution of borrowers, it was given a Satisfactory CRA rating. Founders Bank did not receive any CRA-related complaints during the evaluation period.

PUBLIC DISCLOSURE

January 24, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Founders Bank
Certificate Number: 59193

5225 Wisconsin Avenue NW
Washington, D.C. 20015

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
New York Regional Office

350 Fifth Avenue, Suite 1200
New York, New York 10118

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory.**

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

- The loan-to-deposit ratio (LTD) is reasonable given the institution's size, financial condition, and assessment area credit needs.

- The institution originated a majority of loans within its assessment area.

- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.

- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among businesses of different sizes.

- The institution did not receive any CRA-related complaints during the evaluation period; therefore, this factor did not affect the Lending Test rating.

DESCRIPTION OF INSTITUTION

Background

Founders Bank (Founders) is an independently owned, state-chartered commercial bank headquartered in Washington, D.C. Founders commenced operations on April 6, 2020. This is the bank's first CRA performance evaluation since the bank opened. The bank does not have any lending affiliates or subsidiaries.

Operations

Founders opened one full-service branch in the northwestern area of Washington D.C. located in an upper-income census tract. Founders did not open any additional branches or close any branches, and no merger or acquisition activity occurred during the review period.

The bank's primary business focus is to serve the needs of small businesses. The bank offers a variety of commercial, residential, and consumer loan products to individuals and commercial customers. The bank also offers business and consumer deposit products consisting of checking, savings, money market deposit accounts, and certificates of deposit. Alternative banking services include online and mobile banking with electronic bill payment and money transfer options, and an automated teller machine located at its sole office.

Ability and Capacity

As of September 30, 2021, assets totaled $125.8 million, loans totaled $75.6 million, securities totaled $19.4 million, and deposits totaled $96.4 million. The following table illustrates the loan portfolio distribution.

Loan Portfolio Distribution as of September 30, 2021		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	7,021	9.3
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	22,502	29.8
Secured by Multifamily (5 or more) Residential Properties	13,284	17.6
Secured by Nonfarm Nonresidential Properties	31,478	41.6
Total Real Estate Loans	**74,285**	**98.3**
Commercial and Industrial Loans	1,275	1.7
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	3	<0.1
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	**75,563**	**100.0**
Source: Reports of Condition and Income; Due to rounding, totals may not equal 100.0%		

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet assessment area credit needs.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its CRA performance. Founders designated a single assessment area that consists of all tracts within Washington D.C. and Alexandria City, Arlington County, and Falls Church City in Virginia. The assessment area also includes portions of Fairfax County in Virginia and Prince George's County and Montgomery County in Maryland. Montgomery County is located in Metropolitan Division (MD) 23224 (Frederick-Gaithersburg-Rockville, MD). The remaining counties and municipalities in the assessment area are located in MD 47894 (Washington-Arlington-Alexandria, DC-VA-MD-WV). Both MDs are located in the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA) 47900.

Economic and Demographic Data

The assessment area's 487 census tracts reflect the following income designations according to 2015 American Community Survey (ACS) U.S. Census data:

- 102 low-income census tracts,
- 114 moderate-income census tracts,
- 103 middle-income census tracts,
- 157 upper-income census tracts, and
- 11 census tracts with no income designation.

The following table presents select demographic, housing, and economic information for the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	487	20.9	23.4	21.1	32.2	2.3
Population by Geography	1,868,970	20.9	23.3	22.1	32.2	1.6
Housing Units by Geography	810,832	19.7	22.0	21.8	35.3	1.2
Owner-Occupied Units by Geography	345,537	10.1	21.5	23.5	44.4	0.5
Occupied Rental Units by Geography	394,327	27.2	22.5	20.8	27.8	1.7
Vacant Units by Geography	70,968	25.2	21.1	19.4	33.3	1.0
Businesses by Geography	229,005	10.3	22.5	21.8	44.0	1.4
Farms by Geography	1872	11.7	22.6	25.9	39.0	0.7
Family Distribution by Income Level	386,881	30.0	15.9	16.5	37.6	0.0
Household Distribution by Income Level	739,864	29.5	17.1	17.3	36.1	0.0
Median Family Income MSA - 23224 Frederick-Gaithersburg-Rockville, MD		$112,655	Median Housing Value			$459,126
Median Family Income MSA - 47894 Washington-Arlington-Alexandria, DC-VA-MD-WV		$106,105	Median Gross Rent			$1,492
			Families Below Poverty Level			9.3%

Source: 2015 ACS and 2021 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units. The assessment area contains 810,832 housing units. Of these, 42.6 percent are owner-occupied, 48.6 percent are occupied rental units, and 8.8 percent are vacant. Owner-occupied housing units provide an indication of the opportunity institutions have to originate 1-4 family residential mortgage loans. As shown in the table above, 10.1 percent of owner-occupied housing units are located in low-income geographies. In contrast, 27.2 percent of occupied rental units are located in low-income geographies. This data suggests there is a greater opportunity for families to rent than to own housing units in low-income geographies, which limits opportunities for lenders to originate 1-4 family residential loans in these areas.

Also shown in the table above, 30.0 percent of the assessment area's families are low-income and 15.9 percent are moderate-income. In addition, 9.3 percent of families have incomes below the poverty level. This data suggests that it would be difficult for these families to qualify for a home mortgage loan or support a monthly mortgage payment, especially considering the assessment area's median housing value of $459,126. This data suggests lenders may face challenges in originating loans to low- or moderate-income borrowers.

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by Gross Annual Revenue (GAR) level. According to 2021 D&B data, 229,005 non-farm businesses operate within the assessment area. GARs for these businesses are as follows:

- 86.4 percent have $1.0 million or less,
- 4.9 percent have more than $1.0 million, and
- 8.7 percent have unknown revenues.

Service industries represent the largest portion of businesses (47.7 percent); followed by non-classifiable establishments (20.6 percent); finance, insurance, and real estate (9.4 percent); and retail trade (8.3 percent). Within the assessment area, 61.7 percent of businesses have four or fewer employees, and 90.5 percent operate from a single location. This data supports opportunity for small business lending in the area.

The Washington Metro Area is a major center for computer system design and technology-related professional services. Major employers include the Federal Government, Andrews-Naval Air Facility, MedStar Health, Inova Health System, and Marriott International.

According to Moody's Analytics, single-family housing prices in the Washington Metro Area are not rising as sharply compared to other metro areas in the United States. However, a December 2021 Moody's report also indicates that available housing units are low and demand is high. For the commercial real estate market, the number of people working in office buildings has almost returned to pre-pandemic levels. However, the continuing upward trend in remote work will potentially have a long-term impact on commercial lending growth.

Data obtained from the U.S. Bureau of Labor Statistics show that unemployment rates at the independent city, county, state, and national levels improved since the bank opened. The 2020 unemployment rates reflect the effects of the COVID-19 pandemic. The following table presents the average unemployment rates from April through December 2020, and 2021 for independent cities and counties in the assessment area, as well each state, and the national level.

Unemployment Rates		
Area	**2020***	**2021**
	%	**%**
Alexandria City, VA	7.4	3.8
Arlington County, VA	5.4	3.1
Fairfax County, VA	7.1	3.5
Falls Church City, VA	4.5	2.7
Montgomery County, MD	7.5	5.3
Prince George's County, MD	9.7	7.3
Washington D.C.	9.0	6.5
State of Maryland	7.9	5.6
State of Virginia	7.4	4.0
National Average	9.4	5.3
Source: Bureau of Labor Statistics **Percentages reflect the average unemployment rate from April to December 2020.*		

Competition

The bank operates in a competitive market for financial services. According to the June 30, 2021 FDIC Deposit Market Share data, 56 financial institutions operated 991 branch offices within the full counties of the assessment area. Of these institutions, Founders ranked 43rd with a 0.03 percent deposit market share. The top five banks captured 68.1 percent of the market share. These banks include a private brokerage bank, three large national banks, and one large regional bank.

There is also a high level of competition for originating loans in the assessment area. Founders is not required to collect or report its home mortgage or small business lending data; therefore, aggregate lending data for both types of loans does not include the bank's lending activity. Despite this, examiners reviewed the most recently available aggregate data to understand the level of competition and demand for loans within the assessment area.

In 2020, 687 institutions reported 110,293 home mortgage loans in the assessment area. According to 2020 home mortgage market share data, the top five lenders within the assessment area are Wells Fargo Bank, Quicken Loans, Truist Bank, First Savings Mortgage Corporation, and Caliber Home Loans, Inc. These five institutions accounted for 24.7 percent of the market share by number of loans.

According to 2019 small business market share data, 205 institutions reported 54,936 small business loans in the assessment area, indicating a high degree of competition for this product. The top five lenders accounted for 69.8 percent of the total market share. The top-ranked lenders consisted of large national banks that primarily offer small business credit card loans.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit needs. The information indicates what credit opportunities may be

available. It also helps examiners determine if local financial institutions are responsive to those needs.

Examiners contacted a non-profit agency located in Washington D.C. The organization's goal is to expand economic opportunity and financial literacy to the unbanked and underbanked communities in the area. According to the contact, area residents would benefit from more affordable housing options and working capital loans are a need for new business owners.

Credit Needs

Considering information from the community contact, as well as demographic and economic data, examiners determined that start-up capital loans for small businesses and loans tailored to low- and moderate-income borrowers and families, such as first time homebuyer products, represent primary credit needs within the assessment area. Economic and demographic data support the need for affordable home mortgage loans to enable homeownership for low- and moderate-income individuals and families. In addition, the significant percentage of businesses with GARs of $1 million or less and the large number of businesses with four or fewer employees supports the need for working capital loans for small business owners and entrepreneurs.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the date the bank opened for business on April 6, 2020, to the current evaluation dated January 24, 2022. Examiners used the Interagency Small Institution Examination Procedures to evaluate the institution's CRA performance. These procedures include the Lending Test. Please refer to the Appendix for a complete description of this test.

Activities Reviewed

Examiners determined that the bank's primary lending products are home mortgage and small business loans. This conclusion considered the bank's business strategy, loan portfolio distribution, and the number and dollar volume of loans originated during the evaluation period. No other loan types, such as small farm or consumer loans, represent a major product line; therefore, examiners did not include these products.

As mentioned previously, Founders is not required to collect and report home mortgage or small business loan data and did not elect to do so during the evaluation period. Therefore, examiners used the bank's records to identify all home mortgage and small business loans originated in 2021. Founders originated 22 home mortgage loans totaling $25.8 million and 35 small business loans totaling $9.7 million in 2021. Small business loans contributed slightly more weight in the overall conclusions because the bank originated more small business loans than home mortgage loans during the evaluation period. Examiners compared the bank's home mortgage performance to 2015 ACS data and compared small business performance to 2021 D&B demographic data. A majority of the bank's home mortgage loans were originated for commercial or investment purposes;

therefore, income data was not available. Due to the limited income information, examiners did not present an analysis of home mortgage loans under the Borrower Profile section of this evaluation.

During the evaluation period, Founders participated in the Paycheck Protection Program (PPP) implemented by the U.S. Small Business Administration. The PPP was established by the Coronavirus Aid, Relief, and Economic Security Act and helped businesses keep their workforces employed during the COVID-19 pandemic. The PPP provided a direct incentive for small businesses to keep their workers on their payrolls. In 2021, the bank originated 17 PPP loans totaling $865,723. These loans are included in the Lending Test evaluation of small business loans.

For the Lending Test, examiners reviewed the number and dollar volume of loans. Although this evaluation presents number and dollar volume of loans, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of individuals and businesses served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Founders demonstrated reasonable performance under the Lending Test. Consistent performance under each factor of the Lending Test supports the overall rating.

Loan-to-Deposit Ratio

The average net LTD ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The LTD averaged 67.6 percent over the last six calendar quarters from June 30, 2020 to September 30, 2021. The LTD ratio steadily increased since the bank opened, ranging from a low of 50.9 percent as of June 30, 2020, to a high of 77.5 percent as of September 30, 2021. Founders' LTD ratio is comparable to similarly situated institutions as shown in the following table. Examiners selected similarly situated institutions based on their asset size, geographic location, and lending focus.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	**Total Assets as of 09/30/2021 ($000s)**	**Average Net LTD Ratio (%)**
Founders Bank	**125,804**	**67.6**
Chesapeake Bank of Maryland	250,376	84.4
The Harbor Bank of Maryland	326,659	78.9
The Peoples Bank	330,983	64.7
Source: Reports of Condition and Income 6/30/2020 – 9/30/2021		

Assessment Area Concentration

Founders made a majority of its home mortgage and small business loans, by number and dollar volume, inside its assessment area. Please refer to the following table.

Lending Inside and Outside of the Assessment Area										
Loan Category	**Number of Loans**				**Total**	**Dollar Amount of Loans $(000s)**				**Total**
	Inside		**Outside**			**Inside**		**Outside**		
	#	**%**	**#**	**%**	**#**	**$**	**%**	**$**	**%**	**$(000s)**
Home Mortgage										
2021	22	100.0	0	0.0	22	25,775	100.0	0	0.0	25,775
Small Business										
2021	25	71.4	10	28.6	35	8,347	85.8	1,382	14.2	9,729
Total	**47**	**82.5**	**10**	**17.5**	**57**	**34,122**	**96.1**	**1,382**	**3.9**	**35,504**
Source: 2021 Bank Loan Data; Due to rounding, totals may not equal 100.0%										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. The bank's reasonable small business and home mortgage lending performance supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. As illustrated in the following table, the bank's lending in low- and moderate-income tracts trailed the percentage of businesses operating in these tracts. However, it is important to note that the demographics show the percentage of all businesses, not just those in the market for a small business loan. Although the bank's lending trailed the percentage of businesses in low- and moderate-income census tracts, the bank's level of lending reflects reasonable performance. This conclusion considered the institution's de novo status and the total number of loans originated during the evaluation period. Furthermore, as a de novo institution, Founders faces significant competition from larger national and regional banks that dominate the market.

The following table displays the distribution of the bank's small business loans by census tract income level.

Geographic Distribution of Small Business Loans					
Tract Income Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
Low					
2021	10.3	1	4.0	480	5.8
Moderate					
2021	22.5	4	16.0	2,946	35.3
Middle					
2021	21.8	1	4.0	870	10.4
Upper					
2021	44.0	19	76.0	4,051	48.5
Not Available					
2021	1.4	0	0.0	0	0.0
Totals					
2021	**100.0**	**25**	**100.0**	**8,347**	**100.0**
Source: 2021 D&B Data and 2021 Bank Loan Data; Due to rounding, totals may not equal 100.0%					

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. Reasonable performance is primarily supported by the bank's performance originating loans in moderate-income tracts, which exceeds demographics. As illustrated in the following table, the bank's lending in low-income tracts trailed the percentage of owner-occupied housing units. Considering the highly competitive market for home mortgage loans in the assessment area, and the bank's recent entry to the market, performance is reasonable.

The following table depicts the distribution of home mortgage loans by census tract income level.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	**% of Owner-Occupied Housing Units**	**#**	**%**	**$(000s)**	**%**
Low					
2021	10.1	1	4.5	1,823	7.1
Moderate					
2021	21.5	5	22.7	3,162	12.3
Middle					
2021	23.5	6	27.3	6,810	26.4
Upper					
2021	44.4	10	45.5	13,980	54.2
Not Available					
2021	0.5	0	0.0	0	0.0
Totals					
2021	**100.0**	**22**	**100.0**	**25,775**	**100.0**
Source: 2015 ACS and 2021 Bank Loan Data. Due to rounding, totals may not equal 100.0%					

Borrower Profile

The distribution of borrowers reflects reasonable penetration of loans to businesses of different sizes in the assessment area. The bank's reasonable small business lending performance supports this conclusion.

Small Business Loans

The distribution of small business loans reflects reasonable penetration of loans to businesses with GARs of $1.0 million or less. In 2021, Founders originated 64.0 percent of small business loans to businesses with GARs of $1.0 million or less, which trailed the demographic data. Considering the highly competitive market for small business loans in the assessment area, and the bank's recent entry to the market, performance is reasonable.

The table below reflects the distribution of small business loans by GAR level.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000					
2021	86.4	16	64.0	5,506	66.0
>$1,000,000					
2021	4.9	7	28.0	2,801	33.6
Revenue Not Available					
2021	8.7	2	8.0	40	0.5
Totals					
2021	**100.0**	**25**	**100.0**	**8,347**	**100.0**
Source: 2021 D&B Data and 2021 Bank Loan Data; Due to rounding, totals may not equal 100.0%					

Home Mortgage Loans

Examiners were unable to conduct a meaningful analysis of home mortgage loans to low- and moderate-income borrowers given the large percentage of loans without revenue information. In 2021, a significant majority of home mortgage loans were for investment or commercial purposes. Specifically, of the 22 home mortgage loans originated, 18 were originated to commercial borrowers for investment properties. Lenders are not required to collect income information for non-natural persons (e.g. businesses). Therefore, examiners could not draw conclusions for the bank's performance in this category.

Response to Complaints

Founders did not receive any CRA-related complaints since it opened for business on April 6, 2020; therefore, this criterion did not affect the overall rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
3) The geographic distribution of the bank's loans;
4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.
Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

PUBLIC DISCLOSURE

April 27, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Industrial Bank
Certificate Number: 14679

4812 Georgia Avenue NW
Washington, DC 20011

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
New York Regional Office

350 Fifth Avenue, Suite 1200
New York, New York 10118

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Outstanding.**

An institution in this group has an outstanding record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding		X	X
High Satisfactory	X		
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
** The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.*			

The Lending Test is rated High Satisfactory.

- Lending levels reflect good responsiveness to the credit needs of the assessment areas.
- The bank made a high percentage of loans in its assessment areas.
- The geographic distribution of loans reflects excellent penetration throughout the assessment areas.
- The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and businesses of different sizes.
- The bank makes limited use of innovative and/or flexible lending practices in order to serve the assessment areas' credit needs.
- The bank is a leader in making community development loans.

The Investment Test is rated Outstanding.

- The bank has an excellent level of qualified community development investments and grants.
- The bank demonstrates excellent responsiveness to credit and community development needs.

- The bank rarely uses innovative and/or complex investments to support community development initiatives.

The Service Test is rated <u>Outstanding</u>.

- Delivery systems are readily accessible to all portions of the assessment areas.
- The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.
- Services and business hours do not vary in a way that inconveniences portions of the assessment areas, particularly low- and moderate-income geographies or individuals.
- The bank is a leader in providing community development services.

DESCRIPTION OF INSTITUTION

Background

Industrial Bank (Industrial) is a full-service commercial bank headquartered in Washington, District of Columbia (DC). Industrial is an African American-owned Minority Depository Institution and Community Development Financial Institution (CDFI). IBW Financial Corporation, a one-bank holding company wholly owns the bank. Industrial has one subsidiary, 96 H Street, formed to hold title to real estate acquired through foreclosure. The bank received an "Outstanding" CRA rating from the Federal Deposit Insurance Corporation (FDIC) during its prior evaluation dated June 5, 2019, based on Interagency Large Institution Examination Procedures.

As of November 1, 2019, Industrial acquired all deposits and essentially all assets of City National Bank of New Jersey (CNB), a failed financial institution, through a FDIC-assisted acquisition. Specifically, the Office of the Comptroller of the Currency (OCC) closed CNB and appointed the FDIC as receiver. As part of the CNB acquisition, Industrial gained three branches throughout Essex County, New Jersey, and New York County, New York, and over $100.0 million in assets.

Operations

Industrial operates seven full-service branches throughout DC, Maryland, New Jersey, and New York. There are three branches in DC; two branches in Prince Georges County, Maryland; one branch in Essex County, New Jersey; and one branch in New York County, New York. Following the CNB acquisition, Industrial expanded its branch network into Essex County, New Jersey and New York County, New York. During the evaluation period, Industrial also closed three branches, including one branch in Newark, New Jersey acquired from CNB. The remaining two branch closures were in DC.

Industrial offers residential, consumer, and commercial loan products, primarily focusing on commercial lending. Industrial also offers a variety of business and consumer deposit accounts including checking, savings, money market, individual retirement accounts, and certificate of deposit accounts.

Ability and Capacity

As of December 31, 2021, Industrial's assets totaled $625.4 million, including total loans of approximately $304.0 million and total securities of $221.1 million. Since the last evaluation, total assets increased by 44.6 percent and total loans decreased by 2.0 percent. Asset growth is primarily attributable to the CNB acquisition.

The following table illustrates the loan portfolio composition.

Loan Portfolio Distribution as of 12/31/2021		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	21,346	7.0
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	92,945	30.6
Secured by Multi-family (5 or more) Residential Properties	22,433	7.4
Secured by Non-farm Non-Residential Properties	140,563	46.2
Total Real Estate Loans	**277,287**	**91.2**
Commercial and Industrial Loans	25,487	8.4
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer	729	0.2
Obligations of States and Political Subdivisions in the United States	164	0.1
Other Loans	120	0.0
Lease Financing Receivables (net of unearned income)	1,257	0.4
Less: Unearned Income	1,040	0.3
Total Loans	**304,004**	**100.0**
Source: Reports of Condition and Income		

There are no legal impediments preventing the bank from helping to meet the assessment areas' credit needs. However, Industrial's acquisition of the deposits and essentially all assets of failed institution, CNB, presented significant impediments to meeting credit needs of the bank's assessment areas in New Jersey and New York. Prior to its failure, CNB was subject to public enforcement actions issued by the OCC as of February 12, 2018 (Consent Order), and June 26, 2019 (Prompt Corrective Action Directive). These enforcement actions directed CNB to, among several other actions, develop and implement a capital restoration plan, an expense reduction plan, and an acquisition or combination plan to be acquired by, or combine with, another depository holding company or institution. These required corrective actions resulted in minimal lending staff and nominal lending activity at CNB leading up to its acquisition by Industrial on November 1, 2019. Considering CNB's lean staff and limited loan activity at acquisition, followed by the global COVID-19 pandemic in early 2020, the bank faced significant impediments to meeting the credit needs in the New Jersey and New York assessment areas during the evaluation period.

DESCRIPTION OF ASSESSMENT AREAS

The Community Reinvestment Act (CRA) requires each financial institution to define one or more assessment areas within which examiners evaluate its CRA performance. Industrial designated three non-contiguous assessment areas located within two Multi-State Metropolitan Statistical Areas (MSAs): Multi-State MSA 47900 and Multi-State MSA 35620.

Multi-State MSA 47900: The bank has one assessment area within the Multi-State MSA 47900 rated area. The assessment area consists of DC; Prince Georges County, Maryland; Arlington County, Virginia; and Alexandria City, Virginia. All of the areas are located within Metropolitan Division (MD) 47894 (Washington-Arlington-Alexandria, DC-VA-MD-WV). MD 47894 is part of Multi-State MSA 47900 (Washington-Arlington-Alexandria, DC-VA-MD-WV).

Multi-State MSA 35620: The bank has two assessment areas within the Multi-State MSA 35620 rated area. The first assessment area includes Essex County, New Jersey, located within MD 35084 (Newark, NJ-PA). The second assessment area includes New York County, New York, located within MD 35614 (New York-Jersey City-White Plains, NY-NJ). These non-contiguous counties are both located in MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA). Industrial added the Essex County and New York County assessment areas following the acquisition of CNB.

Description of Assessment Areas			
Assessment Area	**Counties in Assessment Area**	**# of CTs**	**# of Branches**
Multi-State MSA 47900	Washington DC, Prince Georges, Arlington, Alexandria City	494	5
Essex County, New Jersey	Essex	210	1
New York County, New York	New York	288	1
Totals		**992**	**7**
Source: Bank Records and 2015 ACS data			

Please refer to the individual assessment area sections for further descriptions of each assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated June 5, 2019, to the current evaluation dated April 27, 2022. Examiners used the Interagency Large Institution CRA Examination Procedures to evaluate Industrial's CRA performance. These procedures include the Lending, Investment, and Service Tests (see Appendices for complete description).

Industrial is an Intermediate Small Bank based on asset size; however, the bank voluntarily reports CRA data, and management requested an evaluation under Interagency Large Institution Examination Procedures.

In addition to a review of the bank's combined assessment area[1], the Interstate Banking and Branching Efficiency Act requires separate discussions and ratings of CRA performance in each state or Multi-State MSA in which the bank maintains a branch. As such, this evaluation presents a rating for Multi-State MSA 47900, a rating for Multi-State MSA 35620 for performance in the Essex County and New York County assessment areas, and an overall rating for performance in the combined assessment area.

Examiners used full-scope procedures to assess Industrial's performance in each assessment area. The bank's performance in Multi-State MSA 47900 received the greatest weight when determining the overall rating, as this area accounts for a majority of the bank's branches, in-assessment area

[1] Collectively, the bank's three assessment areas are referred to as the combined assessment area.

loans by number, and in-assessment area deposits, at 71.4 percent, 94.6 percent, and 77.8 percent, respectively.

Activities Reviewed

Industrial's major product lines, considering the bank's business strategy and the number and dollar volume of loans originated during the evaluation period, are home mortgage and small business loans. Home mortgage loans contributed more weight to developing overall conclusions than small business loans, due to the larger volume of loans reported during the review period. No other loan types, such as small farm or consumer loans, represent a major product line and provide no material support for conclusions or ratings; therefore, examiners did not include these products. With the exception of the bank's participation in the Small Business Administration's (SBA's) Paycheck Protection Program (PPP), the bank's lending focus and product mix remained consistent throughout the evaluation period.

This evaluation considered all home mortgage loans reported on Industrial's 2019, 2020, and 2021 Home Mortgage Disclosure Act (HMDA) Loan Application Registers. In 2019, the bank reported 81 home mortgage loans totaling $24.8 million; in 2020, the bank reported 107 home mortgage loans totaling $36.0 million; and in 2021, the bank reported 120 home mortgage loans totaling $39.8 million. Examiners reviewed aggregate data and the U.S. Census Bureau's 2015 American Community Survey (ACS) data for comparison purposes.

This evaluation also considered all small business loans reported on Industrial's 2019, 2020, and 2021 CRA Loan Registers. In 2019, the bank reported 41 small business totaling $9.4 million; in 2020, the bank reported 251 small business loans totaling $27.6 million; and in 2021, the bank reported 55 small business loans totaling $19.3 million. Management attributes the significant increase in small business loan volume in 2020 to the bank's participation in the SBA's PPP during the COVID-19 pandemic. Examiners reviewed aggregate data and D&B demographic data for comparison purposes.

This evaluation presents the number and dollar volume of loans. Examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of individuals and businesses served.

For the Lending Test, the Assessment Area Concentration criterion includes loan data for each of the three years analyzed; however, the other rating criteria only include loan data for 2020, as the bank's performance throughout the rating period was generally consistent with the year presented.

The Lending Test also considered community development loans and loans originated under the bank's innovative and flexible lending programs since the prior evaluation. The Investment Test includes both qualified investments purchased prior to the last evaluation that remain outstanding, as well as investments purchased during the current evaluation period.

The Service Test includes all community development services since the last evaluation. Examiners also considered delivery systems for providing retail banking services, including branches and alternative delivery systems, and the impact of branch network changes during the evaluation

period. In addition, this evaluation considered the bank's retail banking products and services targeted toward low- and moderate-income individuals or small businesses, including any tailored to meet specific needs in the assessment areas.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The Lending Test is rated "High Satisfactory." Industrial's performance in the Multi-State MSA 47900 rated area carried the most weight in arriving at overall conclusions under each Lending Test criterion and in supporting the overall Lending Test rating.

Industrial's overall Lending Test performance is consistent with its performance in the Multi-State MSA 47900 rated area, and exceeded its performance in the Multi-State MSA 35620 rated area. This section presents the bank's overall performance in the combined assessment area. Separate presentations for the individual assessment areas are included in later sections.

Lending Activity

Industrial's lending levels reflect good responsiveness to the assessment areas' credit needs. The bank's lending in the Multi-State MSA 47900 rated area contributed the greatest weight to this conclusion. This performance criterion considered Industrial's lending in relation to its financial condition and resources.

Between 2019 and 2021, Industrial made 241 home mortgage loans totaling $80.6 million and 293 small business loans totaling $46.9 million within the assessment areas.

Refer to the Lending Activity comments in the Lending Test sections for each of Industrial's assessment areas for a detailed discussion of the bank's performance in those areas.

Assessment Area Concentration

Industrial made a high percentage of loans within its assessment areas. Please refer to the following table.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans $(000s)				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	$	%	$	%	$(000s)
Home Mortgage										
2019	67	82.7	14	17.3	81	21,606	87.0	3,233	13.0	24,839
2020	86	80.4	21	19.6	107	28,353	78.7	7,662	21.3	36,016
2021	88	73.3	32	26.7	120	30,657	77.0	9,182	23.0	39,839
Subtotal	**241**	**78.2**	**67**	**21.8**	**308**	**80,616**	**80.1**	**20,078**	**19.9**	**100,694**
Small Business										
2019	32	78.0	9	22.0	41	6,831	72.5	2,586	27.5	9,417
2020	211	84.1	40	15.9	251	22,658	82.1	4,944	17.9	27,602
2021	50	90.9	5	9.1	55	17,429	90.5	1,826	9.5	19,255
Subtotal	**293**	**84.4**	**54**	**15.6**	**347**	**46,918**	**83.4**	**9,356**	**16.6**	**56,274**
Total	**534**	**81.5**	**121**	**18.5**	**655**	**127,534**	**81.2**	**29,434**	**18.8**	**156,968**
Source: Bank Data. Due to rounding, totals may not equal 100.0%										

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the assessment areas. Industrial's excellent performance in the Multi-State MSA 47900 rated area primarily supports this conclusion. The bank's performance in the Multi-State MSA 35620 rated area was below overall performance. Examiners placed the greatest weight on the bank's performance in the Multi-State MSA 47900 rated area. Please refer to the individual assessment area sections for details.

Borrower Profile

The distribution of borrowers reflects good penetration among individuals of different income levels and businesses of different revenue sizes throughout the assessment areas. Industrial's good performance in the Multi-State MSA 47900 rated area primarily supports this conclusion. The bank's performance in the Multi-State MSA 35620 rated area was below overall performance. Examiners placed the greatest weight on the bank's performance in the Multi-State MSA 47900 rated area. Please refer to the individual assessment area sections for details.

Innovative or Flexible Lending Practices

Industrial makes limited use of innovative and/or flexible lending practices in order to serve assessment area credit needs. The bank originated 262 loans totaling approximately $33.1 million using innovative and flexible loan programs during the evaluation period. A significant portion of the bank's innovative and/or flexible loans were originated through the SBA's PPP.

The following table illustrates the volume of loans originated through the bank's innovative or flexible lending programs by program type and year throughout the combined assessment area.

Innovative or Flexible Lending Programs										
Type of Program	**2019**		**2020**		**2021**		**YTD 2022**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
FHA	11	2,910	5	1,602	0	0	0	0	**16**	**4,512**
FHLB	0	0	1	264	0	0	0	0	**1**	**264**
SBA 7A Program	2	695	0	0	3	4,791	0	0	**5**	**5,486**
SBA PPP	0	0	231	18,700	0	0	0	0	**231**	**18,700**
DC BizCAP	0	0	0	0	0	0	2	2,025	**2**	**2,025**
DCHFA/MCC	1	378	2	952	0	0	0	0	**3**	**1,330**
HPAP/EAHP	1	119	1	260	0	0	0	0	**2**	**379**
MHCD/MMP Grants	0	0	2	428	0	0	0	0	**2**	**428**
Totals	**15**	**4,102**	**242**	**22,206**	**3**	**4,791**	**2**	**2,025**	**262**	**33,124**
Source: Bank Records										

The following products are offered throughout all assessment areas.

- Federal Housing Administration (FHA) – The bank participates in FHA's fixed-rate loan program. The program is targeted toward first-time homebuyers and offers low closing costs, easy credit qualification, and down payments as low as 3.5 percent. This program assists low- and moderate-income borrowers, and has maximum loan amounts based on property location. The bank made 16 loans totaling $4.5 million under this program.

- Federal Home Loan Bank (FHLB) Grant – This program offers down payment and closing cost assistance grants for first-time homebuyers. During the evaluation period, Industrial originated one loan totaling $264,000 under this program.

- Small Business Administration (SBA) – Industrial is a "Preferred Lender" offering SBA 7(a) loans. The SBA is a United States government agency that provides support to entrepreneurs and small business. The bank made five qualified SBA loans totaling approximately $5.5 million.

- SBA PPP – In response to the COVID-19 Pandemic, Industrial originated 231 PPP loans totaling approximately $18.7 million through the SBA in 2020. PPP loans were designed to help businesses retain workers and staff during the economic hardship resulting from the pandemic. These loans are included in the number and volume of small business loans in 2020.

In addition to the above programs, in response to the COVID-19 pandemic, Industrial provided relief for borrowers in the form of loan modifications and forbearances. Industrial provided 17 loan modifications and 47 forbearances during the review period. These programs assisted borrowers who were unable to make loan payments.

Please refer to the individual assessment area sections for additional details on innovative and/or flexible lending practices offered in each area.

Community Development Loans

Industrial is a leader in making community development loans. Industrial's community development lending in the Multi-State MSA 47900 rated area primarily supports this conclusion. The bank's performance in the Multi-State MSA 35620 rated area was below overall performance. Examiners placed the greatest weight on the bank's performance in the Multi-State MSA 47900 rated area.

During the evaluation period, the bank originated 40 community development loans totaling $69.5 million. This activity level represents 12.6 percent of average total assets and 20.9 percent of average total loans since the prior evaluation. Industrial's performance represents a 70.4 percent increase by dollar volume since the prior evaluation, during which time the bank made 30 community development loans for $40.8 million and was considered a leader in making community development loans.

This total includes three loans for $5.3 million though the PPP, established by the Coronavirus Aid, Relief, and Economic Security Act. The PPP provided a direct incentive for small businesses to keep their workers on their payrolls. The SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. Each of these loans were in amounts greater than $1 million, and therefore not included in small business loan reporting.

Industrial's community development loans primarily helped finance affordable housing in low- and moderate-income areas and promoted economic development, consistent with the needs identified by community contacts. The following tables detail community development loans by year and by rated area.

Community Development Lending by Year										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2019	2	5,750	0	0	2	4,042	1	2,000	**5**	**11,792**
2020	9	12,132	1	1,400	1	2,430	1	2,000	**12**	**17,962**
2021	13	21,093	1	979	4	8,000	2	3,266	**20**	**33,338**
YTD 2022	2	4,441	0	0	1	2,000	0	0	**3**	**6,441**
Total	**26**	**43,416**	**2**	**2,379**	**8**	**16,472**	**4**	**7,266**	**40**	**69,533**
Source: Bank Records.										

Community Development Lending by Rated Area										
Rated Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Multi-State MSA 47900	26	43,416	2	2,379	8	16,472	0	0	**36**	**62,267**
Multi-State MSA 35620	0	0	0	0	0	0	4	7,266	**4**	**7,266**
Total	**26**	**43,416**	**2**	**2,379**	**8**	**16,472**	**4**	**7,266**	**40**	**69,533**
Source: Bank Records.										

For additional details on community development loans, please refer to the individual assessment area sections.

INVESTMENT TEST

The Investment Test is rated "Outstanding." Industrial's excellent level of qualified community development investments and grants primarily supports this rating. The bank's performance in the Multi-State MSA 47900 rated area carried the most weight when arriving at overall conclusions under each Investment Test criterion and in supporting the overall Investment Test rating.

Industrial's overall Investment Test performance is consistent with its performance in the Multi-State MSA 47900 rated area, and exceeded its performance in the Multi-State MSA 35620 rated area. This section presents the bank's overall Investment Test performance in the combined assessment area. Separate presentations for the individual assessment areas are included in later sections.

Investment and Grant Activity

Industrial has an excellent level of qualified community development investment and grants. During the evaluation period, the bank reported 2 outstanding prior period investments with a current book value of $2.5 million, 38 new qualified investments totaling $18.8 million, and 7 grants and donations totaling approximately $5,000. Total qualified investments and grants represent 3.9 percent of average total assets and 18.3 percent of average total securities since the prior evaluation. Industrial's performance represents a significant increase in dollar volume from the previous CRA evaluation, at which time the bank made 67 investments and grants totaling $11.1 million. The bank's level of investments and grants at the previous evaluation was considered excellent.

Industrial's investments and donations primarily supported the revitalization and stabilization of low- and moderate-income geographies and economic development efforts in low- and moderate-income areas. Investments and donations also supported community services that benefit low- and moderate-income individuals. The following tables detail the institution's qualified investment and grant activity by year and by rated area.

Qualified Investments by Year										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	0	0	0	0	1	2,011	1	505	**2**	**2,516**
2019	0	0	1	33	7	2,019	3	2,035	**11**	**4,087**
2020	0	0	2	303	8	2,280	2	1,570	**12**	**4,153**
2021	0	0	2	303	8	2,282	4	6,974	**14**	**9,559**
YTD 2022	0	0	0	0	0	0	1	986	**1**	**986**
Subtotal	**0**	**0**	**5**	**639**	**24**	**8,592**	**11**	**12,070**	**40**	**21,301**
Qualified Grants & Donations	0	0	7	5	0	0	0	0	**7**	**5**
Total	**0**	**0**	**12**	**644**	**24**	**8,592**	**11**	**12,070**	**47**	**21,306**
Source: Bank Records										

Qualified Investments by Rated Area										
Rated Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Multi-State MSA 47900	0	0	9	103	21	6,081	6	4,591	**36**	**10,775**
Multi-State MSA 35620	0	0	1	1	0	0	0	0	**1**	**1**
Regional Activities	0	0	2	540	2	500	5	7,479	**9**	**8,519**
Nationwide Activities	0	0	0	0	1	2,011	0	0	**1**	**2,011**
Total	**0**	**0**	**12**	**644**	**24**	**8,592**	**11**	**12,070**	**47**	**21,306**
Source: Bank Records										

Below are notable examples of qualified investments that benefit the broader regional and nationwide areas:

- In 2021, the bank purchased a municipal revenue bond for $4.1 million issued by the economic development authority of Fairfax County, Virginia, an agency focused on community projects and the improvement of facilities in low- and moderate-income areas. Bond proceeds funded the construction of a public works complex for the Division of Stormwater and Wastewater. The organization serves the broader Washington, DC metropolitan area.

- Also in 2021, the bank renewed a $270,000 deposit to a designated low-income credit union that helps meet the credit needs of local communities in the mid-Atlantic area. A majority of the credit union's membership meet the National Credit Union Administration's low-income thresholds, based on U.S. Census Bureau data.

For additional details on community development investments and grants, please refer to the individual assessment areas.

Responsiveness to Credit and Community Development Needs

Industrial's qualified investments and donations exhibit excellent responsiveness to credit and community development needs. Of the total dollar amount of qualified investments and donations, 56.7 percent supported revitalization and stabilization efforts, and 40.3 percent promoted economic development in low- and moderate-income communities. These investments demonstrate the bank's responsiveness to identified community development needs.

Community Development Initiatives

Industrial rarely uses innovative or complex investments to support community development initiatives. While the bank's qualified investments were responsive to community development needs, they were not particularly innovative or complex.

SERVICE TEST

The Service Test is rated "Outstanding." Industrial's performance in the Multi-State MSA 47900 rated area contributed the most weight in arriving at overall conclusions under each Service Test criterion and in supporting the overall Service Test rating.

The bank's overall Service Test performance is consistent with its performance in the Multi-State MSA 47900, and exceeded its performance in the Multi-State MSA 35620 rated area. This section presents the bank's overall Service Test performance in the combined assessment area. Separate presentations for the individual assessment areas are included in later sections.

Accessibility of Delivery Systems

Industrial's delivery systems are readily accessible to all portions of the institution's assessment areas. As shown in the following table, the distribution of branches in low- and moderate-income tracts exceeds both demographic comparators, which reflects excellent distribution. Refer to the individual assessment area sections for additional details regarding the bank's branch distribution.

Branch and ATM Distribution by Geography Income Level								
Tract Income Level	**Census Tracts**		**Population**		**Branches**		**ATMs**	
	#	**%**	#	%	**#**	**%**	**#**	**%**
Low	218	22.0	866,935	20.0	2	28.6	9	30.0
Moderate	230	23.2	1,005,645	23.2	2	28.6	2	6.7
Middle	180	18.1	767,238	17.7	2	28.6	7	23.3
Upper	338	34.1	1,647,177	38.0	1	14.2	7	23.3
NA	26	2.6	47,681	1.1	0	0.0	5	16.7
Totals	**992**	**100.0**	**4,334,676**	**100.0**	**7**	**100.0**	**30**	**100.0**
Sources: 2015 ACS U.S. Census, Bank records, (*) The NA category consists of geographies that have not been assigned an income classification.								

As shown in the table above, Industrial operates nine automated teller machines (ATMs) in low-income census tracts and two ATMs in moderate-income census tracts. The bank also offers several

alternative delivery systems beyond its branch and ATM structure to increase availability of retail banking services throughout the assessment area. Other alternative delivery systems, offered institution-wide, for remote access to banking services at any location anytime, include online banking, mobile banking, and telephone banking. The free online and mobile banking platforms feature mobile deposit options, person-to-person payments, and access to e-statements. Additionally, the bank does not charge customers a fee to use bank-owned ATMs, nor does the bank charge an annual debit card fee.

Changes in Branch Locations

To the extent that changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, the bank's branch network changes resulted in a net increase of one branch in a moderate-income census tract and a net decrease of one branch in an upper-income census tract.

Following the CNB acquisition in 2019, Industrial expanded its branch network by two branches in Essex County, New Jersey (City of Newark), and one branch in New York County, New York (District of Harlem). The two branches in Newark are located in a low-income census tract and a moderate-income tract, and the Harlem branch is located in a moderate-income tract.

In 2020, the bank closed one of the Essex County branches previously operated by CNB in a moderate-income tract. Additional branch closures over the evaluation period include two branches in the Multi-State MSA 47900 (2021), both located in Washington, DC located in a low-income census tract and an upper-income census tract. The following table illustrates the bank's branch opening and closing information by rated area and census tract income level. Please refer to the individual assessment areas for a more detailed discussion of the bank's performance under this criterion.

Net Distribution of Branch Openings/Closings						
Rated Area	**# of Branch Openings**	**# of Branch Closings**	**Income Level of Census Tract (+/-)**			
			Low	**Moderate**	**Middle**	**Upper**
Multi-State MSA 47900	0	2	-1	0	0	-1
Multi-State MSA 35620	3	1	+1	+1	0	0
Total	**3**	**3**	**0**	**+1**	**0**	**-1**
Source: Bank records.						

Reasonableness of Business Hours and Services

Services and business hours do not vary in a way that inconveniences portions of the assessment areas, particularly low- and moderate-income census tracts or individuals. Industrial offers similar service hours and the same loan and deposit products throughout the assessment areas. Lobby and drive-up hours at branches begin at 9:00 A.M. and conclude at 4:00 P.M. on weekdays. All but three branches, including one in a low-income census tract and two in moderate-income census tracts, have Saturday banking hours from 9:00 A.M. to 1:00 P.M. The days and hours of operation of the bank's branches are comparable to those of other banks operating in the assessment areas.

Industrial continues to offer consumer deposit accounts with no minimum balance requirements and no monthly service charges. In addition, the bank offers a non-profit checking product for clubs or associations with limited resources. This product provides free deposits, up to 25 free checks a month, and features a nominal monthly service charge if accountholders do not meet minimum balance requirements. These products extend to all customers throughout the assessment areas.

Community Development Services

Industrial is a leader in providing community development services. The bank's excellent performance in the Multi-State MSA 47900 rated area contributed the most weight in arriving at this conclusion.

During the evaluation period, bank directors, officers, and employees provided 112 instances of financial expertise or technical assistance to 39 different community development-related organizations. These community development services had a primary purpose of community services, economic development, and revitalization or stabilization. The number of instances of community development services decreased slightly in 2020 due to the effects of the COVID-19 pandemic. The bank's performance, by number of services provided, increased 31.8 percent since the last evaluation, during which time the bank provided 85 instances of financial expertise or technical assistance and was considered a leader in providing community development services. The following tables reflect the bank's community development services by year and purpose, and by rated area, during the evaluation period.

Community Development Services by Year					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2019	0	26	0	1	27
2020	0	16	8	0	24
2021	0	39	3	0	42
YTD 2022	0	16	3	0	19
Total	**0**	**97**	**14**	**1**	**112**
Source: Bank Records					

Community Development Services by Rated Area					
Rated Area	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
Multi-State MSA 47900	0	76	14	1	**91**
Multi-State MSA 35620	0	1	0	0	**1**
Regional Activities	0	0	0	0	**0**
Nationwide Activities	0	20	0	0	**20**
Total	**0**	**97**	**14**	**1**	**112**
Source: Bank Records					

As part of Industrial's comprehensive financial literacy program, several officers participated in bi-monthly financial education workshops for incarcerated men and women (long-term and pre-release) located within the bank's assessment areas, as well as the broader nationwide area. Bank personnel primarily administered these workshops virtually, and a majority of attendees are of low- or moderate-income levels. Topics included the importance of saving, home ownership, budgeting, and managing credit. The bank's financial literacy program is particularly responsive to community needs. Refer to the Service Test section for each of the assessment areas for a detailed discussion of the bank's community development services.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

MULTI-STATE MSA 47900 – Full-Scope Review

CRA RATING FOR MULTI-STATE MSA 47900: OUTSTANDING

The Lending Test is rated: High Satisfactory
The Investment Test is rated: Outstanding
The Service Test is rated: Outstanding

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MULTI-STATE MSA 47900

Industrial has one assessment area within the Multi-State MSA 47900 rated area. This assessment area accounts for 494 of the 992 tracts (49.8 percent) in the combined assessment area. The assessment area includes Washington DC; Prince Georges County, Maryland; Arlington County, Virginia; and Alexandria City, Virginia. Industrial operates 5 of its 7 (71.4 percent) branches and 18 of its 30 (60.0 percent) ATMs in this assessment area.

The bank originated 100.0 percent of its in-assessment area HMDA loans and 90.4 percent of its in-assessment area small business loans in Multi-State MSA 47900. Therefore, the bank's performance in Multi-State MSA 47900 received significantly greater weight than performance in Multi-State MSA 35620 when arriving at the overall rating and conclusions.

The assessment area's 494 census tracts reflect the following income designations according to 2015 ACS data:

- 94 low-income census tracts,
- 128 moderate-income census tracts,
- 135 middle-income census tracts,
- 128 upper-income census tracts, and
- 9 census tracts with no income designation.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area Multi-State MSA 47900						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	494	19.0	25.9	27.3	25.9	1.8
Population by Geography	1,913,560	18.2	25.0	28.8	26.7	1.3
Housing Units by Geography	816,969	18.1	23.5	27.4	30.0	1.0
Owner-Occupied Units by Geography	374,319	8.5	22.4	34.7	33.9	0.4
Occupied Rental Units by Geography	370,001	26.6	24.7	20.8	26.3	1.6
Vacant Units by Geography	72,649	23.9	23.2	22.8	29.2	0.8
Businesses by Geography	208,739	8.7	23.5	29.7	36.7	1.4
Farms by Geography	1,925	8.8	24.0	36.4	30.2	0.6
Family Distribution by Income Level	398,834	29.0	17.7	18.5	34.8	0.0
Household Distribution by Income Level	744,320	29.0	17.9	18.3	34.8	0.0
Median Family Income MSA - 47894 Washington-Arlington-Alexandria, DC-VA-MD-WV		$106,105	Median Housing Value			$398,689
			Median Gross Rent			$1,463
			Families Below Poverty Level			9.0%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%. (*) The NA category consists of geographies that have not been assigned an income classification.

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units. Owner-occupied housing units provide an indication of the opportunity institutions have to originate 1-4 family residential mortgage loans. Based on 2015 ACS data, there are 816,969 housing units in the assessment area. Of these, 45.8 percent are owner-occupied, 45.3 percent are occupied rental units, and 8.9 percent are vacant. As shown in the previous table, 8.5 percent of the assessment area's owner-occupied housing units are in the low-income tracts. In contrast, 26.6 percent of occupied rental units are located in low-income geographies. This data suggests there is a greater opportunity for families to rent than to own housing units in low-income geographies, which limits opportunities for lenders to originate 1-4 family residential loans in the area's low-income census tracts.

The Borrower Profile criterion compares the distribution of home mortgage loans to the percentage of low- and moderate-income families. Demographic data shows that 29.0 percent of assessment area families are low-income, including 9.0 percent living below the poverty level, and 17.7 percent are moderate-income. With a median housing value of $398,689, this data reflects the difficulty many of these families may have when trying to qualify for a home mortgage loan or support a monthly mortgage payment. This limits the bank's opportunity to originate loans to low- or moderate-income borrowers.

Examiners used the Federal Financial Institutions Examination Council (FFIEC)-updated median family income data to analyze Industrial's home mortgage lending under the Borrower Profile

criterion. The following table reflects the median family income ranges for the low-, moderate-, middle-, and upper-income categories in the assessment area.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Washington-Arlington-Alexandria, DC-VA-MD-WV Median Family Income (47894)				
2020 ($118,700)	<$59,350	$59,350 to <$94,960	$94,960 to <$142,440	≥$142,440
Source: FFIEC				

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by Gross Annual Revenue (GAR) level. According to 2020 D&B data, there are 208,739 non-farm businesses operating within this assessment area. GARs for these businesses are as follows:

- 86.2 percent have GARs of $1.0 million or less,
- 4.9 percent have GARs of more than $1.0 million, and
- 8.9 percent have no reported revenue.

Service industries represent the largest portion of businesses in the assessment area (47.1 percent), followed by non-classifiable establishments (22.1 percent), those in the retail trade (8.5 percent), and finance and insurance businesses (8.4 percent). Of the area businesses, 89.8 percent have fewer than 10 employees and 90.8 percent operate from a single location. This data suggests that there is significant opportunity for lending to small businesses in this assessment area.

Data obtained from the U.S. Bureau of Labor Statistics shows that unemployment rates at the county, state, and national levels increased in 2020 due to the COVID-19 pandemic, and declined in 2021. Unemployment rates at the county level remained comparable to the State of Maryland, the State of Virginia, and the District of Columbia during the evaluation period. The following table presents annual and current unemployment rates for the assessment area counties as well as the state and national levels since 2019.

Unemployment Rates				
Area	**2019**	**2020**	**2021**	**February 2022**
	%	**%**	**%**	**%**
Alexandria City, VA	2.1	6.0	3.8	2.6
Arlington County, VA	1.9	4.4	3.0	2.1
District of Columbia	5.4	8.0	6.6	5.6
Prince Georges County, MD	3.6	8.0	7.5	5.4
State of Maryland	3.4	6.7	5.8	4.4
State of Virginia	2.8	6.2	3.9	2.9
National Average	3.7	8.1	5.3	4.1
Source: U.S. Bureau of Labor Statistics.				

Competition

The assessment area is a highly competitive market for financial services. According to 2021 FDIC Deposit Market Share data, 72 financial institutions operated 1,401 branches within this assessment area. Of these institutions, Industrial ranked 38th with a deposit market share of 0.1 percent.

Significant competition exists for home mortgage loans in this assessment area among banks, credit unions, and non-depository mortgage lenders. In 2020, 687 lenders reported 118,989 originated or purchased home mortgage loans. Wells Fargo Bank, Quicken Loans, Truist Bank, Freedom Mortgage Corporation, and First Savings Mortgage Corporation were the leaders in home mortgage lending in the assessment area in 2020. These five top lenders captured 23.8 percent of the market share by number of loans. Industrial ranked 244th with a market share of less than 0.1 percent.

Significant competition also exists for small business loans in this assessment area. In 2020, 104 lenders reported 20,344 originated or purchased small business loans. The five most prominent small business lenders in the assessment area, Bank of America, American Express, Truist Financial, Wells Fargo Bank, and J.P. Morgan Chase Bank accounted for 61.4 percent of the total market share. Industrial ranked 45th out of this group with a market share of less than 0.1 percent.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs. It also shows what types of credit and community development opportunities are available.

Examiners contacted the director of an economic development organization located in Arlington County. The organization's goal is to help individuals start and grow their small businesses by offering free training, marketing support, and business resources to entrepreneurs and small businesses owners. According to the contact, small businesses need working capital loans to support small business growth and development. The contact expressed that financial institutions are reasonably meeting the credit needs of local small business owners and entrepreneurs.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that flexible loan programs, working capital loans, and financial education are the primary credit and community development needs in this assessment area. Innovative loan programs that help small businesses scale and build their business credit would benefit small businesses in the assessment area. Last, there is a need for financial education and technical assistance, particularly for first-time small business owners.

SCOPE OF EVALUATION – MULTI-STATE MSA 47900

Examiners used full-scope examination procedures to evaluate the bank's performance in Multi-State MSA 47900. The products and timeframes noted in the overall Scope of Evaluation section apply to this area-level analysis.

CONCLUSIONS ON PERFORMANCE CRITERIA IN MULTI-STATE MSA 47900

LENDING TEST

Industrial's Lending Test performance in Multi-State MSA 47900 is rated "High Satisfactory." The following sections discuss the bank's performance under each of the Lending Test factors.

Lending Activity

Industrial's lending levels reflect good responsiveness to assessment area needs.

In 2019, the bank reported 67 home mortgage loans totaling $21.6 million, 86 loans for $28.4 million in 2020, and 87 loans for $30.3 million in 2021. In 2020, Industrial ranked 244th in home mortgage lending by number and 255th by dollar volume among the 687 lenders that reported at least one home mortgage loan in the assessment area. The bank's market share was less than 0.1 percent by number and by dollar volume. As previously stated, the top five home mortgage lenders captured 23.8 percent of the total market share, by number of loans, which further reflects the competitive nature of the home mortgage market.

In 2019, the bank reported 31 small business loans totaling $6.4 million, 185 loans totaling $19.6 million in 2020, and 49 loans totaling $16.6 million in 2021. Of note, Industrial originated a significant number of PPP loans for assessment area businesses in 2020. In 2020, the bank ranked 45th in small business loans by number and 34th by dollar volume among the 104 lenders that reported at least one small business loan in the assessment area. The bank's market share was less than one percent by both number and dollar volume. Most of the institutions ranked higher than Industrial are significantly larger regional and national lenders.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout this assessment area. The bank's excellent distribution of home mortgage and small business loans supports this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the assessment area. Examiners focused on the percentage by number of loans in low- and moderate-income census tracts.

In 2020, Industrial's performance in low- and moderate-income census tracts significantly exceeded aggregate performance and demographic data. Industrial ranked 175th among 367 home mortgage lenders with less than a 0.1 percent market share in low-income census tracts. Furthermore, the bank ranked 201st among 467 home mortgage lenders with less than 0.1 percent market share in moderate-income census tracts. These comparisons and trends reflect excellent performance overall. The bank's performance over the review period remained the same.

The following table depicts the distribution of home mortgage loans by census tract income level.

Geographic Distribution of Home Mortgage Loans **Multi-State MSA 47900**						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2020	8.5	9.1	23	26.7	9,135	32.2
Moderate						
2020	22.4	19.5	22	25.6	6,265	22.1
Middle						
2020	34.7	34.0	30	34.9	8,952	31.6
Upper						
2020	33.9	36.7	10	11.6	3,773	13.3
Not Available						
2020	0.4	0.6	1	1.2	229	0.8
Totals						
2020	**100.0**	**100.0**	**86**	**100.0**	**28,353**	**100.0**
Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the assessment area. Examiners compared Industrial's performance to demographic and aggregate data.

In 2020, Industrial's lending in low- and moderate-income census tracts significantly exceeded aggregate performance and demographic data. These comparisons reflect excellent performance.

The following table depicts the distribution of the bank's small business loans by census tract income level.

Geographic Distribution of Small Business Loans Multi-State MSA 47900						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2020	8.7	7.8	32	17.3	2,831	14.5
Moderate						
2020	23.5	23.5	54	29.2	4,689	23.9
Middle						
2020	29.7	27.7	53	28.6	7,219	36.9
Upper						
2020	36.7	39.9	45	24.3	4,831	24.7
Not Available						
2020	1.4	1.0	1	0.5	16	0.1
Totals						
2020	**100.0**	**100.0**	**185**	**100.0**	**19,586**	**100.0**
Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects good penetration among borrowers of different income levels and businesses of different revenue sizes. The bank's good home mortgage and small business lending performance support this conclusion.

Home Mortgage Loans

The distribution of home mortgage loans represents good penetration among borrowers of different income levels, including low- and moderate-income borrowers. Examiners compared Industrial's home mortgage lending performance to applicable demographic and aggregate data. In 2020, Industrial's lending to low-income borrowers was below area demographics but exceeded aggregate performance. The bank's lending to moderate-income borrowers exceeded demographic and aggregate data in 2020. Overall, these comparisons reflect good performance.

As previously addressed, the bank faces distinct challenges in this assessment area, particularly lending to low-income borrowers. Specifically, a low-income family in the assessment area, with an income below $59,350, would likely not qualify for a mortgage under conventional underwriting standards, especially considering the median housing value of $398,689. Furthermore, 9.0 percent of low-income families are below the poverty level and are unlikely to be able to afford a home mortgage loan. Therefore, the demand and opportunity for lending to low-income families is relatively limited. This helps explain the difference between aggregate performance and the percentage of families of this income level.

The following table illustrates the distribution of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level Multi-State MSA 47900						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2020	29.0	5.2	6	7.0	1,292	4.6
Moderate						
2020	17.7	15.6	18	20.9	4,571	16.1
Middle						
2020	18.5	20.4	33	38.4	10,329	36.4
Upper						
2020	34.8	35.0	17	19.8	5,457	19.2
Not Available						
2020	0.0	23.7	12	14.0	6,704	23.6
Totals						
2020	**100.0**	**100.0**	**86**	**100.0**	**28,353**	**100.0**
Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The distribution of borrowers reflects good penetration among businesses of different sizes. In 2020, Industrial's lending to businesses with GARs of $1.0 million or less was well below both aggregate and demographic data. However, it is important to note that the small business loan data for 2020 includes PPP loans originated in response to the needs of businesses during the COVID-19 pandemic. Since the PPP does not require lenders to collect business revenue information, a significant portion of the bank's small business loans, 87.6 percent, did not include revenue information. When excluding these loans, the bank made 16 of 23 small business loans, or 69.6 percent, to businesses with GARs of $1.0 million or less. Overall, these comparisons reflect good performance.

The following tables displays the distribution of small business loans by revenue category.

Distribution of Small Business Loans by Gross Annual Revenue Category Multi-State MSA 47900						
Gross Revenue Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000						
2020	86.2	41.1	16	8.6	4,399	22.5
>$1,000,000						
2020	4.9	--	7	3.8	2,486	12.7
Revenue Not Available						
2020	8.9	--	162	87.6	12,701	64.8
Totals						
2020	**100.0**	**100.0**	**185**	**100.0**	**19,586**	**100.0**
Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%						

Examiners also evaluated PPP loans using loan amount as a proxy for those with revenues not available. A substantial majority of PPP loans, by number, were in loan amounts of $100,000 or less, indicating that the bank is helping to serve the needs of small businesses in the assessment area.

The following table displays the distribution of PPP loans by loan amount.

Distribution of PPP Loans by Loan Amount (2020) Multi-State MSA 47900				
Loan Amount	**Count**	**Percent**	**Dollars (000s)**	**Percent**
< $100,000	130	80.2	4,101	32.3
$100,000 - $249,999	21	13.0	3,200	25.2
$250,000 - $1,000,000	11	6.8	5,400	42.5
Total	**162**	**100.0**	**12,701**	**100.0**
Source: Bank Data. Due to rounding, totals may not equal 100.0				

Innovative or Flexible Lending Practices

Industrial makes limited use of innovative and/or flexible lending practices in order to serve assessment area credit needs. The bank originated nine loans totaling $4.2 million using innovative and flexible loan programs during the evaluation period in Multi-State MSA 47900.

Below are details of the bank's innovative or flexible lending programs offered in this area.

- District of Columbia Business Capital Program (DC BizCAP) Collateral Support Program (CSP) – The DC BizCAP provides capital to DC small businesses and entrepreneurs who continue to encounter reductions in the availability of credit and heightened requirements to obtain financing. The CSP provides funds for deposits with a participating lender to provide the necessary collateral to cover the borrower's collateral shortfall. The bank made two loans totaling $2.0 million under this program.

- District of Columbia Housing Finance Agency Open Doors Program (DCHFA) – This program offers down payment assistance for FHA loans to qualified applicants. Through DCHFA's Mortgage Credit Certificate (MCC), qualified borrowers have the ability to claim a Federal Tax Credit of 20 percent of the mortgage interest paid during each calendar year. During the evaluation period, the bank originated three loans totaling $1.3 million under this program.

- Greater Washington Urban League Down Payment Assistance Programs – This organization offers two down payment assistance programs. The Home Purchase Assistance Program (HPAP) enables low- and moderate-income individuals and families to purchase affordable housing in Washington, DC. Qualified HPAP applicants can receive up to $80,000 in financial assistance to purchase single-family houses, condominiums, and cooperative apartments. The Employer Assisted Housing Program (EAHP) helps DC Government employees purchase their first home in DC. Through EAHP, the Department of Housing & Community Development provides eligible applicants with matching closing cost funds of up to $1,500, and a deferred second trust loan of up to $10,000. During the evaluation period, Industrial made two loans totaling $379,000 through these programs.

- Maryland Department of Housing and Community Development (MHCD)/Community Development Administration – Maryland Mortgage Program (MMP) and Down Payment and Settlement Expense Loan Program (DSELP) – The MMP provides first-time homebuyers with financial assistance for down payment and closing costs. To qualify for the MMP, homebuyers must meet income and property location eligibility criteria. The DSELP program provides borrowers with a deferred second lien loan up to $7,500. During the evaluation period, Industrial originated two loans totaling $428,000 under these programs.

The following table illustrates the volume of loans originated through the bank's innovative or flexible lending programs by program type and year in Multi-State MSA 47900.

Innovative or Flexible Lending Programs Multi-State MSA 47900										
Type of Program	**2019**		**2020**		**2021**		**YTD 2022**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
DC BizCAP	0	0	0	0	0	0	2	2,025	**2**	**2,025**
DCHFA/MCC	1	378	2	952	0	0	0	0	**3**	**1,330**
HPAP/EAHP	1	119	1	260	0	0	0	0	**2**	**379**
MHCD/MMP Grants	0	0	2	428	0	0	0	0	**2**	**428**
Totals	**2**	**497**	**5**	**1,640**	**0**	**0**	**2**	**2,025**	**9**	**4,162**
Source: Bank Records										

Community Development Loans

Industrial is a leader in making community development loans. During the evaluation period, the bank originated 36 community development loans totaling $62.3 million in Multi-State MSA 47900. This represents 90.0 percent and 89.6 percent of the bank's total community development loans by number and dollar volume, respectively. Industrial's community development lending is

responsive to all categories of community development, but primarily supported affordable housing and economic development.

The following table illustrates the bank's community development lending activity by year and community development purpose.

Community Development Lending Multi-State MSA 47900										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$**	**#**	**$**	**#**	**$**	**#**	**$**	**#**	**$**
2019	2	5,750	0	0	2	4,042	0	0	**4**	**9,792**
2020	9	12,132	1	1,400	1	2,430	0	0	**11**	**15,962**
2021	13	21,093	1	979	4	8,000	0	0	**18**	**30,072**
YTD 2022	2	4,441	0	0	1	2,000	0	0	**3**	**6,441**
Total	**26**	**43,416**	**2**	**2,379**	**8**	**16,472**	**0**	**0**	**36**	**62,267**
Source: Bank Records										

Below are notable examples of the bank's community development loans.

- In 2019, the bank made a $2.7 million loan to purchase and renovate a 97-unit housing complex in Washington, DC. All units are rent-controlled and offer rents below the Department of Housing and Urban Development's (HUD's) Fair Market Rent (FMR) guidelines.

- In 2019, the bank renewed a $3.0 million line of credit to a public housing agency in Washington, DC. The loan proceeds were specifically used to support the HPAP, which provides subordinate liens for low- and moderate-income first time homebuyers that live in Washington, DC.

- In 2020, the bank made a $945,000 loan to a non-profit community outreach center located in Washington, DC to renovate six low-to-moderate income housing units. The organization's primary purpose is to provide housing facilities for elderly low-income individuals.

- In 2021, the bank made a $1.7 million loan to purchase a 12-unit housing complex in Washington, DC. All units offer rents below the HUD's FMR guidelines.

INVESTMENT TEST

Industrial's Investment Test performance in Multi-State MSA 47900 is rated "Outstanding." The following sections discuss the bank's performance under each of the Investment Test factors.

Investment and Grant Activity

Industrial has an excellent level of qualified community development investments and grants in Multi-State MSA 47900. During the evaluation period, Industrial made 36 qualified investments and grants totaling approximately $10.8 million, which includes 30 new investments totaling $10.8 million, and 6 grants totaling $4,000. By number and dollar volume, this level represents 76.6 percent and 50.6 percent, respectively, of the bank-wide qualified investment activity.

The following table details the institution's qualified investments and grants by year and community development purpose.

Qualified Investments Multi-State MSA 47900										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	0	0	0	0	0	0	0	0	**0**	**0**
2019	0	0	1	33	7	2,019	3	2,035	**11**	**4,087**
2020	0	0	1	33	7	2,030	2	1,570	**10**	**3,633**
2021	0	0	1	33	7	2,032	0	0	**8**	**2,065**
YTD 2022	0	0	0	0	0	0	1	986	**1**	**986**
Subtotal	**0**	**0**	**3**	**99**	**21**	**6,081**	**6**	**4,591**	**30**	**10,771**
Qualified Grants & Donations	0	0	6	4	0	0	0	0	**6**	**4**
Total	**0**	**0**	**9**	**103**	**21**	**6,081**	**6**	**4,591**	**36**	**10,775**
Source: Bank Data										

Below are notable examples of the bank's qualified investment activities.

- During the evaluation period, the bank made 21 new deposits and renewals totaling $6.1 million in 6 CDFIs that primarily lend or facilitate lending in this area. The investments funded financial intermediaries that promote economic development by financing small businesses and small farms in Multi-State MSA 47900.

- In 2019, the bank donated $1,000 to a non-profit organization that provides community-based services for families residing in the Ward 7 community of Washington, DC. The donation funded a back-to-school event where the organization provided children with free backpacks and school supplies. A majority of the students that attended this event are from low- or moderate-income families.

- In 2020, the bank purchased a municipal revenue bond totaling $527,000 used by the Washington, DC local government to implement infrastructure projects consistent with the District's urban development objectives for low- and moderate-income individuals and families. Proceeds supported the revitalization of distressed areas in Washington, DC, and the redevelopment of low-income neighborhoods.

- In 2020, the bank donated $500 to a non-profit organization whose mission is to create lasting solutions to homelessness, poverty, and hunger. The organization offers food and housing to the homeless population in DC, as well as supportive services at no charge.

Responsiveness to Credit and Community Development Needs

Industrial's qualified investments and donations exhibit excellent responsiveness to the credit and community development needs in Multi-State MSA 47900. The bank's qualified investments supported economic development, revitalization and stabilization, and community services, which are demonstrated community development needs in the area. In addition, the bank's investments in designated CDFIs and low-income credit unions helps facilitate lending to low- and moderate-income individuals, families, and small businesses, which the community contact identified as pressing area credit needs.

Community Development Initiatives

Industrial rarely uses innovative or complex investments to support community development in Multi-State MSA 47900.

SERVICE TEST

Industrial's Service Test performance in Multi-State MSA 47900 is rated "Outstanding." The following sections discuss the bank's performance under each of the Service Test factors.

Accessibility of Delivery Systems

Industrial's delivery systems are readily accessible to all portions of Multi-State MSA 47900. The bank operates five full-service branches in this area. As shown in the following table, the distribution of branches in low-income tracts exceeds both demographic comparators, which reflects excellent distribution. Although the bank's branch in a moderate-income tract slightly trails demographic comparators, all of the bank's branches in this area are contiguous to additional low- and moderate-income census tracts. More specifically, the bank's branch in an upper-income census tract is directly contiguous to two moderate-income census tracts and one low-income census tract. Furthermore, the bank maintains two branches in middle-income areas that are contiguous to several low- and moderate-income areas. Lastly, the two branches located in a low-income census tract and a moderate-income census tract also serve surrounding contiguous low- and moderate-income geographies. These branches are accessible to residents living in the area's low- and moderate-income census tracts and allow individuals living in these areas access to the bank's branches.

Branch and ATM Distribution by Geography Income Level Multi-State MSA 47900								
Tract Income Level	**Census Tracts**		**Population**		**Branches**		**ATMs**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low	94	19.0	347,623	18.2	1	20.0	3	16.7
Moderate	128	25.9	477,923	25.0	1	20.0	1	5.5
Middle	135	27.4	551,825	28.8	2	40.0	7	38.9
Upper	128	25.9	510,377	26.7	1	20.0	7	38.9
NA	9	1.8	25,812	1.3	0	0.0	0	0
Total	**494**	**100.0**	**1,913,560**	**100.0**	**5**	**100.0**	**18**	**100.0**
Source: 2015 ACS Data; Bank Data								

The bank operates nine ATMs at its five branch locations and maintains an additional nine stand-alone ATMs throughout the assessment area. Industrial also offers several alternative delivery systems in this area to increase the availability of retail banking services. All alternative delivery systems detailed in the overall analysis are available in Multi-State MSA 47900. These alternative delivery channels reduce the need to visit a physical branch for those who may have difficulty doing so because of travel restrictions or transportation costs.

Changes in Branch Locations

To the extent that changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies or to low- and moderate-income individuals.

Industrial closed two branch locations in the Washington, DC metropolitan area in 2021, including one branch in a low-income census tract and one branch in an upper-income census tract. Although the bank closed a branch in a low-income census tract, the closure did not negatively impact the accessibility of banking services in the low-income neighborhood. There are several branches of other banks in close proximity to the location of the closed branch. In addition, the bank applied to open a nearby branch in a moderate-income census tract concurrent with the branch closure. The new branch is located approximately one mile from the closed branch and is accessible by vehicle and by public transportation. As a result, the bank's branches remain accessible to the customers in the low-income census tract, limiting the adverse impacts of the closure.

Reasonableness of Business Hours and Services

Services and business hours do not vary in a way that inconveniences portions of the assessment area, particularly low- and moderate-income census tracts or individuals. Branch hours are convenient and comparable to other local financial institutions. Business hours are 9:00 A.M. to 4:00 P.M., Monday through Friday, with four of five branches offering drive-thru services and Saturday hours from 9:00 A.M. to 1:00 P.M. The Anacostia branch in a low-income census tract does not offer Saturday hours; however, this location is within four miles of another Industrial branch location. Industrial offers the same loan and deposit products throughout the Multi-State MSA 47900 rated area as it does institution-wide.

In order to serve its diverse assessment area, the bank employs several bilingual individuals at its Oxon Hill, Maryland branch to improve access to financial services for non-English speaking customers. Branch staff speak several languages including Amharic, Tigrigna, Tigre, and Arabic.

Community Development Services

The bank is a leader in providing community development services. Industrial provided 91 instances of community development services within Multi-State MSA 47900. The organizations' missions include community services, economic development, and revitalization and stabilization. The bank's services were particularly responsive to financial education for low- and moderate-income individuals and small businesses, which the community contact noted as a key need in the area.

Below are notable examples of the bank's community development services.

- In 2019, an employee provided financial literacy while presenting at a Financially Fit DC workshop event offered through the DC Mayor's Office of African American Affairs. During the event, the employee offered financial planning and homeownership counseling services primarily to low- and moderate-income individuals.

- In 2020 and 2021, two officers provided guidance to women- and minority-owned small businesses on ways to improve personal credit. The two officers also provided guidance on business plan development to obtain commercial financing through alternative capital access.

- In 2021, two officers collaborated with a non-profit organization headquartered in Washington DC to provide a series of financial literacy seminars for individuals returning from incarceration. The majority of individuals served by this organization are low- or moderate-income. The seminars included three interactive sessions on job-readiness skills and workforce development training.

MULTI-STATE MSA 35620

CRA RATING FOR MULTI-STATE MSA 35620: SATISFACTORY

The Lending Test is rated: Low Satisfactory
The Investment Test is rated: Needs to Improve
The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MULTI-STATE MSA 35620

The evaluation for the Multi-State MSA 35620 rated area considered the bank operations in the following two assessment areas: Essex County in New Jersey and New York County in New York. The Multi-State MSA 35620 rated area accounts for 498 of the 992 tracts (50.2 percent) in the combined assessment area. Industrial operates 2 of its 7 (28.6 percent) branches and 12 of its 30 (40.0 percent) ATMs in this rated area. Within this rated area, Industrial originated 9.6 percent of its small business loans and did not originate any HMDA loans.

Please refer to the individual assessment area sections for detailed discussions of economic and demographic data.

SCOPE OF EVALUATION – MULTI-STATE MSA 35620

Examiners used full-scope examination procedures to evaluate the bank's performance in each of the two assessment areas in Multi-State MSA 35620. Considering the distribution of loans, deposits, and branches, performance in the Multi-State MSA 35620 rated area received significantly less weight than performance in the Multi-State MSA 47900 rated area when arriving at the overall rating and conclusions.

Examiners assigned more weight to performance in the New Jersey assessment area when arriving at overall ratings and conclusions for the Multi-State MSA 35620 rated area, due to the larger volume of loans and deposits in New Jersey. Within this rated area, the New Jersey assessment area accounts for 85.2 percent of loans and 84.9 percent of deposits.

Examiners focused on small business loans originated in 2020 and 2021, as the bank did not enter the New Jersey and New York assessment areas until the November 2019 acquisition of CNB. Additionally, the bank's small business loans contributed significantly more weight to developing overall conclusions than home mortgage loans, because CNB was primarily a commercial lender. Prior to its acquisition, commercial real estate and commercial and industrial loans accounted for 69.7 percent of CNB's loan portfolio, as of September 30, 2019.

CONCLUSIONS ON PERFORMANCE CRITERIA IN MULTI-STATE MSA 35620

LENDING TEST

Industrial's Lending Test performance in Multi-State MSA 35620 is rated "Low Satisfactory." The bank's overall Lending Test performance is consistent with its performance in the Essex County, New Jersey assessment area, and exceeded performance in the New York County, New York assessment area. Industrial's performance in the Essex County, New Jersey assessment area carried the most weight in arriving at overall conclusions under each Lending Test criterion and in supporting the overall Multi-State MSA 35620 Lending Test rating. The following sections discuss the bank's performance under each of the Lending Test factors. Separate presentations for the individual assessment areas are included in later sections.

Lending Activity

Industrial's lending levels reflect adequate responsiveness to the credit needs of the assessment areas.

In 2020, the bank reported 26 small business loans totaling $3.0 million and in 2021, the bank reported one small business loan for $800,000. In 2020, the bank ranked 61st in small business loans by number and 30th by dollar volume among the 159 lenders that reported at least one small business loan in this rated area. The bank's market share was less than 0.1 percent by both number and dollar volume. Most of the institutions ranked higher than Industrial are significantly larger regional and national lenders. Two of these top institutions, American Express and Chase Bank, primarily originate small business credit cards, which is not a product that Industrial offers.

Industrial did not report any home mortgage loans within this rated area during the evaluation period.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the rated area. The bank's performance of small business lending primarily supports the overall conclusion. The bank's performance under this criterion is consistent throughout the individual assessment areas. Greater weight was given to the bank's performance in the Essex County, New Jersey assessment area.

Borrower Profile

The distribution of borrowers reflects poor penetration among retail customers of different income levels and businesses of different sizes throughout the rated area. The bank's poor distribution of small business loans primarily supports the overall conclusion. The bank's performance under this criterion is consistent throughout the individual assessment areas. Greater weight was given to the bank's performance in the Essex County, New Jersey assessment area.

Community Development Loans

Industrial made an adequate level of community development loans within this rated area. All four community development loans totaling $7.3 million were in the Essex County, New Jersey assessment area. Performance in the New York County, New York assessment area was below the overall performance in the rated area. Greater weight was given to the bank's performance in the Essex County, New Jersey assessment area.

INVESTMENT TEST

Industrial's Investment Test performance in Multi-State MSA 35620 is rated "Needs to Improve." Performance is consistent in the two assessment areas within this rated area. The following sections discuss the bank's performance under each of the Investment Test factors.

Investment and Grant Activity

Industrial has a poor level of qualified community development investments, grants, and donations in the Multi-State MSA 35620 rated area. During the evaluation period, the bank made one qualified donation totaling $1,200, or 20.0 percent of total donations.

Responsiveness to Credit and Community Development Needs

Industrial exhibits poor responsiveness to credit and community development needs in Multi-State MSA 35620.

Community Development Initiatives

Industrial rarely uses innovative or complex investments to support community development initiatives in Multi-State MSA 35620.

SERVICE TEST

Industrial's Service Test performance in Multi-State MSA 35620 is rated "Low Satisfactory." Performance is consistent in the two assessment areas within this rated area. The following sections discuss the bank's performance under each of the Service Test criterion.

Accessibility of Delivery Systems

Industrial's delivery systems are reasonably accessible to essentially all portions of Multi-State MSA 35620. Industrial operates one full-service branch in a low-income census tract and one full-service branch in a moderate-income census tract in this rated area. Furthermore, both branches are located in close proximity to state-designated Opportunity Zones, and provide access and services to low-income municipalities in need of long-term capital investment and economic development.

The bank maintains three ATMs at bank branches and nine stand-alone ATMs in this rated area. Industrial offers several alternative delivery systems beyond the branch structure to increase

availability of retail banking services throughout Multi-State MSA 35620. Alternative delivery systems for this rated area are consistent with the institution overall.

Changes in Branch Locations

To the extent that changes have been made, the institution's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income geographies or to low- and moderate-income individuals.

Industrial acquired three new branches in Multi-State MSA 35620 through its acquisition of failed financial institution, CNB, in November 2019. In September 2020, the bank closed a former CNB branch located in a moderate-income census tract in Essex County, New Jersey. The bank continues to serve the customers of this branch at an Industrial branch office located within three miles from the closed branch. Examiners determined that the impact of the closure on delivery systems in the low- and moderate-income areas was limited, due to the proximity of the closed branch to the existing branch, as well as considering the bank's various alternative delivery systems, including online, mobile, and telephone banking.

The branch network changes resulted in one additional branch in a low-income census tract and one additional branch in a moderate-income census tract. Through the acquisition of CNB and its branches, Industrial continues to serve, and provides branch access to, former CNB customers and individuals living in the area.

Reasonableness of Business Hours and Services

Services do not vary in a way that inconveniences portions of the assessment area, particularly low- and moderate-income census tracts or individuals. Industrial offers the same loan and deposit products and similar service hours throughout Multi-State MSA 35620. Business hours begin at 9:00 A.M. and conclude at 4:00 P.M., with both branches offering Saturday lobby hours from 9:00 A.M. to 1:00 P.M.

Community Development Services

Industrial provides a limited level of community development services in Multi-State MSA 35620. During the evaluation period, the bank provided one community development service in this rated area.

Industrial's level of activity reflects poor responsiveness to the opportunities for community development services in Multi-State MSA 35620. However, management noted that the recent expansion into Multi-State MSA 35620 and the effects of the COVID-19 pandemic significantly impacted the bank's opportunity to provide in-person community development services during the evaluation period.

ESSEX COUNTY, NJ – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN ESSEX COUNTY, NJ

This assessment area includes 210 of the 498 tracts (42.2 percent) in the Multi-State MSA 35620 rated area. This area includes Essex County in New Jersey. Industrial operates 1 of its 7 (14.3 percent) branches and 6 of its 30 (20.0 percent) ATMs in this assessment area.

The assessment area's 210 census tracts reflect the following income designations:

- 90 low-income census tracts,
- 45 moderate-income census tracts,
- 24 middle-income census tracts,
- 49 upper-income census tracts, and
- 2 census tracts with no income designation.

Economic and Demographic Data

The following table illustrates select demographic characteristics for this assessment area.

Demographic Information of the Assessment Area Essex County, New Jersey						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	210	42.9	21.4	11.4	23.3	1.0
Population by Geography	791,609	37.6	20.6	12.5	28.8	0.5
Housing Units by Geography	313,824	40.4	20.4	12.8	26.3	0.0
Owner-Occupied Units by Geography	123,847	16.1	16.3	16.8	50.8	0.0
Occupied Rental Units by Geography	154,238	55.7	23.3	10.7	10.3	0.0
Vacant Units by Geography	35,739	59.0	22.5	8.2	10.2	0.0
Businesses by Geography	61,825	28.4	15.0	13.2	42.7	0.7
Farms by Geography	686	13.1	14.3	14.1	58.3	0.1
Family Distribution by Income Level	181,249	36.8	16.9	15.1	31.1	0.0
Household Distribution by Income Level	278,085	38.5	16.0	14.6	30.9	0.0
Median Family Income MSA - 35084 Newark, NJ-PA		$90,570	Median Housing Value			$313,831
			Median Gross Rent			$1,062
			Families Below Poverty Level			14.2%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%. (*) The NA category consists of geographies that have not been assigned an income classification.

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units. Based on 2015 ACS data, there are 313,824 housing units in the

assessment area. Of these housing units, 39.5 percent are owner-occupied, 49.1 percent are occupied rental units, and 11.4 percent are vacant. The distribution of owner-occupied housing units reflect the opportunity institutions have to originate 1-4 family home mortgage loans. As shown in the table above, 16.1 percent of the assessment area's owner-occupied housing units are in low-income census tracts and 16.3 percent are in moderate-income tracts. In contrast, 55.7 percent of occupied rental units are located in low-income geographies and 23.3 percent are located in moderate-income geographies. This data suggests there is a greater opportunity for families to rent than to own housing units in low- and moderate-income geographies, which limits opportunities for lenders to originate 1-4 family residential loans in these geographies.

Also shown in the table above, 36.8 percent of the assessment area's families are low-income and 16.9 percent are moderate-income. In addition, 14.2 percent of families have incomes below the poverty level. This data suggests that it would be difficult for these families to qualify for a home mortgage loan or to support a monthly mortgage payment, especially considering the assessment area's median housing value of $313,831. These factors limit opportunities for lenders to originate loans to low- or moderate-income borrowers.

Examiners used the FFIEC-updated median family income data to analyze the bank's home mortgage lending under the Borrower Profile criterion. The following table reflects the median family income ranges for the low-, moderate-, middle-, and upper-income categories in the assessment area.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Newark, NJ-PA Median Family Income (35084)				
2020 ($103,200)	<$51,600	$51,600 to <$82,560	$82,560 to <$123,840	≥$123,840
Source: FFIEC				

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by GAR level. According to 2020 D&B data, 61,825 non-farm businesses operate in this assessment area. GARs for these businesses are as follows:

- 87.6 percent have GARs of $1.0 million or less,
- 5.3 percent have GARs of more than $1.0 million, and
- 7.1 percent have unknown revenues.

Service industries represent the largest portion of businesses (42.7 percent), followed by non-classifiable establishments (17.7 percent), retail trade (12.1 percent), and construction (6.7 percent). Within the assessment area, 64.5 percent of businesses have four or fewer employees and 92.8 percent operate from a single location.

Data obtained from the U.S. Bureau of Labor Statistics show that unemployment rates at the county, state, and national levels improved during the evaluation period, until the COVID-19 pandemic in March 2020. The 2020 and 2021 unemployment rates reflect the effects of the COVID-19

pandemic. The following table presents annual and current unemployment rates for the assessment area as well as the state and national levels since 2019.

Unemployment Rates				
Area	2019	2020	2021	February 2022
	%	%	%	%
Essex County, NJ	4.2	11.3	8.0	5.5
State of New Jersey	3.4	9.5	6.3	4.6
National Average	3.7	8.1	5.3	4.1
Source: U.S. Bureau of Labor Statistics.				

Competition

The assessment area is a competitive market for financial services. According to 2021 FDIC Deposit Market Share data, 31 financial institutions operated 214 branches within this assessment area. Of these institutions, Industrial ranked 23rd with a 0.3 percent deposit market share.

Significant competition also exists for small business loans in this assessment area. In 2020, 175 lenders reported 26,043 originated or purchased small business loans. Industrial ranked 67th with less than 0.1 percent of market share.

Significant competition exists for home mortgage loans in this assessment area among banks, credit unions, and non-depository mortgage lenders. In 2020, 482 lenders reported 28,511 originated or purchased home mortgage loans. As previously noted, Industrial did not make any home mortgage loans in this assessment area in 2020.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ESSEX COUNTY, NJ

LENDING TEST

Industrial's Lending Test performance in the Essex County, New Jersey assessment area is adequate. The following sections discuss the bank's performance under each of the Lending Test factors.

Lending Activity

Industrial's lending levels reflect adequate responsiveness to assessment area needs.

In 2020, the bank reported 22 loans totaling $2.9 million and 1 loan totaling $800,000 in 2021 in the Essex County, New Jersey assessment area. In 2020, Industrial ranked 67th by number of loans among the 175 lenders that reported at least one small business loan in the assessment area. The bank's market share was less than 0.1 percent by both number and dollar volume. Most of the institutions ranked higher than Industrial are significantly larger regional and national lenders. The five most prominent small business lenders in the assessment area, J.P. Morgan Chase Bank,

American Express, Bank of America, Wells Fargo Bank, and TD Bank accounted for 55.5 percent of the total market share.

In 2020 and 2021, the bank did not report any home mortgage loans in this assessment area. The top five home mortgage lenders captured 24.8 percent of the total market share, by number of loans, which further reflects the competitive nature of the home mortgage market.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout this assessment area. The distribution of small business loans primarily supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the assessment area. Industrial significantly exceeded area demographics and outperformed aggregate performance in the low- and moderate-income census tracts. In 2020, Industrial ranked 49th out of 180 lenders that reported a small business loan in a low-income tract, with a 0.2 percent market share. Similarly, in moderate-income tracts, Industrial also ranked 49th out of 180 lenders, with a 0.2 percent market share. Industrial's market share performance in low- and moderate-income census tracts exceeded its overall market share of less than 0.1 percent.

The following table depicts the distribution of the bank's small business loans by census tract income level.

Geographic Distribution of Small Business Loans Essex County, New Jersey						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2020	28.4	23.8	14	63.6	2,551	88.0
Moderate						
2020	15.0	13.0	6	27.3	208	7.2
Middle						
2020	13.2	13.3	0	0.0	0	0.0
Upper						
2020	42.7	49.3	2	9.1	140	4.8
Not Available						
2020	0.7	0.5	0	0.0	0	0.0
Totals						
2020	**100.0**	**100.0**	**22**	**100.0**	**2,899**	**100.0**
Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans
The geographic distribution of home mortgage loans reflects poor penetration throughout the assessment area. The bank did not originate any home mortgage loans in this assessment area in 2020.

Borrower Profile

The distribution of borrowers reflects poor penetration among borrowers of different income levels and businesses of different sizes throughout this assessment area. The bank's poor small business and home mortgage lending performance supports this conclusion.

Small Business Loans
The distribution of borrowers reflects poor penetration among businesses of different sizes. In 2020, Industrial did not originate any loans to businesses with GARs of $1.0 million or less. However, it is important to note that the small business loan data for 2020 includes PPP loans. Since the PPP does not require lenders to collect business revenue information, and 95.5 percent of the bank's small business loans were through the PPP, a vast majority of loans do not include revenue information. The only other small business loan was to a business with GARs over $1.0 million. The following table displays the distribution of small business loans by revenue category.

Distribution of Small Business Loans by Gross Annual Revenue Category
Essex County, New Jersey

Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000						
2020	87.6	36.6	0	0.0	0	0.0
>$1,000,000						
2020	5.3	--	1	4.5	871	30.0
Revenue Not Available						
2020	7.1	--	21	95.5	2,028	70.0
Totals						
2020	**100.0**	**100.0**	**22**	**100.0**	**2,899**	**100.0**

Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Examiners also evaluated PPP loans using loan amount as a proxy for those with revenues not available. A substantial majority of PPP loans, by number, had loan amounts of $100,000 or less, indicating that the bank is helping to serve the needs of small businesses in the assessment area.

The following table displays the distribution of PPP loans by loan amount.

Distribution of PPP Loans by Loan Amount (2020) Essex County, New Jersey				
Loan Amount	**Count**	**Percent**	**Dollars (000s)**	**Percent**
< $100,000	15	71.4	427	21.1
$100,000 - $249,999	5	23.8	793	39.1
$250,000 - $1,000,000	1	4.8	808	39.8
Total	**21**	**100.0**	**2,028**	**100.0**
Source: Bank Data. Due to rounding, totals may not equal 100.0				

Home Mortgage Loans

The distribution of borrowers reflects poor penetration among retail customers of different income levels, including low- and moderate-income borrowers. Industrial did not make any home mortgage loans in this assessment area in 2020.

Community Development Loans

Industrial made an adequate level of community development loans in the Essex County, New Jersey assessment area. During the evaluation period, the bank originated four community development loans totaling approximately $7.3 million that benefitted this assessment area. This represents 10.0 percent and 10.4 percent of the bank's total community development loans by number and dollar volume, respectively. Community development loans supported the revitalization and stabilization of low- and moderate-income geographies. The following table illustrates the bank's community development lending activity.

Community Development Lending Essex County, New Jersey										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2019	0	0	0	0	0	0	1	2,000	**1**	**2,000**
2020	0	0	0	0	0	0	1	2,000	**1**	**2,000**
2021	0	0	0	0	0	0	2	3,266	**2**	**3,266**
YTD 2022	0	0	0	0	0	0	0	0	**0**	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**7,266**	**4**	**7,266**
Source: Bank Data										

The following represents a sample of community development loans in this assessment area.

- In 2019 the bank made a $2.0 million loan to renovate six buildings in a low-income census tract and an economic development zone in Essex County. The project renovated six buildings that contain three charter schools and a daycare facility, and 203 residential apartments, along with retail units operated by local entrepreneurs. This loan helped revitalize and stabilize this low-income geography by attracting new and retaining existing residents and businesses.

- In 2021, the bank renewed a $1.3 million loan on a mixed-use property in Essex County,

New Jersey. The loan helped to retain an existing business that employs low- and moderate-income individuals. The property is located in a low-income census tract and an economic development zone. Additionally, the property contains six units with rents offered below HUD's FMR guidelines.

INVESTMENT TEST

Industrial's Investment Test performance in the Essex County, New Jersey assessment area is poor. The bank's poor level of qualified community development investments and grants primarily supports this conclusion.

Investment and Grant Activity

Industrial has a poor level of qualified community development investments and donations in the Essex County, New Jersey assessment area. The bank made one donation totaling $1,200 in this assessment area. This activity accounts for 20.0 percent of the bank's total qualified donations. The proceeds funded outreach initiatives for a non-profit community service organization serving low- and moderate-income individuals in Essex County, New Jersey.

Responsiveness to Credit and Community Development Needs

The institution exhibits poor responsiveness to credit and community development needs in the Essex County, New Jersey assessment area.

Community Development Initiatives

Industrial rarely uses innovative or complex investments to support community development initiatives in this assessment area.

SERVICE TEST

Industrial's Service Test performance in the Essex County, New Jersey assessment area is adequate. The following sections discuss the bank's performance under each of the Service Test factors.

Accessibility of Delivery Systems

Industrial's delivery systems are reasonably accessible to essentially all portions of the Essex County, New Jersey assessment area. Industrial operates one full-service branch in a low-income census tract in Newark. This branch is also contiguous to six additional low-income census tracts and two moderate-income census tracts. The Newark branch is accessible to residents living in the area's low- and moderate-income census tracts and allow individuals living in these areas access to the bank's branches.

In addition, the bank operates two deposit-taking ATMs at the branch, and an additional four stand-alone ATMs throughout Essex County, New Jersey. The bank also offers alternative delivery systems beyond its branch and ATM structure to increase availability of retail banking services

throughout the assessment area. All alternative delivery systems detailed in the overall analysis are available in this assessment area.

Changes in Branch Locations

To the extent that changes have been made, the institution's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income geographies or to low- and moderate-income individuals. Industrial expanded its branch network into Essex County, New Jersey through the acquisition of two branches in Newark, New Jersey from CNB in 2019. As mentioned previously, by acquiring CNB and its branches, Industrial continues to provide branch and banking access to former CNB customers and individuals living in the area.

While the bank closed the branch in the moderate-income tract in 2020, its remaining branch is located in a low-income census tract. As previously mentioned, an existing Industrial branch three miles away continues to serve the customers of the closed branch. Examiners determined that the impact of the closures on delivery systems in the moderate-income area was limited, due to the proximity of the closed branch to the existing branch, as well as considering the bank's various alternative delivery systems, including online, mobile, and telephone banking. Branch network changes resulted in one additional branch in a low-income census tract.

Reasonableness of Business Hours and Services

Services and business hours do not vary in a way that inconveniences portions of the assessment area, including low- and moderate-income geographies or individuals. The days and hours of operation of the bank's branch are comparable to those of other banks operating within the assessment area. Service hours, loan and deposit products, and services are consistent with those discussed at the Multi-State MSA 35620 rated area level.

Community Development Services

The institution provides a limited level of community development services in this assessment area. During the evaluation period, the bank did not provide any community development services in the Essex County, New Jersey assessment area.

NEW YORK COUNTY, NY – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEW YORK COUNTY, NY

This assessment area includes 288 of the 498 census tracts (57.8 percent) in the Multi-State MSA 35620 rated area. This area includes New York County, New York. Industrial operates 1 of its 7 (14.3 percent) branches and 6 of its 30 (20.0 percent) ATMs in this assessment area.

The assessment area's 288 census tracts reflects the following income designations:

- 34 low-income census tracts,
- 57 moderate-income census tracts,
- 21 middle-income census tracts,
- 161 upper-income census tracts, and
- 15 census tracts with no income designation.

Economic and Demographic Data

The following table illustrates select demographic characteristics for this assessment area.

Demographic Information of the Assessment Area New York County, New York						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	288	11.8	19.8	7.3	55.9	5.2
Population by Geography	1,629,507	13.7	22.3	7.1	55.9	0.9
Housing Units by Geography	862,289	10.1	16.9	6.8	65.2	1.0
Owner-Occupied Units by Geography	172,079	2.1	6.8	5.4	84.7	1.1
Occupied Rental Units by Geography	578,340	13.5	21.3	7.5	56.7	1.0
Vacant Units by Geography	111,870	4.5	9.9	5.7	79.0	0.9
Businesses by Geography	319,999	3.9	7.8	3.2	78.9	6.2
Farms by Geography	1,110	3.6	6.1	3.1	83.5	3.7
Family Distribution by Income Level	310,166	26.7	11.5	10.6	51.1	0.0
Household Distribution by Income Level	750,419	26.8	10.9	12.4	49.8	0.0
Median Family Income MSA - 35614 New York-Jersey City-White Plains, NY-NJ		$67,560	Median Housing Value			$764,242
			Median Gross Rent			$1,649
			Families Below Poverty Level			14.1%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units. Based on the 2015 ACS data, there are 862,289 housing units in the assessment area. Of these housing units, 20.0 percent are owner-occupied, 67.1 percent are occupied rental units, and 13.0 percent are vacant. The distribution of owner-occupied housing units reflect the opportunity institutions have to originate 1-4 family home mortgage loans. As shown in the table above, only 2.1 percent of the assessment area's owner-occupied housing units are in low-income census tracts and 6.8 percent are in moderate-income census tracts. In contrast, 13.5 percent of occupied rental units are located in low-income geographies and 21.3 percent are located in moderate-income geographies. This data suggests there is a greater opportunity for families to rent than to own housing units in low- and moderate-income geographies, which limits opportunities for lenders to originate 1-4 family residential loans in these geographies.

Also shown above, 26.7 percent of the assessment area's families are low-income and 11.5 percent are moderate-income. In addition, 14.1 percent of families have incomes below the poverty level. This data suggests that it would be difficult for these families to qualify for a home mortgage loan or to support a monthly mortgage payment, especially considering the assessment area's high median housing value of $764,242. This data supports the limited opportunity for originating loans to low- or moderate-income borrowers.

Examiners used the FFIEC-updated median family income data to analyze the bank's home mortgage lending under the Borrower Profile criterion. The following table reflects the median family income ranges for the low-, moderate-, middle-, and upper-income categories in the assessment area.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
New York-Jersey City-White Plains, NY-NJ Median Family Income (35614)				
2020 ($81,800)	<$40,900	$40,900 to <$65,440	$65,440 to <$98,160	≥$98,160
Source: FFIEC				

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by GAR level. According to 2020 D&B data, 319,999 non-farm businesses operate in this assessment area. GARs for these businesses are as follows:

- 86.7 percent have GARs of $1.0 million or less,
- 7.1 percent have GARs of more than $1.0 million, and
- 6.2 percent have unknown revenues.

Service industries represent the largest portion of businesses (38.0 percent); followed by non-classifiable establishments (27.8 percent); finance and insurance industries (13.5 percent); and retail trade (10.3 percent). Within the assessment area, 53.9 percent of businesses have four or fewer employees, and 91.6 percent operate from a single location.

Data obtained from the U.S. Bureau of Labor Statistics show that unemployment rates at the county, state, and national levels improved during the evaluation period, until the COVID-19 pandemic in March 2020. The 2020 and 2021 unemployment rates reflect the effects of the COVID-19 pandemic. The following table presents annual and current unemployment rates for the assessment area as well as the state and national levels since 2019.

Unemployment Rates				
Area	2019	2020	2021	February 2022
	%	%	%	%
New York County, NY	3.4	9.6	7.6	5.1
State of New York	3.8	9.9	6.9	4.9
National Average	3.7	8.1	5.3	4.1
Source: U.S. Bureau of Labor Statistics.				

Competition

The assessment area is a competitive market for financial services. According to 2021 FDIC Deposit Market Share data, 92 financial institutions operated 592 branches within this assessment area. Of these institutions, Industrial ranked 84th with a market share of less than 0.1 percent.

Significant competition exists for small business loans in this assessment area. In 2020, 343 lenders reported 35,051 originated or purchased small business loans. Industrial ranked 146th out of this group with a market share of less than 0.1 percent. Significant competition also exists for home mortgage loans in this assessment area among banks, credit unions, and non-depository mortgage lenders. In 2020, 240 lenders reported 17,132 originated or purchased home mortgage loans. Industrial did not make any home mortgage loans in this assessment area in 2020.

Community Contact

Examiners reviewed a recent contact with the president of a non-profit affordable housing organization headquartered in New York. The organization serves the entire state of New York by promoting the development and preservation of affordable housing. The contact identified a need for affordable housing financing programs, flexible lending programs, and working capital loans for small businesses in addition to affordable housing inventory for area residents. While noting that local financial institutions have been generally responsive to local credit needs, the contact identified that specific opportunities exist for lenders to finance the construction of affordable housing.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that affordable housing and economic development are primary community development needs, and flexible loan programs are the primary credit need in this assessment area. Additionally, the limited availability of affordable housing reflects a need for the construction of affordable housing units. Last, there is a need for financial education and technical assistance, particularly for first-time homebuyers and small business owners.

CONCLUSIONS ON PERFORMANCE CRITERIA IN NEW YORK COUNTY, NY

LENDING TEST

Industrial's Lending Test performance in the New York County, New York assessment area is poor. The following sections discuss the bank's performance under each of the Lending Test factors.

Lending Activity

Industrial's lending levels reflect poor responsiveness to assessment area needs.

In 2021, the bank did not report any small business loans in the New York County, New York assessment area. In 2020, the bank reported four small business loans totaling $173,000 in this assessment area. In 2020, Industrial ranked 214th with less than 0.1 percent market share among the 343 lenders that reported at least one small business loan in the assessment area. Most of the institutions ranked higher than Industrial are significantly larger regional and national lenders. The five most prominent small business lenders in the assessment area, American Express, J.P. Morgan Chase Bank, Bank of America, CitiBank, and TD Bank accounted for 66.2 percent of the total market share.

In 2020 and 2021, the bank did not report any home mortgage loans in this assessment area. The top five home mortgage lenders captured 23.8 percent of the total market share, by number of loans, which further reflects the competitive nature of the home mortgage market.

Geographic Distribution

The geographic distribution reflects adequate penetration throughout this assessment area. The bank's small business lending primarily supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the assessment area.

In 2020, Industrial did not make any loans in low-income tracts. The bank's lending in moderate-income census tracts, however, significantly exceeded aggregate performance and demographic data. While the bank's lending in moderate-income census tracts compared favorably to demographic and aggregate data on a percentage basis in 2020, the percentages were primarily a function of low lending volume. Therefore, examiners placed limited weight on this performance.

The following table depicts the distribution of the bank's small business loans by census tract income level.

Geographic Distribution of Small Business Loans New York County, New York						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2020	3.9	3.5	0	0.0	0	0.0
Moderate						
2020	7.8	7.0	3	75.0	16	9.2
Middle						
2020	3.2	3.1	1	25.0	157	90.8
Upper						
2020	78.9	80.9	0	0.0	0	0.0
Not Available						
2020	6.2	5.6	0	0.0	0	0.0
Totals						
2020	**100.0**	**100.0**	**4**	**100.0**	**173**	**100.0**
Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects poor penetration throughout the assessment area. In 2020, Industrial did not originate any home mortgage loans in this assessment area.

Borrower Profile

The distribution of borrowers reflects poor penetration among borrowers of different income levels and businesses of different sizes. The bank's small business and home mortgage lending support this conclusion.

Small Business Loans

The distribution of borrowers reflect poor penetration among businesses of different sizes. In 2020, Industrial's lending to businesses with GARs of $1.0 million or less was significantly below demographic and aggregate data.

Each of the bank's four small business loans in this assessment area were through the SBA's PPP, which does not require banks to collect revenue information.

Examiners also evaluated PPP loans using loan amount as a proxy for those with revenues not available. A majority of PPP loans, by number, had loan amounts of $100,000 or less, indicating that the bank is helping to serve the needs of small businesses in the assessment area. The following table displays the distribution of PPP loans by loan amount.

Distribution of PPP Loans by Loan Amount (2020) New York County, New York				
Loan Amount	**Count**	**Percent**	**Dollars (000s)**	**Percent**
< $100,000	3	75.0	16	9.2
$100,000 - $249,999	1	25.0	157	90.8
$250,000 - $1,000,000	0	0	0	0
Total	**4**	**100.0**	**173**	**100.0**
Source: Bank Data. Due to rounding, totals may not equal 100.0				

Home Mortgage Loans

The distribution of home mortgage loans represents poor penetration among individuals of different income levels, including low- and moderate-income borrowers. In 2020, Industrial did not originate any home mortgage loans in this assessment area.

Community Development Loans

Industrial did not make any community development loans in the New York County, New York assessment area.

INVESTMENT TEST

Industrial's Investment Test performance in the New York County, New York assessment area is poor. The following sections discuss the bank's performance under each of the Investment Test factors.

Investment and Grant Activity

Industrial has a poor level of qualified community development investments and donations in the New York County, New York assessment area. The bank did not make any qualified investments, grants, or donations in this assessment area.

Responsiveness to Credit and Community Development Needs

The institution exhibits poor responsiveness to credit and community development needs in the New York County, New York assessment area.

Community Development Initiatives

Industrial rarely uses innovative or complex investments to support community development initiatives in this assessment area.

SERVICE TEST

Industrial's Service Test performance in the New York County, New York assessment area is adequate. The following sections discuss the bank's performance under each of the Service Test factors.

Accessibility of Delivery Systems

Industrial's delivery systems are reasonably accessible to essentially all portions of the New York County, New York assessment area. Industrial operates one full-service branch and one deposit-taking ATM in this assessment area, both of which are located in a moderate-income census tract. In addition, the bank operates five stand-alone ATMs located at the John F. Kennedy International Airport in New York. The bank also offers alternative delivery systems beyond its branch and ATM structure to increase availability of retail banking services throughout the assessment area. All alternative delivery systems detailed in the overall analysis are available in this assessment area.

Changes in Branch Locations

To the extent that changes have been made, the institution's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income geographies or to low- and moderate-income individuals. Industrial expanded its branch network into New York County, New York, through the acquisition of a branch in the District of Harlem from CNB in 2019. The branch is located in a moderate-income census tract. Additionally, the branch is contiguous to two additional moderate-income census tracts and a low-income census tract. Through the acquisition of CNB and its branches, Industrial continues to serve, and provides branch access to, former CNB customers and individuals living in the area. The bank did not close any branches during the evaluation period.

Reasonableness of Business Hours and Services

Services and business hours do not vary in a way that inconveniences portions of the assessment area, including low- and moderate-income geographies or individuals. The days and hours of operation of the bank's branch are comparable to those of other banks operating within the assessment area. Service hours, loan and deposit products, and services are consistent with those discussed at the Multi-State MSA 35620 rated area level.

Community Development Services

The institution provides a limited level of community development services in this assessment area. During the evaluation period, the bank provided one instance of community development service in the New York County, New York assessment area. The bank President presented at an economic summit hosted by an organization with a primary mission of ensuring equal opportunities and economic equity for minority- and women-owned businesses.

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
    i. The proportion of the bank's lending in the bank's assessment area(s);
    ii. The dispersion of lending in the bank's assessment areas(s); and
    iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
    i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
    ii. Small business and small farm loans to businesses and farms with gross annual revenues of $1 million or less;
    iii. Small business and small farm loans by loan amount at origination; and
    iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

1) The dollar amount of qualified investments;
2) The innovativeness or complexity of qualified investments;
3) The responsiveness of qualified investments to available opportunities; and
4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.,* RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:

1) The extent to which the bank provides community development services; and
2) The innovativeness and responsiveness of community development services.

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Investment Test	Service Test	Rating
Multi-State MSA 47900	High Satisfactory	Outstanding	Outstanding	Outstanding
Multi-State MSA 35620	Low Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

(1) Support affordable housing for low- and moderate-income individuals;
(2) Target community services toward low- and moderate-income individuals;
(3) Promote economic development by financing small businesses or farms; or
(4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

(1) Has as its primary purpose community development; and

(2) Except in the case of a wholesale or limited purpose bank:

(i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and

(ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

(1) Has as its primary purpose community development;

(2) Is related to the provision of financial services; and

(3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

(1) An unemployment rate of at least 1.5 times the national average;
(2) A poverty rate of 20 percent or more; or
(3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

Appendix 20

Home Logout

Welcome, Gregory Ellis

Select fiscal year:

2023

Department of Insurance, Securities, and Banking

Fiscal Year: 2023

Budget Code: SR0

SBE Goal: $1,857,770.82

SBE Spend: $2,142,264.85

SBE Goal Completion: 115.31%

Manage Budget

Manage Expenditures

Manage Contracts

End of Year Narrative

Manage Agency Contacts

NEED HELP? MY CASES

Contact DES Support

Submit a Case









rict News

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wide News (http://newsroom.dc.gov/)
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scribe to Receive Emails
os://service.govdelivery.com/service/user.html?code=DCWASH)
scribe to Text Alerts (https://textalert.ema.dc.gov/index.php?
ieck=1)
scribe to Newsletters
os://public.govdelivery.com/accounts/DCWASH/subscriber/new?)

District Initiatives

Green DC (http://green.dc.gov/)
Grade DC (http://grade.dc.gov/)
Age-Friendly DC (http://agefriendly.dc.gov/)
Sustainable DC (http://sustainable.dc.gov/)
Connect DC (http://connect.dc.gov/)
Great Streets (http://greatstreets.dc.gov/)

About DC

Open DC (http://ogag.dc.gov/)
Budget (http://cfo.dc.gov/budget)
Emancipation (http://emancipation.dc.gov/)
Consumer Protection (http://consumer.dc.gov/)
Contracts (http://dc.gov/contracts)
Property Quest (http://propertyquest.dc.gov/)

Contact Us

Agency Directory (http://directory.dc.go
Call 311 (http://311.dc.gov/)
Contact the Mayor (http://app.dc.gov/apps/about.asp?page=atd&type=dsf&referrer=[DSF_SERVER_NAME]&agency_id=1(
Contact Agency Directors (https://dslbd.dc.gov/page/contact-agen directors)
FOIA Requests (http://foia.dc.gov/)
Report Website Problems (http://dcforms.dc.gov/webform/probler dc-government-website)

Appendix 21



DEPARTMENT OF INSURANCE, SECURITIES AND BANKING

FY 2024 PERFORMANCE ACCOUNTABILITY REPORT

JANUARY 6, 2025

GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

CONTENTS

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3	2024 Objectives	5
4	2024 Operations	6
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1 DEPARTMENT OF INSURANCE, SECURITIES AND BANKING

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

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

2 2024 ACCOMPLISHMENTS

Accomplishment	Impact on Agency	Impact on Residents
DISB completed its study of the private passenger automobile insurance market in DC to determine if insurers are engaging in unintentional bias in the development and the sale of private passenger automobile insurance.	The study of unintentional bias in private passenger auto insurance rates is the first of its kind in the US. Several insurance departments across the country have contacted DISB to learn more about our study and its findings.	DISB reviewed the data received from all insurers that offer private passenger auto insurance in DC and found that African American and Hispanic DC residents paid more for automobile insurance than white and Asian drivers. Additional work will have to be performed to understand the reasons for the differences in rates by race before corrective action can be taken.
DISB's DC BizCap program has provided $20.5 million to 43 businesses across all eight Wards.	DISB's BizCap program contributed to Mayor Bowser's comeback plan by providing much needed capital to minority and women owned businesses located in the District.	DISB's support has been used to help businesses access more than $52 million in private capital and enabled them to create or retain more than 2,100 District-based jobs.
In FY 2024 DISB's Office of the Student Loan Ombudsman assisted 85 student loan borrowers with student loan debt complaints. These efforts resulted in the elimination of more than $6.2 million in student loan debt burdening District residents and District government employees. In addition, DISB's efforts led to more than $1.6 million of Public Service Loan Forgiveness.	The work of DISB's Office of the Student Loan Ombudsman is a part of DISB's mission to assist District residents in their efforts to build generational wealth.	DISB helped District residents erase millions of dollars in student loan debt. These debt relief efforts will help residents purchase a home, save for retirement or pay for their children's education.

3 2024 OBJECTIVES

Strategic Objective
Provide high quality and efficient consumer protection services to District residents and businesses.
Establish the District as a premier destination for financial services firms to increase the number of financial services industry jobs available for District residents, and to generate additional revenue for the District.
Provide high quality services to financially empower residents and create pathways to the middle class.
Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs.
Create and maintain a highly efficient, transparent, and responsive District government.

4 2024 OPERATIONS

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

5 2024 STRATEGIC INITIATIVES

In FY 2023, Department of Insurance, Securities and Banking had 13 Strategic Initiatives and completed 100%.

Title	Description	Update
Student Loan Ombudsman (SLO) Curriculum	The Banking Bureau will develop a comprehensive road map and guidance surrounding the Student Loan Ombudsman (SLO) curriculum. The curriculum will address the needs of high school students through college matriculation, graduation, and student loan repayment. The SLO webpage navigation will also be updated.	Completed to date: Complete The Student Loan Ombudsman curriculum is complete and all five modules have been added to the DISB's webpage.
Estate Planning/Foreclosure Prevention Services	The Banking Bureau will conduct outreach to seniors regarding the importance of estate planning as part of the enhanced Foreclosure Prevention Services contract to provide additional free legal assistance to seniors for estate planning, reverse mortgage assistance, and expanded legal assistance. DISB will conduct a workshop series specifically addressing reverse mortgages, estate planning, and aging in place.	Completed to date: Complete The Banking bureau held one event in Q4 specifically targeted to seniors regarding reverse mortgages and estate planning. The event was held at the Hayes Senior Wellness Center. 10 residents attended.
Banking Code Modernization	The Department will complete modernization of the District of Columbia's Banking Code and Regulations. The Department is charged with overseeing and regulating depository, non-depository, and money services businesses (MSB's) entities and creating an environment that cultivates continued growth in this sector. Modernization will revise the District's banking laws and rulemakings, making the District a more attractive jurisdiction for the chartering of banks, international representative offices, and other financial companies (ex: Fintech) while providing appropriate levels of consumer protection.	Completed to date: Complete The Banking Code Modernization Project has draft legislation and regulations that are various stages of review by the Department's Office of General Counsel. The Department has decided to move forward with the Money Transmitter Model Act (MTMA) and the Senior Safe Act as the first part of legislation for approval. Both have been reviewed internally and will be moved forward once the internal reviews are completed.

Expand the Financially Fit DC Program	The Office of Financial Empowerment and Education (OFEE) will expand the Financially Fit DC Program with a workshop series for residents including: The Fundamentals of Credit, Credit Scoring Models, and Credit Repair. The series will be tailored to the needs of a diverse community through user-friendly website resources, educational materials, and outreach.	Completed to date: Complete The OFEE team met this goal. Produced multiple workshops that covered credit. In quarter 4, there were 6 workshops on credit as webinars. The sessions included: Credit Scores July 23, Credit Workshop on Aug 6, Credit Sense Aug 29,30, and Controlling Debt Sept 26 &27. All sessions were held via Financially Fit DC outreach. All sessions were recorded and are available via Financially Fit DC.
Establish The Fundamentals of Banking Initiative	The Bank on DC Program will establish The Fundamentals of Banking initiative to meet the needs of underbanked populations. The initiative will emphasize check systems and their impact on establishing and maintaining traditional banking services.	Completed to date: Complete The OFEE team continues to engage with residents and community based organizations to provide banking access to unbanked and underbanked populations. This quarter, the program produced a series of workshops, such as Virtual Financial Literacy Hour, a 6- week series with the MBSYEP program to move the youth participants to manage bank accounts. Additionally, Bank on DC partnered with Department of Human Services to hold two (Aug 27 and Sept 9/20) banking fairs for returning citizens that provide bank accounts and financial education.
Proactive Monitoring of Cryptocurrency to Detect Scams	The Enforcement and Consumer Protection Division (ECPD) will undertake regular proactive monitoring and quarterly onsite inspections of the District's cryptocurrency ATMs, also known as BTMs, to detect scams and violations of the District's regulatory and criminal laws, particularly money transmission licensing requirements. ECPD will collaborate with federal, state and local regulatory and criminal law enforcement authorities in the investigation and prosecution of BTM fraud, as well as other crimes perpetrated using the District's BTMs.	Completed to date: Complete ECPD initiated seven BTM investigations. The subject matter was unregistered money transmitter violations, as well as potential companywide scams. As a result, known unregistered BTM companies have stopped operating in DC. One company has been referred to Banking and OGC for consideration of enforcement actions
Design and Implement a Standardized Reporting Template	The Compliance and Analysis Division (CAD) will design and implement a standardized reporting template that can be used to capture information related to licensing, consumer complaints, investigations, financial empowerment, and administration. CAD will collaborate with IT to explore technology solutions and maximize MS Office tools.	Completed to date: Complete Not an initiative. As indicated in 2Q 2024 this is no longer an initiative that CAD is pursuing.

DC REACh to Produce a Final Report Providing Recommendations to Close the Wealth Gap for District Residents	The DC REACh initiative, developed in partnership with DISB and the Office of the Comptroller of Currency, will produce a final report on recommendations to close the wealth gap for District residents. The recommendations will provide education and resources surrounding affordable home ownership, credit counseling and repair, and small businesses growth and access to capital for small and disadvantaged businesses.	Completed to date: Complete In Q2 we developed and published our annual report which includes the progress made to date and the focus of the individual workstreams moving forward. The report should was posted on our website in March. The three workstreams (Small Business, Credit, and Affordable Homeownership) have all identified their top 5 barriers, and put forth recommendations for products, policy, and program enhancements and development. The report also captured progress made to date and short and long-term goals for the individual workstreams. In partnership with the OCC and workstream members the initiative will continue in FY24 with additional reporting.
Low Income Housing Tax Credit	The District implemented a new Low Income Housing Tax Credit program. The initial cohort of eligible properties are about to access their credits. The Insurance Bureau will revise the premium tax forms to incorporate a process to apply the credits, and coordinate efforts with the Office of Tax and Revenue to address credits transferred between insurers and non-insurers.	Completed to date: Complete We are able to process the tax credits. OTR is working with the insurers claiming credits to make sure everything is reconciled.
Investor Education and Protection	The Securities Bureau will further its efforts to scale the Investor Education and Protection Program by hiring a Coordinator who will develop securities-specific community outreach initiatives. Investor education outreach efforts will include the development of user-friendly websites, educational materials, and a variety of programs.	Completed to date: Complete Securities staff worked with other units to staff and facilitate three events: National Night Out; Reality Fair at Jackson Reed Financial Academy; Senior and The Investor Basics Workshop for the Martha's Table Strong Families, Strong Futures program. Securities DEI Committee members helped develop materials for the Martha Table's program. Securities DEI Committee members assisted Comms in identifying several new social media posts related to investments and scams derived from SAA investor education resources and updating previous alerts for new social media postings.

Design and Launch a Comprehensive Marketing Initiative	DISB will retain a consulting firm to assist the Office of Innovation (OOI) in designing and launching a comprehensive marketing initiative that includes the development of strategies and stakeholder engagement campaigns that are aligned with the OOI Plan of Operation. OOI will ensure that its marketing strategies and campaigns further the Department's goal of establishing the District as an emerging financial hub for financial technology firms, while ensuring that OOI's activities are aligned with the Department's overall regulatory initiatives and programs.	Completed to date: Complete DISB retained PBJ Marketing to conduct market research and prepare a marketing plan for the Office of Innovation. PBJ provided DISB with extensive research and a comprehensive marketing plan that DISB will will use to increase the number of FinTechs, RegTechs and InsureTechs operating in DC.
DC Flood Task Force	As part of the DC Flood Task Force, the Department developed an initiative to conduct outreach to District residents about water damage and the need for flood insurance. DISB will develop and implement its own outreach plan and metrics to measure its success.	Completed to date: Complete DISB presented Flood Awareness/Mitigation presentation in coordination with MOWPI. Also, tabled an additional event at a sorority focused forum to distribute flood related (and other financial resiliency) educational material.
Captive Insurance Code and Regulations Modernization	The Risk Finance Bureau will review the District's captive insurance code and regulations and modernize them to ensure that the Department's captive insurance program is able to accommodate the needs of the captive insurance industry. The code modernization project will focus on licensing, business plan changes, capital requirements, financial analysis, and corporate structures. Having modern law and regulations will ensure that the Risk Finance Bureau is able to meet the needs of companies and organizations that form captive insurers in the District.	Completed to date: Complete RFB Initiative is complete. RFB completed proposed revisions to the captive law and sent the revisions to DISB OGC for drafting on 7-23-2024. OGC sent the draft legislation to RFB on 7-25-2024 and on 8-5-2024 RFB completed a review of the draft.

6 2024 KEY PERFORMANCE INDICATORS AND WORKLOAD MEASURES

Key Performance Indicators

Measure	Directionality	FY 2022	FY 2023	FY 2024 Q1	FY 2024 Q2	FY 2024 Q3	FY 2024 Q4	FY 2024	FY 2024 Target	Was 2024 KPI Met?
Provide high quality and efficient consumer protection services to District residents and businesses.										
Percent of insurance, securities and banking complaints closed within 45 days of receipt	Up is Better	103.20%	99.60%	86.90%	90.30%	99.20%	98.20%	94%	95%	Nearly Met
Number of cyber fraud enforcement investigations initiated	Up is Better	New in 2022	New in 2022	13	17	13	28	71	40	Met
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.										
Number of District laws, regulations and policies reviewed for possible modernization	Up is Better	12	17	1	3	3	4	11	3	Met
Provide high quality services to financially empower residents and create pathways to the middle class.										
Percent increase in number of Financially Fit DC events	Up is Better	6.60%	62.70%	Annual Measure	Annual Measure	Annual Measure	Annual Measure	0%	0%	Met
Number of outreach events to provide consumer financial education on student loans	Up is Better	New in 2024	New in 2024	11	6	16	8	41	30	Met
Number of outreach events to provide consumer financial education on mortgage foreclosure and prevention	Up is Better	New in 2024	New in 2024	13	15	17	12	57	50	Met
Number of outreach events to provide financial education on consumer protection strategies	Up is Better	New in 2024	New in 2024	8	5	20	150	183	16	Met
Provide valuable assistance and support to District based small businesses and entrepreneurs that will create or retain jobs.										
Percent of State Small Business Credit Initiative applications processed within 30 days of receipt	Up is Better	100%	100%	100%	100%	100%	100%	100%	100%	Met
Number of outreach events for small businesses, financial institutions, or business organizations	Up is Better	52	46	4	9	17	6	36	30	Met

Workload Measures

Measure	FY 20222	FY 2023	FY 2024 Q1	FY 2024 Q2	FY 2024 Q3	FY 2024 Q4	FY 2024
Complaint Activity							
Number of complaints received within the quarter	Not Available	793	206	245	277	265	993
Number of complaints resolved within the quarter	Not Available	709	179	278	256	284	997
Number of residents who receive in-person fraud abuse prevention, financial literacy training and/or consumer protection information	11,284	19,710	1,426	4,372	3,057	3,865	12,720
Exams							
Number of examinations of non-depository financial institutions, domestic insurance companies, and investment firms completed during the fiscal year	160	172	34	31	50	91	206
Market and Internet surveillance							
Number of fraud alerts issued	24	21	3	5	2	7	17
Legislative and Regulatory Review							
Number of laws, regulations and policies reviewed	12	17	1	3	3	4	11
Bank on DC							
Number of new bank accounts opened	375	1,616	142	348	46	0	536
Number Financially Fit DC events held	161	288	52	61	83	20	216
DC BizCap							
Number of outreach events for small businesses, financial institutions, or business organizations, including small business assistance clinics	52	46	4	77	26	6	113

Appendix 22

Department of Insurance, Securities and Banking (SR0)

List of Employees with Salaries over $100,000

Name	Position Number	Title	Program	Program Description	Cost Center	Vacant Status	Pay Plan	Grade	Step	FTEs	Annual Salary	Fringe Benefits	Overtime Paid	Bonus
Sheppard,Dana G	00012977	Deputy Commissioner for Market	100151	EXECUTIVE ADMINISTRATION	30184	F	DS0086	16	0	1	197,344.35	43,415.76		
Barlow,Philip A	00036295	Associate Commissioner For Ins	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0086	16	0	1	191,299.33	42,085.85		
Woods,Karima M.	00039088	Commissioner Ins Sec&Banking	100151	EXECUTIVE ADMINISTRATION	30184	F	DX0000	E5	0	1	188,944.72	41,567.84		
O'Donnell,Patrick S.	00036539	Director of Risk Finance	300157	FINANCIAL ANALYSIS	30191	F	DS0086	16	0	1	187,839.00	41,324.58		
Bressman,Brian	00075430	DIR OF FRAUD	300143	INVESTIGATION	30173	F	DS0086	16	0	1	177,990.33	39,157.87		
Edmonds,Philip	00075393	Director Compliance Analysis	300139	CONSUMER SERVICES	30169	F	DS0086	15	0	1	177,839.33	39,124.65		
Zeidan,Tamara	00109369	Director of the Office of Inno	300196	OUTREACH	30235	F	DS0086	15	0	1	177,839.00	39,124.58		
Blackstone,Liliah R	00041789	Deputy General Counsel	100092	LEGAL SERVICES - GENERAL	30185	F	LX0001	1	0	1	176,098.31	38,741.63		
Shipp,Sharon	00046078	Dep Commiss. for Market Compl.	300141	MARKET RESEARCH & ANALYSIS	30171	F	XS0001	10	0	1	172,210.16	37,886.24		
Vaidyanathan,Shankar	00027840	Chief Information Officer	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	F	DS0086	15	0	1	164,415.09	36,171.32		
Belay,Dereje	00012491	Agency Fiscal Officer	150017	AGENCY/CLUSTER SHARED SERVICES	10003	F	DS0007	15	5	1	162,261.00	35,697.42		
Swift,Arthur P	00073628	Chief Communications Officer	100157	PUBLIC AFFAIRS	30186	F	DS0086	15	0	1	162,048.81	35,650.74		
Fuller,Samuel V	00034846	Associate Commiss. for Banking	300133	BANKING LICENSING	30163	F	DS0086	16	0	1	158,320.11	34,830.42		
Christhilf,David	00085202	ACTUARY	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	14	10	1	157,829.00	34,722.38		
Purdie,Katrice Diana	00034872	Chief of Policy and Administra	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	F	DS0086	16	0	1	155,053.02	34,111.66		
Bouchard,Stephen	00015183	Associate Commissioner of Secu	300161	CORPORATE FINANCE	30196	F	DS0086	16	0	1	155,053.00	34,111.66		
Mcmanus,James M.	00008873	ASST DIR	300161	CORPORATE FINANCE	30196	F	DS0086	15	0	1	153,319.42	33,730.27		
Brown,Nathaniel Kevin	00009191	Supvy Ins Oper Exam (Auditing)	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0086	14	0	1	151,060.23	33,233.25		
Turner,Kimberly A	00041786	Attorney Advisor	100092	LEGAL SERVICES - GENERAL	30185	F	LA0001	14	6	1	150,262.00	33,057.64		
Turner,Dolly	00041792	Chief of Staff	100151	EXECUTIVE ADMINISTRATION	30184	F	DS0086	15	0	1	150,060.00	33,013.20		
Adu,George	00109976	Securities Financial Examiner	300163	SECURITIES MARKET EXAMINATION	30197	F	DS0077	14	8	1	149,979.00	32,995.38		
Afolabi,Christine	00085212	Financial Examiner & Analyst	300160	RISK FINANCE-MARKET EXAMINATION	30192	F	DS0077	14	8	1	149,979.00	32,995.38		
Bunyasrie,Surayuth	00036363	FINANCIAL EXAMINER OFFICER	300160	RISK FINANCE-MARKET EXAMINATION	30192	F	DS0077	14	8	1	149,979.00	32,995.38		
Rouse,Brian A	00075387	Lead Bank Licensing Specialist	300133	BANKING LICENSING	30163	F	DS0077	14	8	1	149,979.00	32,995.38		
Belen,Carmen	00035565	Senior Insurance Examiner	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	14	8	1	149,979.00	32,995.38		
Fenwick,Aaron R	00075396	DC BizCap Program Manager	300135	BANKING MARKET OPERATION	30168	F	DS0086	14	0	1	148,753.00	32,725.66		
Davis,Rebecca	00046076	Financial Examiner & Analyst	300160	RISK FINANCE-MARKET EXAMINATION	30192	F	DS0077	14	7	1	146,054.00	32,131.88		
Merlo,Samuel A	00075076	Financial Examiner & Analyst	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	14	7	1	146,054.00	32,131.88		
Negash,Yohaness	00036236	Financial Examiner	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	14	7	1	146,054.00	32,131.88		
O'Brien,David Peter	00041787	Attorney Advisor	100092	LEGAL SERVICES - GENERAL	30185	F	LA0002	14	5	1	146,012.00	32,122.64		
Lele,Pratima	00075431	Market Compliance Examinations	300141	MARKET RESEARCH & ANALYSIS	30171	F	DS0086	14	0	1	143,000.00	31,460.00		
Ellis,Gregory	00025123	Administrative Services Progra	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	F	DS0086	14	0	1	142,701.15	31,394.25		
Anderson II,Lloyd J	00035768	Information Technology Special	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	F	DS0077	14	6	1	142,129.00	31,268.38		
King,Angela Jenice	00036494	Property and Casualty Policy A	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	14	6	1	142,129.00	31,268.38	614.97	
Barakat,Omar	00041788	Attorney Advisor	100092	LEGAL SERVICES - GENERAL	30185	F	LA0002	14	4	1	141,715.00	31,177.30		
Davis,Christopher	00075374	Attorney Advisor (Finance)	100092	LEGAL SERVICES - GENERAL	30185	F	LA0002	14	4	1	141,715.00	31,177.30		
Arnold,Ben	00074667	Foreclosure Prevention & Media	300135	BANKING MARKET OPERATION	30168	F	DS0087	14	10	1	141,707.00	31,175.54		14,170.00
Ozer,Ayca	00075391	Supervisory Market Examination	300161	CORPORATE FINANCE	30196	F	DS0086	15	0	1	139,733.00	30,741.26		
Liebers,Howard M	00004205	SUPV INSURANCE EXAM GEN	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0086	14	0	1	138,028.50	30,366.27		
Drehoff,Paul	00036294	Public Information Officer	100157	PUBLIC AFFAIRS	30186	F	DS0086	14	0	1	134,899.00	29,677.78		1,414.95
Bakker,Sara A	00077717	Attorney Advisor	100092	LEGAL SERVICES - GENERAL	30185	F	LA0002	13	8	1	134,464.00	29,582.08		
Vanhorne,Lashawn M	00043252	Accounts Payable Supervisor	150002	AGENCY ACCOUNTING SERVICES	10002	F	DS0007	13	10	1	133,559.00	29,382.98		
Bryant,Tanya D	00003290	Public Affairs Specialist	100157	PUBLIC AFFAIRS	30186	F	DS0077	13	10	1	133,558.00	29,382.76		
Dyson,Monica L	00003501	ACTUARY	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	13	10	1	133,558.00	29,382.76		
Johnson,Colin B	00015197	INSURANCE EXAMINER	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	13	10	1	133,558.00	29,382.76		
Mathis,Michelle D.	00075544	Operations Manager	100092	LEGAL SERVICES - GENERAL	30185	F	DS0077	13	10	1	133,558.00	29,382.76		
Shirley,Darniece L	00073451	ACTUARY	300151	HEALTH ACTUARIAL	30177	F	DS0077	13	10	1	133,558.00	29,382.76		
Tengen,Juliana N	00034870	Investigator Fraud	300143	INVESTIGATION	30173	F	DS0077	13	10	1	133,558.00	29,382.76		
Hammonds,Michelle	00037577	Program Manager (Financial Emp	300146	FINANCIAL EMPOWERMENT	30181	F	DS0086	14	0	1	132,255.18	29,096.14		
Ross,Michael	00013699	Assistant Dir for Enforcement	300143	INVESTIGATION	30173	F	DS0086	15	0	1	132,255.18	29,096.14		
Nkojo,Robert I	00008351	ACTUARY MGR	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0086	14	0	1	131,475.71	28,924.66		
Bright,Eva M	00075386	Senior Bank Examiner	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	13	9	1	130,235.00	28,651.70		
Irwin,Trey	00075551	Supervisory Bank Examiner	300134	BANKING MARKET EXAMINATION	30164	F	DS0086	15	0	1	127,028.82	27,946.34		
Guishard,Michael	00015485	Information Technology Special	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	F	DS0077	13	8	1	126,912.00	27,920.64		
Flick,Stephen	00005439	ACTUARY	300151	HEALTH ACTUARIAL	30177	F	DS0077	13	8	1	126,912.00	27,920.64		
Beza,Tegbar D	00001761	Budget Officer	150003	AGENCY BUDGETING AND FINANCIAL MANAGEMENT S	10001	F	DS0007	14	2	1	126,428.00	27,814.16		
Wade,Cheryl R	00075599	Market Conduct Data Analyst	300141	MARKET RESEARCH & ANALYSIS	30171	F	DS0077	13	7	1	123,589.00	27,189.58		
Cole,Miriam A	00075388	Senior Bank Examiner	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	13	7	1	123,589.00	27,189.58		
Johnson-Parker,Sheila A	00009105	Insurance Licensing Spec Mgr	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0086	14	0	1	120,441.17	26,497.06		

Name	Position Number	Title	Program	Program Description	Cost Center	Vacant Status	Pay Plan	Grade	Step	FTEs	Annual Salary	Fringe Benefits	Overtime Paid	Bonus
Andrew,Anu	00038470	FINANCIAL EXAMINER (CAPTIVE)	300160	RISK FINANCE-MARKET EXAMINATION	30192	F	DS0077	13	6	1	120,266.00	26,458.52		
Davis,Dionne	00085204	Senior Bank Examiner	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	13	6	1	120,266.00	26,458.52		
Davis,LaTasha	00078117	FINANCIAL EXAMINER INS	300141	MARKET RESEARCH & ANALYSIS	30171	F	DS0077	13	6	1	120,266.00	26,458.52		
Smith,Leonard	00046081	Senior Bank Examiner	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	13	6	1	120,266.00	26,458.52		
Wagner,Peggy A.	00034865	Senior Bank Examiner	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	13	6	1	120,266.00	26,458.52		
Collins,Thedford L	00017095	Special Assistant	100151	EXECUTIVE ADMINISTRATION	30184	F	DS0087	13	10	1	119,916.00	26,381.52		
Martin,Lucinda D	00000483	Assistant Director for Securit	300162	SECURITIES LICENSING	30195	F	DS0086	14	0	1	118,711.40	26,116.51		
Tasissa,Sudi	00043792	Consumer Protection Advocate	300141	MARKET RESEARCH & ANALYSIS	30171	F	DS0087	14	3	1	117,045.00	25,749.90		
Cooper,Lakishia	00109063	Securities Licensing Specialis	300162	SECURITIES LICENSING	30195	F	DS0077	13	5	1	116,943.00	25,727.46		
Sassa,Makondi Claudine	00075376	Paralegal Specialist	100092	LEGAL SERVICES - GENERAL	30185	F	DS0077	13	5	1	116,943.00	25,727.46		
Wade,Alicia M	00034803	EXECUTIVE ASST	100151	EXECUTIVE ADMINISTRATION	30184	F	DS0087	13	9	1	116,933.00	25,725.26		
Dickens,Marionnetta	00010013	INSURANCE OPERATIONS SPEC	300139	CONSUMER SERVICES	30169	F	DS0077	12	10	1	115,104.00	25,322.88		
Farquharson-Reid,Angela	00075373	BANK EXAMINER	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	12	10	1	115,104.00	25,322.88		
Jordan-Robinson,Lucynthia D	00022192	INSURANCE LICENSE SPEC	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	12	10	1	115,104.00	25,322.88		
Loproto,Robert B	00020539	FRAUD INVEST	300143	INVESTIGATION	30173	F	DS0077	12	10	1	115,104.00	25,322.88		
Moore,David	00075087	Consumer Services Specialist	300139	CONSUMER SERVICES	30169	F	DS0077	12	10	1	115,104.00	25,322.88		
Slade,Arthur F	00022086	INSURANCE OPERATIONS SPEC	300139	CONSUMER SERVICES	30169	F	DS0077	12	10	1	115,104.00	25,322.88		
Guishard,Angela	00018144	Student Loan Examiner	300135	BANKING MARKET OPERATION	30168	F	DS0077	12	10	1	115,104.00	25,322.88	498.05	
Branham,Valencia M	00022530	Accounts Payable Specialis	150002	AGENCY ACCOUNTING SERVICES	10002	F	DS0007	12	10	1	115,093.00	25,320.46		
Turner,Randal	00034868	Supervisory Banking Examiner	300133	BANKING LICENSING	30163	F	DS0086	14	0	1	114,441.25	25,177.08		
Walton,Brittany	00037714	Licensing Manager	300133	BANKING LICENSING	30163	F	DS0086	14	0	1	114,441.00	25,177.02		
Rhodes,Jeysha R.	00038798	Manager Consumer Services	300141	MARKET RESEARCH & ANALYSIS	30171	F	DS0086	14	0	1	114,441.00	25,177.02		
Clifton,Aaron	00085205	Senior Bank Examiner	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	13	4	1	113,620.00	24,996.40		
West,Nicole	00085506	Policy Advisor	100151	EXECUTIVE ADMINISTRATION	30184	F	DS0087	14	2	1	113,522.00	24,974.84		
Hicks,Willie C	00017344	INSURANCE LICENSE SPEC	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	12	9	1	112,310.00	24,708.20		
Pendleton,Mark A	00003370	FRAUD INVEST	300142	ENFORCEMENT	30172	F	DS0077	12	9	1	112,310.00	24,708.20		
Herrera,Claudia L.	00109068	Outreach Program Specialist	300195	MARKET ANALYSIS	30235	F	DS0077	12	9	1	112,310.00	24,708.20	121.49	
Benson,RaShaunda	00026346	INSURANCE EXAMINER	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	13	3	1	110,297.00	24,265.34		
Hicks,Jazman	00034863	Program Analyst	300146	FINANCIAL EMPOWERMENT	30181	F	DS0077	13	3	1	110,297.00	24,265.34		
Vaughn-Cooke,Faye Elizabeth	00085203	Securities Financial Examiner	300163	SECURITIES MARKET EXAMINATION	30197	F	DS0077	13	3	1	110,297.00	24,265.34		
Claros-Plater,Victoria	00031831	Financial Examiner	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	13	3	1	110,297.00	24,265.34		
Richardson,Bijan N	00082359	Insurance Fraud Investigator	300151	HEALTH ACTUARIAL	30177	F	DS0077	12	8	1	109516	24,093.52		
Glass,Kendra	00035828	Management Analyst	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	F	DS0077	13	2	1	106,974.00	23,534.28		
MABRY,KAMARIA S	00105600	Program Analyst	300146	FINANCIAL EMPOWERMENT	30181	F	DS0077	13	2	1	106,974.00	23,534.28		
Alexander,Laura	00011195	FINANCIAL EXAMINER INS	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	13	2	1	106,974.00	23,534.28		
BHATTI,MOBIN	00012196	FINANCIAL EXAMINER INS	300152	INSURANCE FINANCIAL EXAMINATION	30180	F	DS0077	13	2	1	106,974.00	23,534.28		
Fuller,Ell Maurice	00038485	FINANCIAL EXAMINER INS	300160	RISK FINANCE-MARKET EXAMINATION	30192	F	DS0077	13	2	1	106,974.00	23,534.28		
Saxton,Shanta	00031812	FRAUD INVEST	300143	INVESTIGATION	30173	F	DS0077	12	7	1	106,722.00	23,478.84	599.58	
Williams,Shahidah	00105603	Program Manager	300146	FINANCIAL EMPOWERMENT	30181	F	DS0086	13	0	1	105,023.24	23,105.11		
Joseph,Lester C.	00075389	BANK EXAMINER	300134	BANKING MARKET EXAMINATION	30164	F	DS0077	12	6	1	103,928.00	22,864.16		
Nurov,Maxim	00109069	Business Analyst	300196	OUTREACH	30235	F	DS0077	12	6	1	103,928.00	22,864.16		
Nikoi,Gail	00039603	Secur Finan Exam (Rpt & Discl)	300161	CORPORATE FINANCE	30196	F	DS0077	13	1	1	103,651.00	22,803.22		
Chibessa,Hawi A	00073453	INSURANCE EXAMINER	300151	HEALTH ACTUARIAL	30177	F	DS0077	13	1	1	103,651.00	22,803.22		
Umoete,Faith	00037779	Securities Financial Examiner	300162	SECURITIES LICENSING	30195	F	DS0077	13	1	1	103,651.00	22,803.22		
Lindell,Jennifer	00041791	Public Affairs Specialist	100157	PUBLIC AFFAIRS	30186	F	DS0077	13	1	1	103,651.00	22,803.22		
Dortch-Jones,Eric J.	00106058	Financial Programs Analyst	300146	FINANCIAL EMPOWERMENT	30181	F	DS0077	13	1	1	103,651.00	22,803.22		
Mccargo,Andrea Nicole	00001945	Program Manager	300135	BANKING MARKET OPERATION	30168	F	DS0086	13	0	1	102,027.20	22,445.98	1,112.70	
Little,Paige	00085206	Hearing Examiner	300143	INVESTIGATION	30173	F	DS0087	13	4	1	102,018.00	22,443.96		
Brown,Cameron	00015980	Insurance Operations Specialis	300139	CONSUMER SERVICES	30169	F	DS0077	12	5	1	101,134.00	22,249.48		
Savoy,Jasmine	00085528	Community Outreach Specialist	300146	FINANCIAL EMPOWERMENT	30181	F	DS0077	12	5	1	101,134.00	22,249.48		

Appendix 23

Appendix - Top 25 Overtime Earners

Department of Insurance, Securities and Banking (SR0)
Fiscal Year 2024 and 2025: Top 25 Overtime Earners

Fiscal Year	Employee Name	Position Title	Position No.	Program Code	Program Description	Cost Center	Salary	Fringe Benefits	Overtime Paid
2024	Chen,Qinghao	Insurance Analyst	00109036	300152	INSURANCE FINANCIAL EXAMINATION	30180	77,299.00	17,005.78	3,408.34
	Rendel,Rebecca	Program Support Specialist	00105601	300146	CITY FOR FINANCIAL EMPOWERMENT	30181	54,183.00	11,920.26	1,224.34
	Mccargo,Andrea Nicole	Program Manager	00001945	300135	BANKING MARKET OPERATION	30168	102,027.20	22,445.98	1,112.70
	Duckett,Alfonzo	SUPPORT SERVICES SPECIALIST	00024853	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	84,517.00	18,593.74	654.36
	King,Angela Jenice	Property and Casualty Policy A	00036494	300152	INSURANCE FINANCIAL EXAMINATION	30180	146,393.00	32,206.46	614.97
	Saxton,Shanta	FRAUD INVEST	00031812	300143	INVESTIGATION	30173	109,924.00	24,183.28	599.58
	Guishard,Angela	Student Loan Examiner	00018144	300135	BANKING MARKET OPERATION	30168	118,558.00	26,082.76	498.05
	Herrera,Claudia L.	Outreach Program Specialist	00109068	300195	MARKET ANALYSIS	30235	115,680.00	25,449.60	121.49
	Key,Roderica O	Program Analyst	00109044	300197	COMPLIANCE	30235	92,656.00	20,384.32	9.29
2024 Total							**901,237.20**	**198,272.18**	**8,243.12**
Fiscal Year	**Employee Name**	**Position Title**	**Position No.**	**Program Code**	**Program Description**	**Cost Center**	**Salary**	**Fringe Benefits**	**Overtime Paid**
2025	Belen,Carmen	Senior Insurance Examiner	00035565	300152	INSURANCE FINANCIAL EXAMINATION	30180	154,479.00	33,985.38	891.23
	Bunyasrie,Surayuth	FINANCIAL EXAMINER OFFICER	00036363	300160	RISK FINANCE-MARKET EXAMINATION	30192	154,479.00	33,985.38	891.23
	Chibessa,Hawi A	INSURANCE EXAMINER	00073453	300151	HEALTH ACTUARIAL	30177	106,763.00	23,487.86	846.92
	Davis,LaTasha	FINANCIAL EXAMINER INS	00078117	300141	MARKET RESEARCH & ANALYSIS	30171	123,873.00	27,252.06	774.21
	Lindell,Jennifer	Public Affairs Specialist	00041791	100157	PUBLIC AFFAIRS	30186	106,763.00	23,487.86	615.94
	Shettleworth,Cordelle	Program Analyst	00109037	300135	BANKING MARKET OPERATION	30168	92,656.00	20,384.32	534.55
	Chen,Qinghao	Insurance Analyst	00109036	300152	INSURANCE FINANCIAL EXAMINATION	30180	77,299.00	17,005.78	270.05
	Herrera,Claudia L.	Outreach Program Specialist	00109068	300195	MARKET ANALYSIS	30235	115,680.00	25,449.60	175.26
	Duckett,Alfonzo	SUPPORT SERVICES SPECIALIST	00024853	100071	INFORMATION TECHNOLOGY SERVICES - GENERAL	30187	84,517.00	18,593.74	128.05
	Mathis,Michelle D.	Operations Manager	00075544	100092	LEGAL SERVICES - GENERAL	30185	137,561.00	30,263.42	99.20
	Gibbs,Ebony I	Program Support Specialist	00075304	300146	CITY FOR FINANCIAL EMPOWERMENT	30181	64,144.00	14,111.68	97.18
2025 Total							**999,591.00**	**219,910.02**	**5,323.81**
Grand Total							**1,900,828.20**	**418,182.20**	**13,566.93**

Appendix 24

MASTER AGREEMENT

BETWEEN

**THE AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES,
DISTRICT COUNCIL 20,
AFL-CIO**

AND

**THE GOVERNMENT OF THE
DISTRICT OF COLUMBIA**

EFFECTIVE THROUGH SEPTEMBER 30, 2010

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PREAMBLE

The District of Columbia Comprehensive Merit Personnel Act (D.C. Law 2-139, Title I, Chapter 6, Subchapter 1, D.C. Official Code § 1-601.02) states that the Council of the District of Columbia declares that it is the purpose and policy of this act to assure that the District of Columbia Government shall have a modern flexible system of public personnel administration, which shall "provide for a positive policy of labor-management relations including collective bargaining between the District of Columbia and its employees . . . ."

The District of Columbia Comprehensive Merit Personnel Act (D.C. Law 2-139, Title 1, Chapter 6, Subchapter XVIII, (D.C. Official Code) Section 1-617.01) states [t]he District of Columbia Government finds and declares that an effective collective bargaining process is in the general public interest and will improve the morale of public employees and the quality of service to the public.

The District of Columbia Comprehensive Merit Personnel Act (D.C. Law 2-139, Title 1, Chapter 6, Subchapter XVIII, (D.C. Official Code) Section 1-617.01(b) provides for collective bargaining between the Mayor of the District of Columbia and labor organizations accorded exclusive recognition for employee representation for employees of the District of Columbia Government.

Pursuant to the District of Columbia Comprehensive Merit Personnel Act (D.C. Law 2-139, Title 1, Chapter 6, Subchapter XVIII, (D.C. Official Code) Section 1-617.10), various local unions or District Council 20 of the American Federation of State, County and Municipal Employees, AFL-CIO, (herein "AFSCME" or the "Union") have been certified and/or recognized as the exclusive collective bargaining agent for employees of the District of Columbia Government (hereinafter the "District" or the "Employer").

Accordingly, AFSCME and the District enter into this Agreement, which shall have as its purposes:

(1) Promotion of a positive policy of labor-management relations between the District of Columbia Government and its employees;

(2) Improvement of morale of employees in service to the District of Columbia Government;

(3) Enhancement of the quality of public service to the citizens of the District of Columbia;

(4) Creation of a government that works better; and

(5) Promotion of the rights of District of Columbia Government employees to express their views without fear of retaliation.

AFSCME and the District of Columbia Government declare that each party has been afforded the opportunity to put forth all its non-compensation proposals and to bargain in good faith. Both parties agree that this Agreement is the result of their collective bargaining and each party affirms its contents without reservation. This Preamble is intended to provide the background and purpose of the Collective Bargaining Agreement. Alleged violations of the Preamble per se will not be cited as contract violations.

ARTICLE 1
RECOGNITION

Section 1 – Recognition:

The District of Columbia Government (hereinafter referred to as the "District" or "Employer") hereby recognizes as the sole and exclusive representative for the purpose of collective bargaining, the American Federation of State, County and Municipal Employees, AFL-CIO, District of Columbia District Council 20, and its affiliated Local Unions (hereinafter referred to collectively as the "Union" or "AFSCME") for each of the bargaining units under the personnel authority of the Mayor for which AFSCME is the certified collective bargaining representative.

Section 2 - Bargaining Units Descriptions:

This Agreement may also include agencies with independent personnel authority if they have executed an addendum opting to be covered by the provisions herein.

Section 3 - Coverage:

AFSCME, the certified exclusive representative of all employees in the bargaining unit referenced above, shall be responsible for representing the interests of employees in the units without discrimination as to membership; provided, however, that an employee who does not pay dues or service fees may be required by the Union to pay reasonable costs for personal representation.

Section 4 – New Units:

Bargaining units of employees under the administrative jurisdiction of the Mayor of the District of Columbia certified during the term of this Agreement shall be covered by the provisions of this Agreement, if agreed to by the parties.

Section 5 – Unit Clarification(s):

The Union and the Employer shall file a Joint Petition with the Public Employee Relations Board (hereinafter referenced as PERB) to clarify and correct inaccuracies contained on the current unit certifications. Prior to filing of the joint petition, the Union and Employer shall confer on the revised unit descriptions.

ARTICLE 2
MANAGEMENT RIGHTS

Section 1 – Management Rights in Accordance with the Comprehensive Merit Personnel Act (CMPA):

(a) Management's rights shall be administered consistent with D.C. Official Code §1-617.08, 2001 edition as amended.

(b) All matters shall be deemed negotiable except those that are proscribed by this subchapter. Negotiations concerning compensation are authorized to the extent provided in Sections 1-617.16 and 1-617.17 (as amended).

Section 2 - Impact of the Exercise of Management Rights:

Management rights are not subject to negotiations; however, in the Employer's exercise of such rights, the Union may request the opportunity to bargain the impact and effects, where there has been an adverse impact upon employees regarding terms and conditions of employment.

ARTICLE 3
UNION RIGHTS AND SECURITY

Section 1 – Exclusive Agent:

The District shall not negotiate with any other employee organization or group with reference to terms and/or conditions of employment for employees represented by AFSCME. AFSCME shall have the right of unchallenged representation in its bargaining units for the duration of this Agreement in accordance with PERB Interim Rules, Section 502.9(b).

Section 2 – Meeting Space:

Upon request at least one day in advance, the Employer will provide meeting space as available for bargaining unit business. Except as provided elsewhere in this Agreement, meetings will be held on the non-work time of all employees attending the meetings. The Union will be responsible for maintaining decorum at meetings on the Employer's premises and for restoring the space to the same condition to which it existed prior to the meetings.

Section 3 – Access to Employees:

The Union shall have access to all new and rehired employees to explain Union membership, services and programs. Such access shall occur during either a formal orientation session or upon

such employees' reporting to their work site within thirty (30) calendar days of employees' appointment or reappointment.

Section 4 - Dues Checkoff:

The Employer agrees to deduct union dues bi-weekly from the pay of employee members upon proper authorization. The employee must complete and sign Form 277 to authorize the withholding. The amount to be deducted shall be certified to the Employer in writing by the appropriate official of District Council 20. It is the responsibility of the employee and the Union to bring errors or changes in status to the attention of the Employer. Corrections or changes will be made at the earliest opportunity after notification is received but in no case will changes be made retroactively. Union dues withholding authorization may be cancelled upon written notification to the Union and the Employer within the thirty (30) calendar day period prior to the anniversary date of this Agreement. When Union dues are cancelled, the Employer shall withhold a service fee in accordance with Section 5 of this Article.

Section 5 - Service Fees:

In keeping with the principle that employees who benefit by the Agreement should share in the cost of its administration, the Union shall require that employees who do not pay Union dues shall pay an amount (not to exceed Union dues) that represents the cost of negotiation and/or representation. Such deductions shall be allowed when the Union presents evidence that at least 51% of the employees in the unit are members of the Union.

Section 6 – Cost of Processing:

The Employer shall deduct $.05 per deduction (dues or service fee) per pay period from each employee who has dues or service fees deducted. This amount represents the fair value of the cost to the Employer for performing the administrative services and is payable to the Office of Labor Relations and Collective Bargaining.

Section 7 - Hold Harmless:

The Union shall indemnify, defend and hold the Employer harmless against any and all claims, demands and other forms of liability, which may arise from the operation of this Article. In any case in which a judgment is entered against the Employer as a result of the deduction of dues or other fees, the amount held to be improperly deducted from an employee's pay and actually transferred to the Union by the Employer, shall be returned to the Employer or conveyed by the Union to the employee(s), as appropriate.

ARTICLE 4
LABOR-MANAGEMENT MEETINGS

Section 1 – Labor-Management Partnerships:

Consistent with the principles of the D.C. Labor-Management Partnership Council, the parties agree to establish and support appropriate partnerships within the individual agencies covered by this Agreement. The purpose of such partnership will be to promote labor-management cooperation within a high-quality work environment designed to improve the quality of services delivered to the public.

Agency partnership should ordinarily be made up of equal numbers of high-level officials of labor and management who will meet regularly to consider such issues as they choose to discuss. Decisions by the partnership are by consensus only.

Section 2 – Labor-Management Contract Review Committee:

Appropriate high-level management and union representatives shall meet at least monthly, at either party's request, to discuss problems covering the implementation of this Agreement. The findings and recommendations of the Contract Review Committee will be referred to the Director for action. The Director or his/her designee shall respond in writing to any written finding and recommendation of the committee within a reasonable period.

ARTICLE 5
DISCRIMINATION

Section 1 – General Provisions:

The Employer agrees that it will not in any way discriminate against any employee because of his/her membership or affiliation in or with the Union or service in any capacity on behalf of the Union. Each employee of the District Government has the right, freely and without fear of penalty or reprisal:

(1) To form, join and assist a labor organization or to refrain from this activity;

(2) To engage in collective bargaining concerning terms and conditions of employment, as may be appropriate under this law and rules and regulations through a duly designated majority representative; and,

(3) To be protected in the exercise of these rights.

Neither party to this Agreement will discriminate against any employee with regard to race, color, religion, national origin, sex, age, martial status, personal appearance, sexual orientation, family responsibilities, matriculation, physical handicap, political affiliation, or as otherwise provided by law.

Section 2 – Equal Employment Practices:

The Employer agrees to vigorously continue the implementation of its Equal Employment opportunity Program as approved by the Director, D.C. Office of Human Rights. For the purpose of this Agreement, the Department/Agency's Affirmative Action Plan will be observed. Progress reports will be sent to the Union periodically as to the implementation of the Affirmative Action Plan.

The Union shall designate an Affirmative Action Coordinator who shall, upon request, attend meetings of the Department's Affirmative Action Counselors, and be permitted to meet with Department EEO officials to discuss implementation of the Affirmative Action Plan including Departmental policies and programs.

Vacancy Announcements for Departmental vacancies shall be posted at all work locations. One copy of the notice shall be supplied to appropriate Union Shop Stewards.

Section 3 – Discrimination Charges:

Any charges of discrimination shall be considered by the appropriate administrative agency having jurisdiction over the matter and shall therefore not be subject to the negotiated grievance procedure.

ARTICLE 6
UNION RIGHTS AND RESPONSIBILITIES

Section 1 – Union Stewards:

Union Stewards shall be designated by the Union and shall be recognized as employee representatives. Union Stewards shall be employed at the same work area or shift as employees they are designated to represent. When a union steward is transferred by an action of management (not including promotion or transfer at the employee's request), the steward may continue to act as a steward for his/her former work site for a period not to exceed 45 days from original notification. The Union will supply the Employer with lists of stewards' names, which shall be posted on appropriate bulletin boards. The Union shall notify the Employer of changes in the roster of Stewards. Stewards are authorized to perform and discharge union duties and responsibilities, which may be assigned to them under the terms of this Agreement.

Section 2 – Performance of Duties:

Stewards shall obtain permission from their immediate supervisors prior to leaving their work assignments to properly and expeditiously carry out their duties during a reasonable amount of official time to be estimated in advance whenever possible. Before attempting to see an employee, the Steward will obtain permission from the employee's supervisor. Such permission will be granted unless the employee cannot be immediately relieved from his assigned duties, in which case permission will be granted as soon as possible thereafter. If the immediate supervisor is unavailable, permission will be requested from the next highest level of supervision. Requests by Stewards for permission to meet with employees and/or by employees to meet with Stewards will not require prior explanation to the supervisor of the problems involved other than to identify the area to be visited and the general purpose of the visit i.e., grievance investigation, labor-management meetings, negotiation sessions, etc.

A Steward thus engaged will report back to his/her supervisor on completion of such duties and return to their job. The employer agrees that there shall be no restraint, interference, coercion, or discrimination against a Steward in the performance of such duties.

Section 3 – Union Activities on Employer's Time and Premises:

The Employer agrees that during working hours, on the Employer's premises and without loss of pay, in accordance with Article 6 of this Agreement, Union representatives shall be allowed to:

A. Post Union notices on designated Union bulletin boards (with a copy given to the Employer);

B. Attend negotiation meetings;

C. Transmit communications authorized by the District Council and Local Union or its officers to the Employer or his/her representative;

D. Consult with the Employer or his/her representative, District Council and Local Union Officers, other Union representatives or employers, concerning the enforcement of any provisions of this Agreement, and other Labor-Management activities. Official time does not include internal Union activities; and

E. Solicitation of Union membership and distribution of literature shall be confined to the non-working time of all employees involved and out of sight of the public.

Section 4 – Visits by Union Representatives:

The Employer agrees that representatives of the American Federation of State, County and Municipal Employees whether local, Union representatives, District council representatives, or

International representatives shall have full and free access except in secured areas, to the premises of the Employer at any time during working hours to conduct Union business. Advance notification will be given to the appropriate supervisor of the facility to be visited to permit scheduling that will cause minimal disruption of the work activities.

Section 5 – Union Insignia:

The Employer agrees that the employee has a right to participate and identify with the Union as his/her representative in collective bargaining matters; therefore, the Employer agrees that such identification devices as emblems, buttons and pins supplied by the Union to the employees within the bargaining unit may be worn on their uniforms, except for uniformed police.

Section 6 – Official Time:

Union representatives who engage in labor management activities during working hours shall indicate on the "Official Time Report" the activity performed. No Union representative will be disadvantaged in the assessment of his/her performance based on use of documented official time while conducting labor management business.

OFFICIAL TIME REPORT **REPORTING PERIOD (each pay period)** **Page 1 of 2**

OFFICIAL TIME SPENT ON LABOR-MANAGEMENT ACTIVITIES **FROM:** **TO:**

Name of Union Representative (Last Name, First, Middle Initial) **Name of Supervisor Submitting Report**

Organization (Agency, Division, Branch)

Representational Functions of Official Time (Activity) as identified in the Agreement. [See Reverse Side]

DATE	Requested Time FROM: am/pm	TO: am/pm	Activity (1-8) Identify all that apply	Supv. Approving Initials	Actual Time FROM: am/pm	TO: am/pm	Total Time Used	Union Rep. Initial	Supv. Approving Initials

1	Labor negotiations.
2	Contacts between employee representatives and employees provided for in the negotiated grievance procedure.
3	Grievance meetings and arbitration hearings.
4	Disciplinary or adverse action meetings, if the Union is designated as representative of the employee.
5	Attendance at an examination of an employee who reasonably believe he or she may be the subject of a disciplinary or adverse action and the employee has requested representation.
6	Attendance at board or other committee meetings on which the Union representatives are authorized membership by the Employer or the Agreement.
7	Attendance at meetings between the Employer and the Union.
8	Attendance at agency recognized/sponsored activities to which the Union has been invited.

Distribution: Original to Office of Labor Relations & Collective Bargaining
Copy kept by Supervisor & Union Representative

ARTICLE 7
DISCIPLINE

Section 1:

Discipline shall be imposed for cause, as provided in the D.C. Official Code § 1-616.51 (2001 ed.).

Section 2:

For the purposes of this Article, discipline shall include the following:

a. **Corrective Actions**: Written reprimands or suspensions of nine (9) days or less;

b. **Adverse Actions**: Removal, suspension for more than nine (9) days; or a reduction in rank or grade or pay for cause.

Section 3:

Discipline will be appropriate to the circumstances, and shall be primarily corrective, rather than punitive in nature. After discovery of the incident, the investigations shall be conducted in a timely manner and discipline shall be imposed upon the conclusion of any investigation or the gathering of any required documents, consistent with the principle of progressive discipline and D.C. Office of Personnel regulations.

Section 4:

If a supervisor has reason to discipline an employee, it shall be done in a manner that will not embarrass the employee before other employees or the public.

Section 5:

Unless there is a reasonable cause to believe that an employee's conduct is an immediate hazard to the agency, the employee or other employees, or is detrimental to public health, safety or welfare, an employee against whom adverse action is proposed shall be entitled to at least thirty (30) days advance written notice of proposed adverse action (or fifteen (15) days if corrective action is proposed). The notice will identify the causes and the reasons for the proposed action.

Section 6:

Recognizing that the Union is the exclusive representative of the employees in the bargaining unit, the Department shall in good faith attempt to notify the Union of proposed disciplinary actions. Each Department shall notify the union of the method of notification. Further the Employer agrees

to notify the employee of his or her right to representation in corrective or adverse actions. The material upon which the proposed discipline is based shall be made available to the employee and his/her authorized representatives for review. The employee or his/her authorized representative will be entitled to receive a copy of the material upon written request.

Any information that cannot be disclosed to the employee, his representative, or physician shall not be used to support the proposed action.

Section 7:

Except in the special circumstances referred to in Section 5 above, an employee shall be entitled to at least ten (10) workdays to answer the notice of proposed corrective or adverse action. If the proposed action is removal, the employee shall upon request, be granted an opportunity to be heard prior to a final decision. This opportunity to be heard shall be afforded by a person designated by the agency head. This person shall not be in the supervisory chain between the proposing and/or deciding official(s) and shall not be subordinate to the proposing official. This person shall review the employee's answer, discuss the proposed action with the employee and/or his representative and appropriate representatives of the Employer and make a recommendation to the deciding official who will act upon the recommendation, as he/she deems proper.

Section 8:

The person proposing a disciplinary action shall not be the deciding official unless the proposing official is the agency head or Director of Personnel.

Section 9:

Except in the special circumstances referred to in Section 5 above, an employee against whom a corrective or adverse action has been proposed shall be kept in an active duty status during the notice period.

Section 10:

The deciding official shall issue a written decision within forty-five (45) calendar days from the date of receipt of the notice of proposed action which shall withdraw the notice of proposed action or sustain the proposed action in whole or in part. The forty-five (45) day period for issuing a final decision may be extended by agreement of the employee and the deciding official. If the proposed action is sustained in whole or in part, the written decision shall identify which causes have been sustained and which have been dismissed, describe whether the proposed penalty has been sustained or reduced and inform the employee of his or her right to appeal or grieve the decision, and the right to be represented. The final decision shall also specify the effective date of this action.

Section 11:

In any circumstance in which the Employer has reasonable cause to believe that an employee's conduct is an immediate hazard to the employing agency, to the employee involved or other employees, or is detrimental to public health, safety or welfare the Employer may place an employee on administrative leave whether or not notice of proposed action has been given to the employee.

Section 12:

Notice of final decision, dated and signed by the deciding official, shall be delivered to the employee on or before the time the action is effective. If the employee is not in a duty status at that time, the notice shall be sent to the employee's last known address by certified or registered mail.

Section 13:

Except as provided in Section 14 of this Article, employees may grieve actions through the negotiated grievance procedure, or appeal to the Office of Employee Appeals (OEA) in accordance with OEA regulations but not both. Once the employee has selected the review procedure, that choice shall be the exclusive method of review.

Section 14:

The removal of an employee during his or her probationary period is neither grievable nor appealable and shall be done in accordance with the DPM.

Section 15:

If a final decision is grieved through the negotiated grievance procedure a written grievance shall be filed with the deciding official within fifteen (15) workdays after the effective date of the action.

Section 16 – Troubled Employees:

In appropriate cases, consideration shall be given to correcting the problem through the D.C. Consultation and Counseling Service. When the District implements a new employee assistance program, this shall take the place of the D.C. Consultation and Counseling Service.

Section 17:

Whenever an employee is questioned by a supervisor with respect to a matter for which a disciplinary action is intended against the employee, the employee may, upon request, consult with a union official or other representative. Upon such request, the supervisor will stop the questioning until the employee can consult with such representative, but in no event will such questioning be

delayed beyond the end of the employee's following shift. When and if questioning is resumed, an employee may have a union official or other representative present.

ARTICLE 8
TRAINING AND CAREER LADDER

Section l – Basic Training:

Other than skills necessary to qualify for the position, the Employer agrees to provide each employee with basic training or orientation for the safe and effective performance of his/her job. Such training shall be provided at the Employer's expense and, if possible, during the employee's regular workday. If the employee is required to participate in training outside of regular work hours, the employee will be compensated in accordance with the Compensation Units 1 and 2 Agreement. Continued training shall be within budgetary constraints.

Section 2 - Continued Training Opportunities:

The Employer will encourage and assist employees in obtaining career related training and education outside the Department by collecting and posting current information available on training and educational opportunities. The Employer will inform employees of time or expense assistance the Employer may be able to provide.

Section 3 - Career Ladder:

The parties recognize and endorse the value of employee training and career ladder programs. Both parties subscribe to the principles of providing career development opportunities for employees who demonstrate potential for advancement. The feasibility of upward mobility and training programs for unit employees shall be a proper subject for labor-management meetings. Career ladder promotions when effected, shall be in accordance with DPM Chapter 8, Part II, Subpart 8, and Appendix A.

Section 4 - Experience Verification:

When an institution of higher learning provides credit for on the-job experience, the Employer will, at the request of the employee, provide pertinent information to verify the employee's experience with the District. The employee shall provide the relevant documents and information necessary for the release of the employee's information to the relevant institution.

Section 5 - Union Sponsored Career Advancement Programs:

Management and the Union support the objective of meaningful career advancement for District Government workers in the areas of promotion, transfers and filling of vacancies. In keeping with this objective, the Union will investigate and develop programs to enhance opportunities for

career advancement such as: career counseling services; placement of career planning resource materials on site; correspondence course arrangements with area colleges, universities, vocational and technical schools; and workshops on resume writing and interview skills.

Programs that are developed will be presented and discussed during appropriate labor-management committee meetings for review and consideration.

ARTICLE 9
SAFETY AND HEALTH

Section 1 - Working Conditions:

A. The District shall provide and maintain safe and healthful working conditions for all employees as required by applicable laws. It is understood that the District may exceed standards established by regulations consistent with the objectives set by law. The Employer will make every effort to provide and maintain safe working conditions. AFSCME will cooperate in these efforts by encouraging its members to work in a safe manner and to obey established safety practices and regulations.

B. Matters involving safety and health will be governed by the D.C. Occupational Safety and Health Plan in accordance with Subchapter XXI of the Comprehensive Merit Personnel Act (1980, as amended). The District will promptly make every effort to qualify its plan under the Occupational Safety and Health Administration (OSHA) as established by the U.S. Department of Labor.

C. The District shall furnish and maintain each work place in accordance with standards provided within this Section.

Section 2 - Employees Working Alone:

Employees shall not be required to work alone in areas beyond the call, observation or periodic check of others where dangerous chemicals, explosives, toxic gases, radiation, laser light, high voltage or rotary machinery are to be handled, or in known dangerous situations whenever the health and safety of an employee would be endangered by working alone.

Section 3 - Corrective Actions:

A. If an employee observes a condition, which he or she, believes to be unsafe, the employee should report the condition to the immediate supervisor.

B. If the supervisor and employee agree that a condition constitutes an immediate hazard to the health and safety of the employee, the supervisor shall take immediate precautions to protect the employee.

C. If the supervisor and employee do not agree that a condition constitutes an immediate hazard to the health and safety of the employee, the matter may be immediately referred by the employee to the next level supervisor or designee. The supervisor or designee shall meet as soon as possible with the employee and his or her AFSCME representative, and shall make a determination.

D. Employees shall not be required to operate equipment that has been determined by the Employer or the appropriate D.C. Safety Officer to be unsafe to use, when by doing so they might injure themselves or others.

Section 4 - Medical Service: On-the-Job Injury:

A. The District shall make first-aid kits reasonably available for use in case of on-the-job injuries. If additional treatment appears to be necessary, the District shall arrange immediately for transportation to an appropriate medical facility.

B. The need for additional first-aid kits will be an appropriate issue for Safety Committee determination. Recommendations of the Safety Committee will be referred to the appropriate agency officials.

Section 5 - Safety Devices and Equipment:

Protective devices and protective equipment shall be provided by the District and shall be used by the employees.

Section 6 - Safety Training:

A. The District shall provide safety training to employees as necessary for performance of their job. Issues involving safety training may be presented to the Safety Committee established in Section 8(A).

B. The District shall provide CPR training to all employees who request such training.

Section 7 - Information on Toxic Substances:

Employees who have been identified by the Safety Committee and the Department or District Safety Officer as having been exposed to a toxic substance (including, but not limited to asbestos) in sufficient quantity or duration to meet District Government standards shall receive appropriate health screening. In the absence of District Government standards, the Safety Committee and Safety Officer will refer to standards established by other appropriate authorities such as Occupational Safety and Health Administration (OSHA), National Institute for Occupational Safety and Health (NIOSH) or the Environmental Protection Agency (EPA).

Section 8 - Safety Committees:

A. A Safety Committee of three (3) representatives from AFSCME and three (3) representatives from the District is hereby established in each department/agency.

B. One (1) AFSCME and one (1) District representative shall each serve as co-chairpersons of the Committee. The Agency's Risk Management official shall serve on the Safety Committee as one of the Agency's representative.

C. The Safety Committee shall:

1. Meet on a monthly basis, unless mutually agreed otherwise. Prior to regularly scheduled monthly meeting, labor and management must submit their respective agendas to each other at least five (5) days in advance;

2. Conduct safety surveys, consider training needs, and make recommendations to the agency/department head and the Office of Risk Management;

3. Receive appropriate health and safety training.

D. Final reports or responses from agency/department heads (or designees) shall be provided to the Safety Committee within a reasonable period of time on safety matters initiated by the Committee.

E. In departments/agencies where there is more than one Local Union, there shall be a safety committee for each Local Union, unless otherwise agreed upon.

F. Safety Committees may be reorganized upon agreement of both parties.

Section 9 - Medical Qualification Requirements:

The District agrees to abide by the provisions of Chapter 8, Sections 848.19 and 848.20 of the D.C. Personnel Regulations as published in the D.C. Register, Volume 32, April 5, 1985 (32 DCR 1858, 1911).

Section 10 - Light Duty:

A. The District agrees to provide light duty assignments for Employees injured on the job to the extent that such light duty is available as follows:

1. To be eligible for light duty, the employee must be certified by the employee's attending physician. The certification must identify the employee's impairments and the type of light duty he or she is capable of performing.

2. The Employee will be given light duty assignments for which he or she is qualified, initially within his or her own Bureau or organizational unit. If light duty is not available within the Bureau or organizational unit, suitable work will be sought elsewhere in the department/agency.

3. Light duty assignments shall not normally extend beyond 45 working days. However, if there are no other requests for light duty, this period may be extended until such time as the request is made by another employee. Employees unable to perform their regularly assigned duties after the expiration of that time shall make application for disability compensation or exercise such other options as may be available to employees under the provisions of this Agreement or under law, and in accordance with paragraph 5 below.

4. Where there are more requests for light duty than there are light duty assignments, assignments shall be made in the order of earlier date of request.

5. When light duty is not available, an employee must return to full duty or seek compensation or retirement from appropriate channels, or other assistance as may be available in accordance with Section 9. In the event compensation or retirement is not approved, the employee may be required to take a fitness for duty examination and may be separated if (a) found unfit to perform or (b) found fit but refuses to report for full duty.

Section 11 - Excessive Temperatures in Buildings:

Employees, other than those determined by the Employer to be essential, shall be released from duty or reassigned to other duties of a similar nature at a suitably temperate site because of excessively hot or cold conditions in the building. This determination will be made by the Employer as expeditiously as possible and shall be based upon existing procedures. In lieu of dismissal, the Employer may reassign employees to other duties of similar nature at a suitably temperate site. The cost of authorized transportation will be assumed by the Employer. Administrative leave will be granted if authorized by the Mayor or his or her designee.

Section 12 - Employee Health Services:

Employees covered by this Agreement shall have access to employee health services provided by the Employer consistent with the Comprehensive Merit Personnel Act (D.C. Law 2-139). Employee health services shall include such services as provisions for emergency diagnosis and emergency treatment of illness, physical examination including, but not limited to, pre-employment, fitness for duty or disability retirement evaluation; treatment of minor illness; preventive services; health information to assist employees to protect, conserve, and improve physical and mental health; and counseling and appropriate referrals to the D.C. Consultation and Counseling Service.

Section 13 - Maintenance of Health Records:

Medical records of employees shall be maintained in accordance with the provisions of Chapter 31 of the D.C. Government regulations that maintain confidentiality of those records. Medical records shall not be disclosed to anyone except in compliance with applicable rules relating to disclosure of information. Copies of rules relating to medical information will be made available to AFSCME.

Section 14:

A. The Employer agrees to follow Mayor's order 87-95 regarding ergonomic policy for use of video display terminals (VDT).

B. Continuous users who operate a video display terminal for more than two continuous hours shall be allowed to move out of their chairs for brief periods to perform other tasks as specified by their supervisor.

C. If a pregnant employee, who is a continuous VDT user, submits a medical statement from her physician which recommends limiting her use of the VDT during the term of her pregnancy because of exposure to radiation, reasonable consideration will be given to providing the employee with other available duties, within the work unit, for which she is qualified and which her doctor certifies that she can perform.

Section 15:

The Employer agrees to provide the Union with a copy of all current D.C. Safety Officers, and revisions as they occur.

ARTICLE 10
GENERAL PROVISIONS

Section 1 – Work Rules:

Employees will be advised of verbal and written work rules, which they are required to follow. The Employer agrees that proposed new written work rules and the revision of existing written work rules shall be subject to notice and consultation with the Union.

Section 2 - Distribution of Agreement:

The Employer and the Union agree to share equally in the cost of reproducing this contract for employees and supervisors. The parties shall mutually agree upon the cost and number of copies to be printed.

ARTICLE 11
BULLETIN BOARDS

The Employer agrees to furnish suitable Bulletin Boards and/or space to be placed at locations mutually acceptable to the Union and the Employer. The Union shall limit its posting of notices and bulletins to such Bulletin Boards.

ARTICLE 12
PERSONNEL FILES

Section 1 - Official Files:

The Employer shall maintain the official files of all personnel in all units covered by this Agreement in the Office of Personnel. Records of corrective actions or adverse actions shall be removed from an employee's official file in accordance with the DPM.

Section 2 - Right to Examine:

Each employee shall have the right to examine the contents of his/her personnel files upon request.

Section 3 – Right to Respond:

Each employee shall have the right to answer any material filed in his/her personnel file and his/her answer shall be attached to the material to which it relates.

Section 4 - Right to Copy:

An employee may copy any material in his/her personnel file.

Section 5 – Access by Union:

Upon presentation of written authorization by an employee, the Union representative may examine the employee's personnel file and make copies of the material.

Section 6 – Confidential Information:

The DC Office of Personnel shall keep all arrests by the Metropolitan Police, fingerprint records, and other confidential reports in a confidential file apart from the official personnel folder.

Section 7 - Employee to Receive Copies:

A. The employee shall receive a copy of all material placed in his/her folder in accordance with present personnel practices. Consistent with this Article when the Employer sends documents to be placed in an employee's personnel folder which could result in disciplinary action or non-routine documents which may adversely affect the employee, the employee shall be asked to acknowledge receipt of the document. The employee's signature does not imply agreement with the material but simply indicates he/she received a copy.

B. If an employee alleges that he/she was not asked to acknowledge receipt of material placed in his/her personnel folder as provided in this section the employee will be given the opportunity to respond to that document and the response will be included in the folder.

Section 8 – Access by Others:

The Employer shall inform the employee of all requests outside of the normal for information about him/her or from his/her personnel folder. The access card signed by all those who have requested and have been given access to the employee's file shall be available for review by the employee.

ARTICLE 13
SENIORITY

Section 1 - Definition:

Seniority means an employee's length of continuous service with the Employer from his/her date of hire for purposes of this Article only. Employees hired on the same day shall use alphabetical order of surname in determining seniority.

Section 2 - Breaks in Continuous Service:

An employee's continuous service shall be broken by voluntary resignation, discharge for cause or retirement. If an employee returns to his former, or a comparable, position within one year, the seniority he had at the time of his/her departure will be restored but he/she shall not accrue additional seniority during his/her period of absence.

Section 3 - Seniority Lists:

Each agency with employees covered by this Agreement shall provide the Union semi-annually with list of names of employees represented by the Union in that Agency. The list will be in seniority order as defined by Section 1 of this Article. Also, each agency will supply the Union semi-annually with lists of new hires in bargaining unit positions and with names of unit employees who have left the agency since the last seniority list.

Section 4 - Reassignments:

A reassignment requested by an employee to a position in the same classification within an agency/department may be effected by mutual agreement.

Section 5 - Promotions:

A. Whenever a job opening occurs, in any existing job classification or as the result of the development or establishment of a new job classification, a notice of such opening shall be posted on all bulletin boards for ten (10) working days prior to the closing date. A copy of the notices of job openings will be given to the appropriate Union Steward at the time of posting.

B. During this period, employees who wish to apply for the open position or job including employees on layoff may do so. The application shall be in writing, and it shall be submitted to the appropriate Personnel Office.

C. Management has the right to determine job qualifications, provided they are limited to those factors' directly required to satisfactorily perform his/her job. Where all job factors are relatively equal, the employee with the greatest departmental seniority within the unit shall be promoted.

Section 6 - Change to Lower Grade:

A. The term "change to lower grade", as used in this provision means change of assignment from a position in one job classification to a lower paying position in the same job classification.

B. Demotions may be made to avoid laying off employees, to provide for employees who request a change to lower grade for personal convenience, or to change an employee to a lower grade when he/she is unable to perform satisfactorily the duties of his/her position.

Section 7 - Individual Work Schedules:

Work schedule changes initiated by the Employer affecting an individual employee shall be in accord with department/agency seniority, except where specific skills are needed.

Section 8 - Pay for Work Performed in Higher Graded Position:

A. Employees detailed or assigned to perform the duties of a higher graded position for more than four (4) pay periods in any calendar year shall receive the pay of the higher graded position. Assignment to a higher graded position for periods of at least one (1) pay period shall count toward the accumulation of the four (4) pay period requirement. The applicable rate of pay will be determined by application of D.C. government procedures concerning grade and step placement for

temporary promotions, and will be effective the first pay period beginning after the qualifying period has passed. An employee on detail to a lower graded position shall maintain the pay for his/her original position. Advance notice will be given to the Union of any detail exceeding one pay period.

B. This provision shall not apply to training programs.

C. Issues involving changed or additional duties assigned to an employee, within his/her present position, shall be considered in accordance with position classification procedures.

ARTICLE 14
INCLEMENT WEATHER CONDITIONS

Section 1 – Inclement Weather Work:

A. Any full-time employee who is scheduled to report for work and who presents himself for work as scheduled shall be assigned to at least eight (8) hours work.

B. If weather conditions do not permit the employee to perform his/her regularly scheduled duties and there is no other work available in line with his/her normal duties, the employee shall be given the option to perform other work or be paid at his/her regular rate for a minimum of four (4) hours and released from duty at his/her election on annual leave or leave without pay.

C. Employees working on snow detail or who are required to shovel snow shall be assigned in the following order:

1. Volunteers
2. In the inverse order of seniority

D. Employees with established health concerns may request to be exempt from snow shoveling assignments.

Section 2 - Reporting Time:

A. During inclement weather where the District Government has declared an emergency, employees (other than those designated emergency employees) will be given a reasonable amount of time to report for duty without charge to leave. Those employees required to remain on their post until relieved will be compensated at the appropriate overtime rate or compensatory leave for the time it takes his/her relief to report for duty.

B. The Employer agrees to dismiss all non-emergency employees when early dismissal is authorized by higher officials during inclement weather.

ARTICLE 15
HOURS OF WORK

Section 1 - Workday:

Except as provided in this Article, the normal workday for full-time employees shall consist of eight (8) hours of work within a 24-hour period. The normal hours of work shall be consecutive except that they may be interrupted by a lunch period.

Section 2 - Workweek:

Except as provided in this Article, the workweek for full-time employees shall normally consist of five (5) consecutive days, eight (8) hours of work, Monday through Friday, totaling forty (40) hours. Special schedules will be established for employees, other than employees in continuous operations, who are required to work on Saturday, Sunday or seasonal schedules as part of their regular workweek.

Section 3 - Continuous Operations and Shifts:

The workday for employees in 24-hour continuous operations shall consist of eight hours of work. Work schedules for employees assigned to shifts, showing the employee's workdays, and hours, shall be posted on appropriate bulletin boards. All employees shall be scheduled to work regular work shifts i.e., each work shift shall have a regular starting and quitting time.

Section 4 - Changes in Work Schedules:

Except in emergencies, regular work schedules shall not be changed without ten (10) working days advance notice.

Section 5 - Flexible/Alternative Work Schedules:

A. The normal work hours may be adjusted to allow for flexible/alternative work schedules, with appropriate adjustments in affected leave and compensation items (e.g., overtime, premium pay, compensatory leave, etc.). Such schedules may be appropriate where: (1) it is cost effective, (2) it increases employee morale and productivity, or (3) it better serves the needs of the public. The Union will be given advance notice (when flexible/alternative work schedules are proposed) and shall be given the opportunity to consult.

B. An alternative work schedule will provide that overtime compensation will not begin until the regularly scheduled workday or tour of duty has been completed. Other premiums will be based on the regularly scheduled workday of the employees. An alternative work schedule shall not affect the existing leave system. Leave will continue to be earned at the same number of hours per pay period as for employees on five (5) day, forty (40) hour schedules and will be charged on an hour-by-hour basis.

ARTICLE 16
ADMINISTRATION OF LEAVE

Section 1 – General:

Employees shall be eligible to use leave in accordance with the personnel rules and regulations. Any request for a leave of absence shall be submitted in writing by the employee to his/her immediate supervisor. The request shall state the length of time off the employee desires, the type of leave requested and the reason for the request. An excused absence is an absence from duty without loss of pay and without charge to leave when such absence is authorized by statute or administrative discretion.

Section 2 - Annual Leave:

A. **Normal Requests for Leave:** A request for a short leave of absence, not to exceed three days, shall be requested in writing on the proper form and answered before the end of the work shift in which the request is submitted. A request for a leave of absence between four to seven days must be submitted five (5) calendar days in advance and answered within five days, except for scheduled vacations, as provided for in Section 2 of this Article. If the request is disapproved, the supervisor shall return the SF-71 with reasons for the disapproval indicated. Requests for annual leave shall not be unreasonably denied.

B. **Emergency Requests:** Any employee's request for immediate leave due to family death or sickness shall be granted or denied immediately.

C. **Carryover:** Annual leave, which is not used, may be accumulated from year to year. In general, the maximum allowable leave is thirty (30) days, unless the employee had a greater amount of allowable leave at the beginning of the leave year. Employees shall receive a lump sum leave payment for all accrued annual leave not used at the time of retirement, resignation or other separation from the employer, consistent with the negotiated Compensation Agreement.

D. **Vacation Schedules:** Every effort will be made to grant employees leave during the time requested. If the operations would suffer by scheduling all requests during a given period of time, a schedule will be worked out with all conflicts to be resolved by the application of seniority. After vacations are posted, no changes shall be made unless mutually agreeable or an emergency arises. Employees will be encouraged to schedule vacations through the year.

Section 3 - Sick Leave:

A. Requests:

1. Supervisors shall approve sick leave of employees incapacitated from the performance of their duties. Employees shall request sick leave as far in advance as possible prior to the start of their regular tour of duty on the first day of absence.

2. Sick leave shall be requested and approved in advance for visits to and/or appointments with doctors, dentists, practitioners, opticians, and chiropractors for the purpose of securing diagnostic examinations, treatments and x-rays.

3. Employees shall not be required to furnish a doctor's certificate to substantiate requests for approval of sick leave unless such sick leave exceeds three work days continuous duration. However, if Management has given written notice to an employee that there is a good reason to believe that the employee has abused sick leave privileges, then the employee must furnish a doctor's certificate for each absence from work, which is claimed as sick leave regardless of its duration. The Union will encourage employees to conserve sick leave for use during periods of extended illness.

4. Advance sick leave requests will be given prompt consideration by the Employer consistent with Section 3(b) of this Article when the following provisions are met:

(a) The request must be submitted in writing and must be supported by acceptable medical certificates.

(b) All available accumulated sick leave to the employee's credit must be exhausted. The employee must use annual leave he/she might otherwise forfeit.

(c) In the case of employees serving under temporary appointments, or under probationary or trial periods, advance sick leave should not exceed an amount which is reasonably assured will be subsequently earned during such period.

(d) The amount of sick leave advanced to an employee's account will not exceed 240 hours at any time. Where it is known that the employee is to be separated, the total sick leave advanced may not exceed an amount which can be liquidated by subsequent accrual prior to the separation.

(e) There must be a reasonable assurance that the employee will return to duty.

B. Advance Sick Leave: Advance sick leave may be granted to permanent or probationary employees in amounts not to exceed 240 hours. Furthermore, an employee may not be indebted for more than 240 hours of sick leave at any one time. Sick leave may be advanced to

employees holding a limited appointment or one expiring on a specific date, but not in excess of the total sick leave that would accrue during the remaining period of such appointment. In either case the employee request must be supported by a statement from his/her physician attesting that the employee has a serious disability or ailment and is incapacitated for duty and stating the period of time expected to be involved. The request should be denied only if the requirements of Section 3 (a) and (b) are not met or there is a reason to believe that the employee will not return to duty or that he/she has abused the sick leave privilege in the past.

C. All accrued and accumulated sick leave must be exhausted before the advance sick leave is credited. Accrued and accumulated annual leave may remain standing to the credit of employees. The Employer will use its best efforts to answer an employee's request for advanced sick leave within fifteen (15) working days. However, an employee is responsible for applying advance sick leave in writing as far in advance as possible. If the request is denied, the reasons for such denial shall be given in writing. Further, the employee will be given consideration for LWOP consistent with the provisions of personnel rules and regulations.

Section 4 – Other Paid Leave:

A. Military Leave: Full-time employees are entitled to leave as reserve members of the armed forces or as members of the National Guard to the extent provided in D.C. Official Code Section 1-612.03(m) and applicable rules and regulations and the Compensation Units 1 & 2 Agreement, which provide in part the following:

1. Members of the D.C. National Guard are entitled to unlimited military leave without loss of pay for any parade or encampment with the D.C. National Guard when ordered by the Commanding General, excluding weekly drills and meetings.

2. Additional military leave with pay will be granted to full-time employees who are members of the reserve components of the Armed Forces or the National Guard for the purpose of providing military aid to enforce the law for a period not to exceed 22 workdays per calendar year.

B. Court Leave: Employees shall be granted leave of absence with pay anytime they are required to report for jury duty or to appear as a witness on behalf of the District of Columbia Government, or the Federal or a State or Local Government, in accordance with personnel rules and regulations.

C. Voting Leave: Where the polls are not open at least three hours either before or after an employee's regular hours of work, he/she may, upon request, be granted an amount of excused time which will permit him/her to report to work three hours after the polls open or leave work three hours before the polls close, whichever requires the lesser amount of time off. Leave for voting will be allowed in accordance with the personnel rules and regulations.

D. Funeral Leave: Funeral leave shall be granted in accordance with the Compensation Units 1 & 2 Agreement.

E. Civic Duty: Upon advance request and adequate justification employees required to appear before a court or other public body on public business in which they are not personally involved shall be granted leave of absence with pay unless paid leave is prohibited by Federal or District Regulations or Statutes.

F. Examinations: Employees shall be excused without charge to leave in accordance with personnel rules and regulations for the purpose of taking an employment medical examination and examination for induction or enlistment in the active Armed Forces, a District Government owned vehicle operator examination, a civil service examination or other examination which his/her department has requested him/her to take in order to qualify for reassignment, promotion, or continuance of his/her present job, but not for the reserve Armed Forces. An employee shall also be excused without charge to leave for the purpose of taking an examination whenever, in the judgment of the Department or agency head, the District Government will benefit thereby. Absence from duty in order to take an examination primarily for the employee's own benefit and not connected to the District Government must be requested in accordance with the general leave provisions.

Section 5 - Leave Without Pay:

A. General: Leave of absence without pay for a limited period may be granted at the supervisor's discretion for a reasonable purpose if requested in advance in writing.

B. Union: Employees elected to any Union office or selected by the Union to do work which takes them from their employment with the Employer shall at the written request of the employee and the Union be granted a leave of absence without pay; provided the written request states the purpose and duration of the absence, and is submitted thirty (30) calendar days in advance of the commencement of the desired period of absence. If the Employer indicates that the requested leave will unduly hamper its operations, it may offer an alternative for consideration by the Union.

C. The initial leave of absence shall not exceed one (1) year. Leaves of absence for Union officials may be extended for similar periods. No more than one employee from a bargaining unit shall be on such extended leave at the same time.

D. Parenthood Leave: Maternity leave before and following childbirth shall be granted at the request of the employee. The employee is obligated to advise her supervisor substantially in advance of the anticipated leave date. This period of absence shall be determined by the employee, her physician and her supervisor. Maternity leave is chargeable to sick leave or any combination of sick leave, annual leave, or leave without pay. Paternity leave may be granted for a period of up to two (2) weeks following childbirth, and may be extended at the supervisor's discretion. Such leave shall be a combination of annual leave or leave without pay.

E. Leave may be granted for a period of up to two (2) weeks to an employee who is adopting a child, with extensions made at the discretion of the supervisor. Such leave shall be a combination of annual leave or leave without pay.

F. Union Officer Leave: Attendance at Union sponsored programs may be approved annual leave or leave without pay in accordance with normal leave practices unless Administrative Leave has been approved.

G. Educational Leave: After completing one (1) year of service an employee upon request may be granted a leave of absence for educational purposes provided that successful completion of the course will contribute to the work of the Department. The period of leave of absence may not exceed one (1) year, but may be extended at the discretion of the Employer. If an employee is returning from educational leave during which he/she has acquired the qualification of a higher rated position he/she shall not have lost any of his/her rights in being evaluated for the higher graded position.

ARTICLE 17
ADMINISTRATION OF OVERTIME

Section 1 -Distribution:

Overtime work shall be equally distributed among employees. Specific arrangements for the equitable distribution of overtime shall be agreed to at Union Management Cooperation Meetings. Individual employee qualifications shall be considered when decisions are made on which employees shall be called for overtime work.

Section 2:

Management will solicit volunteers when overtime work is required. In the event a sufficient number of qualified volunteers are not available to perform the job functions, overtime work will be assigned to equally qualified employees in inverse order of seniority, unless a different system is worked out on a local-by-local basis. Instances of hardship should be presented to the supervisor and shall be considered on a case-by-case basis.

ARTICLE 18
WAGES

Section 1:

The salaries and wages of employees shall be paid bi-weekly. In the event the scheduled payday is a holiday, the preceding day shall be the payday. If, for any reason, an employee's paycheck is not available on the prescribed day, or if it does not reflect the full amount due, that employee will be paid as quickly thereafter as is possible, and under no circumstances will he or she be required to wail until the next regular payday.

Section 2:

If an employee's paycheck is delayed, the employee shall immediately notify his/her supervisor. The supervisor shall initiate efforts through the agency controller to obtain a supplemental payment. Supplemental payments will not effectuate normal payroll deductions. Appropriate payroll deductions will be deducted from the employee's subsequent paycheck. (Except DHS, see Attachment 6.)

ARTICLE 19
REDUCTION-IN-FORCE

Section 1 - Definition:

The term reduction-in-force, as used in this Agreement means the separation of a permanent employee, his/her reduction in grade or pay, or his/her reduction in rank because of (a) reorganization, (b) abolishment of his/her position, (c) lack of work, (d) lack of funds, (e) new equipment, (f) job consolidation or (g) displacement by an employee with greater retention rights who was displaced because of (a) through (f) above.

Section 2 – Consultation:

The Employer agrees to consult in advance with the Union prior to reaching decisions that might lead to a reduction-in-force in the bargaining unit. The Employer further agrees to minimize the effect and such reduction-in-force on employees and to consult with the Union toward this end.

Section 3 - Procedure:

A reduction-in-force will be conducted in accordance with the provisions set forth in the Comprehensive Merit Personnel Act [(CMPA), D.C. Official Code § 1-624].

Section 4 – Impact and Effects Bargaining:

In the event of a reduction-in-force, the Employer shall, upon request, provide the Union with appropriate information to insure that the Union can engage in impact and effects bargaining over the reduction-in-force.

Section 5 - Review of Procedures:

In the event of reduction-in-force, the affected employee will receive credit for his/her performance in accordance with the Comprehensive Merit Personnel Act, [D.C. Official Code Ann., Title 1, Section 1-624 (2001 Edition)].

ARTICLE 20
CONTRACTING OUT

Section 1:

During the term of this Agreement the Department shall not contract out work traditionally performed by employees covered by this Agreement, except where Manpower (including expertise and technology) and/or Equipment in the department/agency are not available to perform such work, when it is determined by the Mayor that budgetary conditions exist requiring contracting out, or when it is determined by the Department that emergency conditions exist requiring such contracting out (provided however that the contracting out is for a period of time that the emergency exists). The Agency shall consult with the Union prior to any formal notice to contract out bargaining unit work.

Section 2:

When there will be adverse impact to bargaining unit employees, the Employer shall consult with the Union thirty (30) days prior to final action, except in emergencies. The Union shall have full opportunity to make its recommendations known to the Employer who will duly consider the Union's position and give reasons in writing to the Union for any contracting out action. The Agency shall consult with the Union to determine if the needs of the Government may be met by means other than contracting out work traditionally performed by bargaining unit employees.

ARTICLE 21
STRIKES AND LOCKOUTS

Section 1 - Definition:

The term strike as used herein means any unauthorized concerted work stoppage or slowdown.

Section 2 - Strikes:

It shall be unlawful for any District Government employee or the Union to participate in, authorize or ratify a strike against the District.

Section 3 - Lockouts:

No lockout of employees shall be instituted by the Employer during the term of this Agreement except that the Employer in a strike situation retains the right to close down any facilities to provide for the safety of employees, equipment or the public.

Section 4 - Other Considerations:

At no time however, shall employees be required to act as strikebreakers.

ARTICLE 22
GRIEVANCE PROCEDURES

Section 1:

Any grievance or dispute which may arise between the parties involving the application, meaning or interpretation of this Agreement, shall be settled as described in this Article unless otherwise agreed to by the parties.

Section 2 - Procedure:

This procedure is designed to enable the parties to settle grievances at the lowest possible administrative level. Therefore, grievances should be filed at the lowest level where resolution is possible. Accordingly, a grievance may be filed at the Step in the grievance procedure where the alleged action, which precipitated the grievance, occurred.

Step 1: The employee and/or the Union shall take up the grievance or dispute with the employee's immediate supervisor as soon as is practicable, but no later than fifteen (15) working days from the date of the occurrence or when the Union and/or the employee first had knowledge of or should have known of the occurrence. The supervisor shall attempt to adjust the matter and shall respond to the Steward as soon as is practicable, but not later than fifteen (15) working days after the receipt of the grievance.

Step 2: If the grievance has not been settled, it shall be presented in writing by the employee and/or the Union to the second level supervisor within ten (10) working days after the Step 1 response is due or received, whichever is sooner. The written grievance shall be clearly identified as a grievance submitted under the provisions of this Article, and shall list the contract provision violated, a general description of the incident giving rise to the grievance, the date or approximate date and location of the violation and the remedy sought. The second level supervisor shall respond to the Union and/or employee in writing within ten (10) working days after receipt of the written grievance.

Step 3: If the grievance is still unresolved, it shall be presented in writing by the employee and/or Union to the third level supervisor within ten (10) working days after the Step 2 response is due or received, whichever is sooner. The third level supervisor shall respond in writing (with a copy to the Local President) within ten (10) working days after receipt of the written grievance.

Step 4: If the grievance is still unresolved, it shall be presented by the employee and/or the Union to the Office of the Director or his/her designated representative, in writing within fifteen (15) working days after the Step 3 response is due or received, whichever is sooner. The office of the Director, or his/her designated representative shall respond in writing (with a copy to the Local President) within fifteen (15) working days after the receipt of the written grievance and a copy to the Office of Labor Relations and Collective Bargaining.

Step 5: If the grievance is still unresolved, the Union may by written notice request arbitration within twenty (20) days after the reply at Step 4 is due or received, whichever is sooner.

Section 3 - Union Participation:

A. The Employer shall notify the Union in writing of all grievances filed by the employees, all grievance hearings and determinations when such employees present grievances without the Union. The Union shall have the right to have a representative present at any grievance hearing and shall be given forty-eight (48) hours notice of all grievance hearings.

B. Any grievance of a general nature affecting a large group of employees and which concerns the misinterpretation, misapplication, violation or failure to comply with the provisions of the Agreement shall be filed at the option of the Union at the Step or level of supervision where the grievance originates without resorting to previous steps.

Section 4 - Who May Grieve:

Either an employee or the Union may raise a grievance, and if raised by the employee, the Union may associate itself therewith at any time if the employee so desires. Whenever the Union shall raise or is associated with a grievance under this procedure, such a grievance shall become the Union's grievance with the Employer. If raised by the Union, the employee may not thereafter raise the grievance him/herself, and if raised by the employee, he/she may not thereafter cause the Union to raise the same grievance independently.

Section 5 - Selection of the Arbitrator:

A. The arbitration proceeding shall be conducted by an arbitrator to be selected by the Employer, through the Office of Labor Relations and Collective Bargaining, and by the Union as soon as possible after notice of intent to arbitrate is received. If the parties fail to select an arbitrator, the Federal Mediation and Conciliation Service (FMCS) or the American Arbitration Association (AAA) shall be requested to provide a list of seven (7) arbitrators from which an arbitrator shall be selected within seven (7) days after receipt of the list by both parties.

B. Both the Employer and the Union may strike three (3) names from the list using the alternate strike method. The party requesting arbitration shall strike the first name. The arbitration hearing shall be conducted pursuant to the American Arbitration Association guidelines unless modified by this Agreement.

Section 6 - Decision of the Arbitrator:

The decision of the arbitrator shall be final and binding on the parties and shall not be inconsistent with the terms of this Agreement. The arbitrator shall be requested to render his/her decision in writing within thirty (30) days after the conclusion of the arbitration hearing.

Section 7 - Expenses of the Arbitrator:

Expenses for the arbitrator's services and the proceeding shall be borne equally by the Employer and the Union. However, each party shall be responsible for compensating its own representatives and witnesses. If either party desires a record of the arbitration proceedings, it may cause such a recording to be made, providing it pays for the record and make copies available without charge to the other party and the arbitrator.

Section 8 - Time Off For Grievance Hearings:

The Employee, Union Steward and/or Union representative shall upon request, be permitted to meet and discuss grievances with designated management officials at each step of the Grievance Procedure within the time specified consistent with Section 3 of Article 6 on Union Stewards.

Section 9 – Time Limits:

All time limits set forth, in this Article may be extended by mutual consent, but if not so extended, must be strictly observed. If the matter in dispute is not resolved within the time period provided for in any step, the next step may be invoked.

Section 10:

Matters not within the jurisdiction of the department/agency will not be processed as a grievance under this Article unless the matter is specifically included in another provision of this Agreement or the Compensation Agreement.

Section 11:

A. The parties agree that a process of grievance mediation may facilitate satisfactory solutions to grievances prior to arbitration. Therefore, on an experimental basis and when mutually agreed to by the parties, a mediator may be selected and utilized to facilitate settlements. The mediator may not impose a settlement on the parties, and any settlement reached will not be precedential unless otherwise agreed to by the parties on a case-by-case basis.

B. Grievances may be combined for the purpose of mediation upon mutual agreement by the parties.

ARTICLE 23
EMPLOYEE RIGHTS

Employees of the Unit shall have and shall be protected in the exercise of the right, freely and without fear of penalty or reprisal, to form, join and assist the Union or to refrain from any such activity. Except as expressly provided herein, the freedom shall be recognized as extending to participation in the management of the Union and acting for it in the capacity of a union representative, including representation of its views to the officials of the Mayor, D.C. Council or Congress.

ARTICLE 24
NEW TECHNOLOGY AND EQUIPMENT

Section 1:

Whenever new equipment or technological changes will significantly affect operations, the Employer shall provide notice to the Union at least 60 days in advance. This time limit does not apply to the introduction of equipment or technological changes on an experimental basis. When the Employer introduces such equipment or technological changes on an experimental basis the Employer will notify the Union upon introduction as where the experiment is being conducted and its nature and intended duration and will provide 60 days notice if the experiment is to be instituted permanently.

Section 2:

The Employer shall provide any reasonable training for affected employees to acquire the skills and knowledge necessary for new equipment or procedures. The training shall be held during working hours, when reasonably available. The Employer shall bear the expense of the training.

Section 3:

If training is required by the Agency for employment and the training is held outside the employee's normal tour of duty, the employee shall receive compensatory time.

ARTICLE 25
JOB DESCRIPTIONS

Each employee within the unit shall receive a copy of his/her current job description upon request. When an employee's job description is changed, the employee and the Union shall be provided a copy of the new job description.

ARTICLE 26
SAVINGS CLAUSE

In the event any Article, Section or portion of the Agreement shall be held invalid and unenforceable by any court or higher authority of competent jurisdiction, such decision shall apply only to the specific Article, Section, or portion thereof specified in the decision, and upon issuance of such a decision, the Employer and the Union agree to immediately negotiate a substitute for the invalidated Article, Section or portion thereof.

ARTICLE 27
DURATION AND FINALITY

Section 1 - Duration of Agreement:

This Agreement shall be implemented as provided herein subject to the requirements of Section 1715 of the CMPA (Section 1-617.15(a), D.C. Official Code, 2001 Edition). This Agreement shall be effective as of the day of final approval, and shall remain in full force and effect until the 30th day of September, 2010. Should either party desire to renegotiate, renew, extend or modify this Contract, notice will be given in writing in accordance with the requirements of the Comprehensive Merit Personnel Act. This Agreement shall remain in full force and effect during the period of negotiations.

Section 2 - Finality:

This Agreement was reached after negotiations during which the parties were able to negotiate on any and all negotiable non-compensation issues, and contains the full agreement of the parties as to all such non-compensation issues that were or could have been negotiated. The Agreement shall not be reconsidered during its life unless by mutual consent or as required by law.

On this _____ day of October, 2006 and in witness to this Agreement, the parties hereto set their signatures.

FOR THE DISTRICT OF COLUMBIA GOVERNMENT

Edward Reiskin
Interim City Administrator/
Deputy Mayor for Public Safety
And Justice

Natasha Campbell, Esq.
Supervisory Attorney Advisor
Office of Labor Relations
and Collective Bargaining

Carol Mitten, Director
Office of Property Management

Benita Anderson, Labor Liaison
Office of Property Management

James Brown, Executive Director
Office of the Cable Television and
Telecommunications

FOR THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES

Geo T. Johnson, Executive Director
AFSCME District Council 20

James E. Ivey, President
AFSCME District Council 20 and
AFSCME Local 2091

Al Bilik, Executive Assistant
AFSCME District Council 20

Brenda Featherstone, President
AFSCME Local 1200

Deborah Courtney, President
AFSCME Local 2401

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Technology

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Department of Human Services

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Eugene Adams, Acting Attorney General
Office of the Attorney General

Patricia Higgins, Labor Liaison
Department of Health

Gail Elkins Davis, Labor Liaison
Office of the Attorney General

Dr. Gregg Paine, Director
Department of Health

Bernadine Booker-Brown, Labor Liaison
Department of Health

Thomas Hampton, ~~Director~~ Commissioner
Department of Insurance, Securities
and Banking

Patricia Haylock, Labor Liaison
Department of Insurance, Securities
and Banking

Dr. Patrick Canavan, Director
Department of Consumer and
Regulatory Affairs

Deborah Bonsack, Labor Liaison
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Dr. Natwar Gandhi, Chief Financial Officer
Office of the Chief Financial Officer

Ben Van Hoose, Labor Liaison
Office of the Chief Financial Officer

Uma Ahluwalia, Interim Director
Child and Family Services Agency

Debra Wilson, Labor Liaison
Child and Family Services Agency

Appendix 25

COMPENSATION COLLECTIVE BARGAINING AGREEMENT

BETWEEN

THE DISTRICT OF COLUMBIA GOVERNMENT

AND

COMPENSATION UNITS 1 AND 2

EFFECTIVE October 1, 2021, through September 30, 2025

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On-Call Notification Template (July 26, 2010) — Appendix 1

PREAMBLE

This Compensation Agreement is entered into between the Government of the District of Columbia and the undersigned labor organizations representing units of employees comprising Compensation Units 1 and 2, as certified by the Public Employee Relations Board (PERB).

The Agreement was reached after negotiations during which the parties were able to negotiate on any and all negotiable compensation issues and contains the full agreement of the parties as to all such compensation issues. The Agreement shall not be reconsidered during its life nor shall either party make any changes in compensation for the duration of the Agreement unless by mutual consent or as required by law.

ARTICLE 1
WAGES

SECTION A: FISCAL YEAR 2022:

In lieu of a wage-increase for FY 2022, employees will receive a three and one-half percent (3.5%) bonus payment. Bargaining unit employees actively on the payroll as of October 1, 2021, shall receive a one-time payment that is equivalent of 3.5% of an employee's annual base salary as of October 1, 2021.

The payment will be made no later than ninety (90) days after the Council's approval of this Agreement.

SECTION B: FISCAL YEAR 2023:

Effective the first day of the first full pay period beginning on or after October 1, 2022, the FY 2023 salary schedules of employees employed in bargaining units as certified and assigned to Compensation Units 1 & 2 by the Public Employees Relations Board shall be adjusted by two and a one-half percent (2.5%).

SECTION C: FISCAL YEAR 2024:

Effective the first day of the first full pay period beginning on or after October 1, 2023, the FY 2024 salary schedules of employees employed in bargaining units as certified and assigned to Compensation Units 1 & 2 by the Public Employees Relations Board shall be adjusted by three percent (3.0%).

SECTION D: FISCAL YEAR 2025:

Effective the first day of the first full pay period beginning on or after October 1, 2024, the FY 2025 salary schedules of employees employed in bargaining units as certified and assigned to Compensation Units 1 & 2 by the Public Employees Relations Board shall be adjusted by three percent (3.0%).

SECTION E: WITHIN GRADE INCREASES

All employees covered by this agreement shall progress through the salary scale and receive within grade step increases as described in Section 1127 of the District Personnel Manual. 6B DCMR §1127 (Transmittal No. 233, September 21, 2018).

ARTICLE 2
METRO PASS

The District of Columbia Government shall subsidize the cost of monthly transit passes for personal use by employees by not less than fifty ($50.00) per month for employees who purchase and use such passes to commute to and from work. The metro transit benefit will roll over from month to month for employees who access the benefit. Any benefit not accessed by the end of the calendar year will revert back to the District of Columbia government.

ARTICLE 3
PRE-PAID LEGAL PLAN

SECTION A:

The Employer shall make a monthly contribution of seventeen dollars and fifty cents ($17.50) for each bargaining unit member toward a pre-paid legal services plan. For each fiscal year, the Employer shall make monthly contributions directly to the designated provider of the legal services program.

SECTION B:

The plan shall be contracted for by the Union subject to a competitive bidding process where bidders are evaluated and selected by the Union. The District may present a proposed contract which shall be evaluated on the same basis as other bidders. The contract shall provide that the Employer will be held harmless from any liability arising out of the implementation and administration of the plan by the benefit provider, that the benefit provider will supply utilization statistics to the Employer and the Union upon request for each year of the contract, and that the benefit provider shall bear all administrative costs.

SECTION C:

The parties shall meet to develop procedures to implement the legal plan which shall be binding upon the benefit provider. The procedures shall include an enrollment process.

SECTION D:

To be selected for a contract under this Article, the benefit provider must maintain an office in the District of Columbia; be incorporated in the District and pay a franchise tax and other applicable taxes; have service providers in the District; and maintain a District bank account.

SECTION E:

The Employer's responsibility under the terms of this Article shall be as outlined in Section C of this Article and to make premium payments as is required under Section A of this Article. To the extent that any disputes or inquiries are made by the legal services provider chosen by the Union, those inquiries shall be made exclusively to the Union. The Employer shall only be required to communicate with the Union to resolve any disputes that may arise in the administration of this Article.

ARTICLE 4
DISTRICT OF COLUMBIA NEGOTIATED EMPLOYEE ASSISTANCE HOME PURCHASE PROGRAM

SECTION A:

The Parties shall continue the Joint Labor-Management Taskforce on Employee Housing.

SECTION B:

Pursuant to the DPM, Part 1, Chapter 3 §301, the District provides a preference for District residents in employment. In order to encourage employees to live and work in the District of Columbia, a joint Labor-Management Task Force on Employee Housing was established during previous negotiations with Compensation Units 1 & 2. The Taskforce strives to inform employees of the programs currently available for home ownership in the District of Columbia. Additionally, the Taskforce collaborates with other government agencies including the Department of Housing and Community Development and the District's Housing Finance Agency to further affordable housing opportunities for bargaining unit employees, who have been employed by the District Government for at least one year.

SECTION C:

The parties agree that $650,000.00 will be set aside to be used toward Negotiated employee Assistance Home Purchase Program (NEAHP) for the duration of the Agreement. If at any time the funds set aside have been depleted, the Parties will promptly convene negotiations to provide additional funds for the program.

SECTION D:

Any funds set aside in Fiscal Years 2022, 2023, 2024 and 2025 shall be available for expenditure in that fiscal year or any other fiscal year covered by the Compensation Units 1 and 2 Agreement. All funds set aside for housing incentives shall be expended or obligated prior to the expiration of the Compensation Units 1 and 2 Agreement for FY 2022 – FY 2025.

ARTICLE 5
BENEFITS COMMITTEE

SECTION A:

The parties agree to continue their participation on the District's Joint Labor-Management Benefits Committee for the purpose of addressing the benefits of employees in Compensation Units 1 and 2. The Benefits Committee shall meet quarterly, in January, April, July and October of each year.

SECTION B: RESPONSIBILITIES:

The Parties shall be authorized to consider all matters that concern the benefits of employees in Compensation Units 1 and 2 that are subject to mandatory bargaining between the parties. The Parties shall be empowered to address such matters only to the extent granted by the Unions in Compensation Units 1 and 2 and the District of Columbia Government. The parties agree to apply a system of expedited arbitration if necessary to resolve issues that are subject to mandatory bargaining. The Committee may, by consensus, discuss and consider other benefit issues that are not mandatory bargaining subjects.

SECTION C:

The Committee shall:

1. Monitor the quality and level of services provided to covered employees under existing Health, Optical and Dental Insurance Plans for employees in Compensation Units 1 and 2.

2. Recommend changes and enhancements in Health, Optical and Dental benefits for employees in Compensation Units 1 and 2 consistent with Chapter 6, Subchapter XXI of the D.C. Official Code (2001 ed.).

3. With the assistance of the Office of Contracting and Procurement, evaluate criteria for bids, make recommendations concerning the preparation of solicitation of bids and make recommendations to the contracting officer concerning the selection of providers following the receipt of bids, consistent with Chapter 4 of the D.C. Official Code (2001 ed.).

4. Following the receipt of bids to select health, dental, optical, life and disability insurance providers, the Union's Chief Negotiator shall be notified to identify no more than two individuals to participate in the RFP selection process.

5. Explore issues concerning the workers' compensation system that affect employees in Compensation Units 1 and 2 consistent with Chapter 6, Subchapter XXIII of the D.C. Official Code (2001 ed.).

6. The Union shall be notified of proposed benefit programs to determine the extent to which they impact employees in Compensation Units 1 and 2. Upon notification, the Union shall inform the Office of Labor Relations and Collective Bargaining within ten (10) calendar days to discuss any concerns it has regarding the impact on employees in Compensation Units 1 and 2.

ARTICLE 6
BENEFITS

SECTION A: LIFE INSURANCE:

1. Life insurance is provided to covered employees in accordance with §1-622.01, *et seq.* of the District of Columbia Official Code (2001 Edition) and Chapter 87 of Title 5 of the United States Code.

(a) District of Columbia Official Code §1-622.03 (2001 Edition) requires that benefits shall be provided as set forth in §1-622.07 to all employees of the District first employed after September 30, 1987, except those specifically excluded by law or by rule.

(b) District of Columbia Official Code §1-622.01 (2001 Edition) requires that benefits shall be provided as set forth in Chapter 87 of Title 5 of the United States Code for all employees of the District government first employed before October 1, 1987, except those specifically excluded by law or rule and regulation.

2. The current life insurance benefits for employees hired on or after October 1, 1987 are: The District of Columbia provides life insurance in an amount equal to the employee's annual salary rounded to the next thousand, plus an additional $2,000. Employees are required to pay two-thirds (2/3) of the total cost of the monthly premium. The District Government shall pay one-third (1/3) of the total cost of the premium. Employees may choose to purchase additional life insurance coverage through the District Government. These additions to the basic coverage are set-forth in the schedule below:

Optional Plan	Additional Coverage	Premium Amount
Option A – Standard	Provides $10,000 additional coverage	Cost determined by age
Option B – Additional	Provides coverage up to five times the employee's annual salary	Cost determined by age and employee's salary
Option C – Family	Provides $5,000 coverage for the eligible spouse and $2,500 for each eligible child.	Cost determined by age.

Employees must contact their respective personnel offices to enroll or make changes in their life insurance coverage.

SECTION B: HEALTH INSURANCE:

1. Pursuant to D.C. Official Code §1-621.02 (2001 Edition), all employees covered by this agreement and hired after September 30, 1987, shall be entitled to enroll in group health insurance coverage provided by the District of Columbia.

(a) Health insurance coverage shall provide a level of benefits comparable to the plan(s) provided on the effective date of this agreement. Benefit levels shall not be reduced during the term of this agreement except by mutual agreement of the District, representatives of Compensation Units 1 and 2 and the insurance carrier(s). District employees are required to execute an enrollment form in order to participate in this program.

(b) The District may elect to provide additional health care providers for employees employed after September 30, 1987, provided that such addition of providers does not reduce the current level of benefits provided to employees. Should the District Government decide to expand the list of eligible providers, the District shall give Compensation Units 1 & 2 representatives notice of the proposed additions.

(c) Employees are required to contribute 25% of the total premium cost of the employee's selected plan. The District of Columbia Government shall contribute 75% of the premium cost of the employee's selected plan.

2. Pursuant to D.C. Official Code §1-621.01 (2001 Edition), all District employees covered by this agreement and hired before October 1, 1987, shall be eligible to participate in group health insurance coverage provided through the Federal Employees Health Benefits Program (FEHB) as provided in Chapter 89 of Title 5 of the United States Code. This program is administered by United States Office of Personnel Management.

3. The plan descriptions shall provide the terms of coverage and administration of the respective plans. Employees and union representatives are entitled to receive a copy of the summary plan description upon request. Additionally, employees and union representatives are entitled to review copies of the actual plan description upon advance request.

SECTION C: OPTICAL AND DENTAL:

1. The District shall provide Optical and Dental Plan coverage at a level of benefits comparable to the plan(s) provided on the effective date of this agreement. Benefit levels shall not be reduced during the term of this agreement except by mutual agreement of the District, the Union and the insurance carrier(s). District employees are required to execute an enrollment form in order to participate in the Optical and Dental program.

2. The District may elect to provide additional Optical and/or Dental providers, provided that such addition of providers does not reduce the current level of benefits provided to employees. Should the District Government decide to expand the list of eligible providers, the District shall give Compensation Units 1 & 2 representatives notice of the proposed additions.

SECTION D: SHORT-TERM DISABILITY INSURANCE PROGRAM

Employees covered by this Agreement shall be eligible to enroll, at their own expense, in the District's Short-Term Disability Insurance Program, which provides for partial income replacement when employees are required to be absent from duty due to a non-work-related qualifying medical condition. Employees may use income replacement benefits under the program in conjunction with annual or sick leave benefits provided for in this Agreement.

SECTION E: ANNUAL LEAVE:

1. In accordance with D.C. Official Code §1-612.03 (2001 Edition), full-time employees covered by the terms of this agreement are entitled to:

(a) one-half (1/2) day (4 hours) for each full biweekly pay period for an employee with less than three years of service (accruing a total of thirteen (13) annual leave days per annum);

(b) three-fourths (3/4) day (6 hours) for each full biweekly pay period, except that the accrual for the last full biweekly pay period in the year is one and one-fourth days (10 hours), for an employee with more than three (3) but less than fifteen (15) years of service (accruing a total of twenty (20) annual leave days per annum); and,

(c) one (1) day (8 hours) for each full biweekly pay period for an employee with fifteen (15) or more years of service (accruing a total of twenty-six (26) annual leave days per annum).

2. Part-time employees who work at least 40 hours per pay period earn annual leave at one-half the rate of full-time employees.

3. Employees shall be eligible to use annual leave in accordance with the District of Columbia laws.

SECTION F: SICK LEAVE:

1. In accordance with District of Columbia Official Code §1-612.03 (2001 Edition), a full-time employee covered by the terms of this agreement may accumulate up to thirteen (13) sick days in a calendar year.

2. Part-time employees for whom there has been established in advance a regular tour of duty of a definite day or hour of any day during each administrative workweek of the biweekly pay period shall earn sick leave at the rate of one (1) hour for each twenty (20) hours of duty. Credit may not exceed four (4) hours of sick leave for 80 hours of duty in any pay period. There is no credit of leave for fractional parts of a biweekly pay period either at the beginning or end of an employee's period of service.

SECTION G: OTHER FORMS OF LEAVE:

1. Military Leave: An employee is entitled to leave, without loss of pay, leave, or credit for time of service as reserve members of the armed forces or as members of the National Guard to the extent provided in D.C. Official Code §1-612.03(m) (2001 Edition).

2. Court Leave: An employee is entitled to leave, without loss of pay, leave, or service credit during a period of absence in which he or she is required to report for jury duty or to appear as a witness on behalf of the District of Columbia Government, or the Federal or a state or local government to the extent provided in D.C. Official Code §1-612.03(l) (2001 Edition).

3. Funeral Leave:

a. An employee is entitled to three (3) days of leave, without loss of pay, leave, or service credit to make arrangements for or to attend the funeral or memorial service for an immediate relative. In addition, the Employer shall grant an employee's request for annual or compensatory time up to three (3) days upon the death of an immediate relative. Approval of additional time shall be at the Employer's discretion. However, requests for leave shall be granted unless the Agency's ability to accomplish its work would be seriously impaired.

b. For the purpose of this section "immediate relative" means the following relatives of the employee: an individual who is related to the employee by blood, marriage, adoption, or domestic partnership as father, mother, child, husband, wife, sister, brother, aunt uncle, grandparent, grandchild, or similar familial relationship; an individual for whom the employee is the legal guardian; or fiancé, fiancée, or domestic partner of the employee.

c. An employee is entitled to not more than three (3) days of leave, without loss of pay, leave, or service credit to make arrangements for or to attend the funeral or memorial service for a family member who died as a result of a wound, disease or injury incurred while serving as a member of the armed forces in a combat zone to the extent provided in D.C. Official Code §1-612.03(n) (2001 Edition).

SECTION H: PRE-TAX BENEFITS:

1. Employee contributions to benefits programs established pursuant to D.C. Official Code §1-611.19 (2001 ed.), including the District of Columbia Employees Health Benefits Program, may be made on a pre-tax basis in accordance with the requirements of the Internal Revenue Code and, to the extent permitted by the Internal Revenue Code, such pre-tax contributions shall not effect a reduction of the amount of any other retirement, pension, or other benefits provided by law.

2. To the extent permitted by the Internal Revenue Code, any amount of contributions made on a pre-tax basis shall be included in the employee's contributions to existing life insurance, retirement system, and for any other District government program keyed to the employee's scheduled rate of pay, but shall not be included for the purpose of computing Federal or District income tax withholdings, including F.I.C.A., on behalf of any such employee.

SECTION I: RETIREMENT:

1. CIVIL SERVICE RETIREMENT SYSTEM (CSRS): As prescribed by 5 U.S.C. §8401 and related chapters, employees first hired by the District of Columbia Government before October 1, 1987, are subject to the provisions of the CSRS, which is administered by the U.S. Office of Personnel Management. Under Optional Retirement the aforementioned employee may choose to retire when he/she reaches:

(a) Age 55 and 30 years of service;
(b) Age 60 and 20 years of service;
(c) Age 62 and 5 years of service.

Under Voluntary Early Retirement, which must be authorized by the U.S. Office of Personnel Management, an employee may choose to retire when he/she reaches:

(a) Age 50 and 20 years of service;
(b) Any age and 25 years of service.

The pension of an employee who chooses Voluntary Early Retirement will be reduced by 2% for each year under age 55.

2. CIVIL SERVICE RETIREMENT SYSTEM: SPECIAL RETIREMENT PROVISIONS FOR LAW ENFORCEMENT OFFICERS:

Employees first hired by the District of Columbia Government before October 1, 1987, who are subject to the provisions of the CSRS and determined to be:

(a) a "law enforcement officer" within the meaning of 5 U.S.C. §8331(20)(D); and

(b) eligible for benefits under the special retirement provision for law enforcement officers;

shall continue to have their retirement benefits administered by the U. S. Office of Personnel Management in accordance with applicable law and regulation.

3. DEFINED CONTRIBUTION PENSION PLAN:

Section A:

The District of Columbia shall continue the Defined Contribution Pension Plan currently in effect which includes:

(1) All eligible employees hired by the District on or after October 1, 1987, are enrolled into the defined contribution pension plan.

(2) As prescribed by §1-626.09(c) of the D.C. Official Code (2001 Edition) after the completion of one year of service, the District shall contribute an amount not less than 5% of their base salary to an employee's Defined Contribution Pension Plan account. The District government funds this plan; there is no employee contribution to the Defined Contribution Pension Plan.

(3) As prescribed by §1-626.09(d) of the D.C. Official Code (2001 Edition) the District shall contribute an amount not less than an additional .5% of a detention officer's base salary to the same plan.

(4) Compensation Units 1 and 2 Joint Labor Management Technical Advisory Pension Reform Committee

(a) Establishment of the Joint Labor-Management Technical Advisory Pension Reform Committee (JLMTAPRC or Committee)

(1) The Parties agree that employees should have the security of a predictable level of income for their retirement after a career in public service. In order to support the objective of providing retirement income for employees

hired on or after October 1, 1987, the District shall plan and implement an enhanced retirement program effective October 1, 2008. The enhanced program will consist of a deferred compensation component and a defined benefit component.

(2) Accordingly, the Parties agree that the JLMTAPRC is hereby established for the purpose of developing an enhanced retirement program for employees covered by the Compensation Units 1 and 2 Agreement.

(b) Composition of the JLMTAPRC

The Joint Labor-Management Technical Advisory Pension Reform Committee will be composed of six (6) members, three (3) appointed by labor and three (3) appointed by management, and the Chief Negotiators (or his/her designee) of Compensation Units 1 and 2. Appointed representatives must possess a pension plan background including but not limited to consulting, financial or actuarial services. In addition, an independent consulting firm with demonstrated experience in pension plans design and actuarial analysis will support the Committee.

(c) Responsibilities of the JLMTAPRC

The Committee shall be responsible to:

- Plan and design an enhanced retirement program for employees hired on or after October 1, 1987 with equitable sharing of costs and risks between employee and employer;
- Establish a formula cap for employee and employer contributions;
- Establish the final compensation calculation using the highest three-year consecutive average employee wages;
- Include retirement provisions such as disability, survivor and death benefits, health and life insurance benefits;
- Design a plan sustainable within the allocated budget;
- Draft and support legislation to amend the D.C. Code in furtherance of the "Enhanced Retirement Program."

(d) Duration of the Committee

The Committee shall complete and submit a report with its recommendations to the City Administrator for the District of Columbia within one hundred and twenty (120) days after the effective date of the Compensation Units 1 and 2 Agreement.

4. TIAA-CREF PLAN:

For eligible education service employees at the University of the District of Columbia hired by the University or a predecessor institution, the University will contribute an amount not less than seven percent (7%) of their base salary to the Teachers Insurance and Annuity Association College Retirement Equities Fund (TIAA-CREF).

SECTION J: HOLIDAYS:

1. As prescribed by D.C. Official Code §1-612.02 (2001 Edition) the following legal public holidays are provided to all employees covered by this agreement:

(a) New Year's Day, January 1st of each year;
(b) Dr. Martin Luther King, Jr.'s Birthday, the 3rd Monday in January of each year;
(c) Washington's Birthday, the 3rd Monday in February of each year;
(d) Emancipation Day, April 16th;
(e) Memorial Day, the last Monday in May of each year;
(f) Juneteenth, June 19th
(g) Independence Day, July 4th of each year;
(h) Labor Day, the 1st Monday in September of each year;
(i) Indigenous Peoples' Day, the 2nd Monday in October of each year;
(j) Veterans Day, November 11th of each year;
(k) Thanksgiving Day, the 4th Thursday in November of each year; and
(l) Christmas Day, December 25th of each year.
(m) Inauguration Day, January 20th of each 4th year

2. When an employee, having a regularly scheduled tour of duty is relieved or prevented from working on a day District agencies are closed by order of the Mayor, he or she is entitled to the same pay for that day as for a day on which an ordinary day's work is performed.

ARTICLE 7
OVERTIME

SECTION A: Overtime Work:

Hours of work authorized in excess of an employees assigned tour of duty in a day or forty (40) hours in a pay status in a work week shall be overtime work for which an employee shall receive either overtime pay or compensatory time unless the employee has used unscheduled leave during the forty (40) hour work week. The unscheduled leave rule will not apply when an employee has worked (back-to-back shifts) and takes unscheduled leave for an eight (8) hour period following the back-to-back shift or where an employee has indicated his/her preference not to work overtime and the Employer has

no other option but to order the employee to work overtime. Scheduled leave is leave requested and approved prior to the close of the preceding shift.

SECTION B: Compressed, Alternate and Flexible Schedules:

1. Compressed, Alternate and Flexible schedules may be jointly determined within a specific work area that modifies this overtime provision (as outlined in Section A of this Article) but must be submitted to the parties to this contract prior to implementation. This Agreement to jointly determine compressed schedules does not impact on the setting of the tour of duty.

2. When an employee works a Compressed, Alternate, and Flexible schedule, which generally means (1) in the case of a full-time employee, an 80-hour biweekly basic work requirement which is scheduled for less than 10 workdays, and (2) in the case of a part-time employee, a biweekly basic work requirement of less than 80 hours which is scheduled for less than 10 workdays, the employee would receive overtime pay or compensatory time for all hours in a pay status in excess of his/her assigned tour of duty, consistent with the 2004 District of Columbia Omnibus Authorization Act, 118 Stat. 2230, Pub. L. 108-386 Section (October 30, 2004).

3. The purpose of this Section is to allow for authorized Compressed, Alternate, and Flexible time schedules which exceed eight (8) hours in a day or 40 hours in a week to be deemed the employee's regular tour of duty, and not be considered overtime within the confines of the specific compressed work schedule and this Article. Bargaining unit members so affected would receive overtime or compensatory time for all hours in pay status in excess of their assigned tour of duty.

SECTION C:

Subject to the provisions of Section D of this Article, an employee who performs overtime work shall receive either pay or compensatory time at a rate of time and one-half (1-1/2) for each hour of work for which overtime is payable.

SECTION D:

Bargaining Unit employees shall receive overtime pay unless the employee and the supervisor mutually agree to compensatory time in lieu of pay for overtime work. Such mutual agreement shall be made prior to the overtime work being performed.

SECTION E:

Paramedics and Emergency Medical Services Technicians employed by the Fire and Emergency Medical Services Department and represented by the American Federation of Government Employees, Local 3721 shall earn overtime after they have worked 40 hours in a week.

ARTICLE 8
INCENTIVE PROGRAMS

PART I - SICK LEAVE INCENTIVE PROGRAM:

In order to recognize an employee's productivity through his/her responsible use of accrued sick leave, the Employer agrees to provide time-off in accordance with the following:

SECTION A:

A full time employee who is in a pay status for the full calendar leave year shall accrue annually:

1. Three (3) days off for utilizing a total of no more than two (2) days of accrued sick leave.

2. Two (2) days off for utilizing a total of more than two (2) but not more than four (4) days of accrued sick leave.

3. One (1) day off for utilizing a total of more than four (4) but no more than five (5) days of accrued sick leave.

SECTION B:

Employees in a non-pay status for no more than two (2) pay periods for the leave year shall remain eligible for incentive days under this Article. Sick leave usage for maternity or catastrophic illness/injury, not to exceed two (2) consecutive pay periods, shall not be counted against sick leave for calculating eligibility for incentive leave under this Article.

SECTION C:

Time off pursuant to a sick leave incentive award shall be selected by the employee and requested at least three (3) full workdays in advance of the leave date. Requests for time off pursuant to an incentive award shall be given priority consideration and the employee's supervisor shall approve such requests for time off unless staffing needs or workload considerations dictate otherwise. If the request is denied, the employee shall request and be granted a different day off within one month of the date the employee initially requested. Requests for time off shall be made on the standard "Application for Leave" form.

SECTION D:

All incentive days must be used in full-day increments following the leave year in which they were earned. The Employer will notify the employee of their sick leave incentive day(s) no later than March of each year. The incentive day(s) will also be credited to the employee's leave account no later than the end of April of each year. Incentive days may not

be substituted for any other type of absence from duty. There shall be no carryover or payment for any unused incentive days.

SECTION E:

Part-time employees are not eligible for the sick leave incentive as provided in this Article.

SECTION F:

This program shall be in effect in Fiscal Years 2022, 2023, 2024 and 2025.

PART II – PERFORMANCE INCENTIVE PILOT PROGRAM:

In order to recognize employees' productivity through their accomplishment of established goals and objectives, special acts toward the accomplishment of agency initiatives, demonstrated leadership in meeting agency program and/or project goals and/or the District's Strategic Plan initiatives, the Employer, in accordance with criteria established by the High Performance Workplace Committee agrees to establish pilot incentive programs within agencies, including time off without loss of pay or charge to leave as an incentive award. The District of Columbia Government Office of Labor Management Partnerships and the District of Columbia Incentive Awards Committee may serve as resources at the request of the parties in the implementation of the pilot incentive programs within agencies.

ARTICLE 9
CALL-BACK/CALL-IN/ON-CALL AND PREMIUM PAY

SECTION A: CALL-BACK

A minimum of four (4) hours of overtime, shall be credited to any employee who is called back to perform unscheduled overtime work on a regular workday after he/she completes the regular work schedule and has left his/her place of employment.

SECTION B: CALL-IN

1. When an employee is called in before his/her regular tour of duty to perform unscheduled overtime and there is no break before the regular tour is to begin, a minimum of two (2) hours of overtime shall be credited to the employee.

2. A minimum of four (4) hours of overtime work shall be credited to any employee who is called in when not scheduled and informed in advance, on one of the days when he/she is off duty.

SECTION C: ON-CALL

1. An employee may be required to be on call after having completed his/her regular tour of duty. The employer shall specify the hours during which the employee is on call; and shall compensate the employee at a rate of twenty-five percent (25%) of his/her basic rate of pay for each hour the employee is on call.

2. An employee is on-call when a determination has been made that the work of that position requires the employee to remain accessible and available to the point where his or her time cannot be used effectively for the employee's own personal purposes.

3. The employee's schedule must specify the hours during which he/she will be required to remain on-call. On call designation will be made on the form attached as Appendix 1.

SECTION D: HOLIDAY PAY

An employee who is required to work on a legal holiday falling within his or her regularly scheduled tour of duty, shall be paid at the rate of twice his or her regular basic rate of pay for not more than eight (8) hours of such work.

SECTION E: NIGHT DIFFERENTIAL

An employee shall receive night differential pay at a rate of ten percent (10%) in excess of their basic day rate of compensation when they perform night work on a regularly scheduled tour of duty falling between 6:00 p.m. and 6:00 a.m. Employees shall receive night differential in lieu of shift differential.

SECTION F: PAY FOR SUNDAY WORK

A full-time employee assigned to a regularly scheduled tour of duty, any part of which includes hours that fall between midnight Saturday and midnight Sunday, is entitled to Sunday premium pay for each hour of work actually performed which is not overtime work and which is not in excess of eight (8) hours for each tour of duty which begins or ends on Sunday. Sunday premium pay is computed as an additional twenty-five percent (25%) of the employee's basic rate of compensation.

SECTION G: ADDITIONAL INCOME ALLOWANCE FOR CHILD AND FAMILY SERVICES

1. The Additional Income Allowance (AIA) program within the Child and Family Services Agency (CFSA) which was established pursuant to the "Personnel Recruitment and Retention Incentives for Child and Family Services Agency Compensation System Changes Emergency Approval Resolution of 2001", Council Resolution 14-53 (March 23, 2001) and as contained in Chapter 11, Section 1154 of the District Personnel Manual,

"Recruitment and Retention Incentives – Child and Family Services Agency," shall remain in full force and effect during the term of this Agreement.

2. The Administration of the AIA within CFSA shall be governed by the implementing regulations established in Child and Family Services Agency, Human Resources Administration Issuance System, HRA Instruction No. IV.11-3.

3. **OTHER SUBORDINATE AGENCIES WITH SIGNIFICANT RECRUITMENT AND RETENTION PROBLEMS**
Subordinate agencies covered by this Agreement may provide additional income allowances for positions that have significant recruitment and retention problems consistent with Chapter 11, Part B, Section 1143 of the District Personnel Manual.

ARTICLE 10
MILEAGE ALLOWANCE

SECTION A:

The parties agree that the mileage allowance established for the employees of the Federal Government who are authorized to use their personal vehicles in the performance of their official duties shall be the rate for Compensation Units 1 and 2 employees, who are also authorized in advance, by Management to use their personal vehicles in the performance of their official duties.

SECTION B:

To receive such allowance, authorization by Management must be issued prior to the use of the employee's vehicle in the performance of duty. Employees shall use the appropriate District Form to document mileage and request reimbursement of the allowance.

SECTION C:

1. Employees required to use their personal vehicle for official business if a government vehicle is not available, who are reimbursed by the District on a mileage basis for such use, are within the scope of the District of Columbia Non-Liability Act (D.C. Official Code §§2-411 through 2-416 (2001 Edition)). The Non-Liability Act generally provides that a District Employee is not subject to personal liability in a civil suit for property damage or for personal injury arising out of a motor vehicle accident during the discharge of the employee's official duties, so long as the employee was acting within the scope of his or her employment.

2. Claims by employees for personal property damage or loss incident to the use of their personal vehicle for official business if a government vehicle is not available

may be made under the Military Personnel and Civilian Employees Claim Act of 1964 (31 U.S.C. §3701 *et seq.*).

SECTION D:

No employee within Compensation 1 and 2 shall be required to use his/her personal vehicle unless the position vacancy announcement, position description or other pre-hire documentation informs the employee that the use of his/her personal vehicle is a requirement of the job.

SECTION E:

Employees required as a condition of employment to use their personal vehicle in the performance of their official duties may be provided a parking space or shall be reimbursed for non-commuter parking expenses, which are incurred in the performance of their official duties.

ARTICLE 11
ANNUAL LEAVE/COMPENSATORY TIME BUY-OUT

SECTION A:

An employee who is separated or is otherwise entitled to a lump-sum payment under personnel regulations for the District of Columbia Government shall receive such payment for each hour of unused annual leave or compensatory time in the employee's official leave record.

SECTION B:

The lump-sum payment shall be computed on the basis of the employee's rate at the time of separation in accordance with such personnel regulations.

ARTICLE 12
BACK PAY

Arbitration awards or settlement agreements in cases involving an individual employee shall be paid within sixty (60) days of receipt from the employee of relevant documentation, including documentation of interim earnings and other potential offsets. The responsible Agency shall submit the SF-52 and all other required documentation to the Department of Human Resources within thirty (30) days upon receipt from the employee of relevant documentation.

ARTICLE 13
DUTY STATION COVERAGE

The Fire and Emergency Medical Services employees and the correctional officers at the Department of Corrections and the Department of Youth Rehabilitative Services who are covered under Section 7(k) of the Fair Labor Standards Act shall be compensated a minimum of one hour pay if required to remain at his/her duty station beyond the normal tour of duty.

ARTICLE 14
GRIEVANCES

SECTION A:

This Compensation Agreement shall be incorporated by reference into local working conditions agreements in order to utilize the grievance/arbitration procedure in those Agreements to consider alleged violations of this Agreement.

SECTION B:

Grievances concerning compensation shall be filed with the appropriate agency and the Office of Labor Relations and Collective Bargaining under the applicable working conditions agreement. In the event a grievance alleges a violation affecting all members of Compensation Units 1 and 2, it will be sufficient to file the grievance directly with the Office of Labor Relations and Collective Bargaining within thirty (30) calendar days of knowledge of the alleged violation. Other than this possible variance in the filing deadline and receiving office, the applicable negotiated grievance procedure will remain in full force and effect.

ARTICLE 15
LOCAL ENVIRONMENT PAY

SECTION A:

Each department or agency shall eliminate or reduce to the lowest level possible all hazards, physical hardships, and working conditions of an unusual nature. When such action does not overcome the hazard, physical hardship, or unusual nature of the working condition, additional pay is warranted. Even though additional pay for exposure to a hazard, physical hardship, or unusual working condition is authorized, there is a responsibility on the part of a department or agency to initiate continuing positive action to eliminate danger and risk which contribute to or cause the hazard, physical hardship, or unusual working condition. The existence of pay for exposure to hazardous working

conditions or hardships in a local environment is not intended to condone work practices that circumvent safety laws, rules and regulations.

SECTION B:

Local environment pay is paid for actual exposure to (1) a hazard of an unusual nature which could result in significant injury, illness, or death, such as on a high structure when the hazard is not practically eliminated by protective facilities or an open structure when adverse conditions exist, e.g., darkness, lightning, steady rain, snow, sleet, ice, or high wind velocity; (2) a physical hardship of an unusual nature under circumstances which cause significant physical discomfort in the form of nausea, or skin, eye, ear or nose irritation, or conditions which cause abnormal soil of body and clothing, etc., and where such distress or discomfort is not practically eliminated.

Local environmental pay will only be paid to employees when the employee is in an active duty status. Local environmental pay will not be paid when an employee is on leave or teleworking.

SECTION C:

Employees as listed in Attachment 2, Approved Positions for Local Environmental Pay, of DCHR Instruction No. 11B-90, Premium Pay – Local and Environmental Pay, and any other employee including District Service (DS) employees as determined pursuant to Section D of this Article are eligible for environmental differentials.

SECTION D:

The determination as to whether additional pay is warranted for workplace exposure to environmental hazards, hardships or unusual working conditions may be initiated by an agency or labor organization in accordance with the provisions of DCHR Instruction No. 11B-90, Premium Pay – Local and Environmental Pay. The determination shall be issued by DCHR within ninety (90) calendar days of the submission of the request.

SECTION E:

Employees eligible for local environment pay under the terms of this Agreement shall be compensated as follows:

1. **Severe Exposure.** Employees subject to "Severe" exposure shall receive local environment pay equal to twenty seven percent (27%) of *the rate for RW 10, step 2 on the Compensation Unit 2 pay schedule*. The following categories of work are currently paid the rate for "severe" exposure:

    - High Work

2. **Moderate Exposure.** Employees subject to "Moderate" exposure shall receive local environment pay equal to ten percent (10%) of *the rate for RW 10, step 2 on*

the Compensation Unit 2 pay schedule. The following categories of work are currently paid the rate for "moderate" exposure:

- Explosives and Incendiary Materials – High Degree Hazard
- Poison (Toxic Chemicals) – High Degree Hazard
- Micro Organisms – High Degree Hazard

3. **Low Exposure.** Employees subject to "Low" exposure shall receive local environment pay equal to five percent (5%) of *the rate for RW 10, step 2 on the Compensation Unit 2 pay schedule*. The following categories of work are currently paid the rate for "low" exposure:

- Dirty Work
- Cold Work
- Hot Work
- Welding Preheated metals
- Explosives and Incendiary Materials – Low Degree Hazard
- Poison (Toxic Chemicals) – Low Degree Hazard
- Micro Organisms – Low Degree Hazard

ARTICLE 16
NEWLY CERTIFIED BARGAINING UNITS

For units placed into a new compensation unit, working conditions or non-compensatory matters shall be negotiated simultaneous with negotiations concerning compensation. Where the agreement is for a newly certified collective bargaining unit assigned to an existing compensation unit, the parties shall proceed promptly to negotiate simultaneously any working conditions, other non-compensatory matters, and coverage of the compensation agreement. There should not be read into the new language any intent that an existing compensation agreement shall become negotiable when there is a newly certified collective bargaining unit. Rather, the intent is to require prompt negotiations of non-compensatory matters as well as application of compensation (e.g., when pay scale shall apply to the newly certified unit).

ARTICLE 17
TERM AND TEMPORARY EMPLOYEES

The District of Columbia recognizes that many temporary and term employees have had their terms extended to perform permanent services. To address the interests of current term and temporary employees whose appointments have been so extended over time and who perform permanent services, the District of Columbia and the Union representing the employees in Compensation Units 1 and 2 agree to the following:

SECTION A:

Joint labor-management committees established in each agency/program in the Compensation Units 1 and 2 collective bargaining agreement shall continue and will identify temporary and term employees whose current term and or temporary appointments extend through the term of this Agreement, and who perform permanent services in District agency programs.

SECTION B:

Each Agency and Local Union shall review all term appointments within the respective agencies to determine whether such appointments are made and maintained consistent with applicable law. The Union shall identify individual appointments it believes to be contrary to applicable law and notify the Agency. The Agency shall provide the Union reason(s) for the term or temporary nature of the appointment(s), where said appointments appear to be contrary to law. If an employee has been inappropriately appointed to or maintained in a temporary or term appointment, the Agency and the Union shall meet to resolve the matter.

SECTION C:

The agency shall convert bargaining unit temporary and term employees identified by the joint labor-management committees, who perform permanent services, who are in a pay status during the term of this Agreement, and are paid from appropriated funding to the career service..

SECTION D:

Prior to the end of the this Compensation Agreement, to the extent not inconsistent with District or Federal law and regulation, the District shall make reasonable efforts to convert to the career service temporary and term bargaining unit employees identified by the joint labor-management committees who perform permanent services, are in a pay status as of September 30, 2021, are full-time permanent positions, and are paid through intra-district funding or federal grant funding.

SECTION E:

Employees in term or temporary appointments shall be converted to permanent appointments, consistent with the D.C. Official Code.

SECTION F:

District agencies retain the authority to make term and temporary appointments as appropriate for seasonal and temporary work needs.

SECTION G:

A Joint-Labor Management Committee shall consist of one (1) representative from each national union comprising Compensation Units 1 and 2. The District shall appoint an equal number of representatives. The Committee will facilitate the implementation of this Article should difficulties arise in the Joint-Labor Management Committees set forth in Section A.

SECTION H:

District agencies will first post vacant career service positions internal to the Agency for bargaining unit term and temporary employees to apply and compete before posting the positions externally. There shall be no direct appointments.

ARTICLE 18
ADMINISTRATIVE CLOSING

SECTION A:

1. Employees designated as "Essential Employees" are those who work in critical District government operations that cannot be suspended or interrupted, even in the event of declared emergencies. "Essential Employees" must report to work as scheduled even when the government is administratively closed, during emergencies or other government closing. Once an employee has been notified by his/her employing agency that his/her position is designated as "Essential" no further notice is required as long as the employee continues to occupy the position designated "Essential".

2. Employees designated "Emergency Employees" are those who support certain critical government operations and functions necessary for the continuity of operations, including during declared emergencies. "Emergency Employees" may be required to work when a situation or condition occurs and result in early dismissal for other employees, government closing or during other emergencies.

Once an employee has been notified by his/her employing agency that his/her position is designated as "Emergency", the designation will remain in effect until the designation is terminated in writing.

3. As applicable, employees required to work when all other District Government employees are released for administrative closings, shall be compensated in accordance with the minimum standards established by the Fair Labor Standards Act, (FLSA), 29 U.S.C. § 2011, *et seq*.

4. As applicable, employees required to work when all other District Government employee are released as a result of an administrative closings shall be compensated, in addition to their regular pay, one hour for each hour worked during the administrative closing.

SECTION B:

The determination as to whether the employee receives overtime or compensatory time will be at the time employee's election which shall be made before the work is performed. When elected, employees required to work when all other District Government employees are released for administrative closing shall earn compensatory time on an hour for hour basis.

ARTICLE 19
SAVINGS CLAUSE

SECTION A:

Should any provisions of this Agreement be rendered or declared invalid by reason of any existing or subsequently enacted law or by decree of a court or administrative agency of competent jurisdiction, such invalidation shall not affect any other part or provision hereof. Where appropriate, the parties shall meet within 120 days to negotiate any substitute provision(s).

SECTION B:

The terms of this contract supersede any subsequently enacted D.C. laws, District Personnel Manual (DPM) regulations, or departmental rules concerning compensation covered herein.

ARTICLE 20
DURATION

This Agreement shall remain in full force and effect through September 30, 2025. On this _____ day of _____2022 , and as witness the parties hereto have set their signature.

APPENDIX 1

Management's Proposal
7/26/10

INSERT DATE

Firstname Lastname
Position/Title
Department/Division

RE: On-Call Notification

Dear Mr./Ms. Lastname:

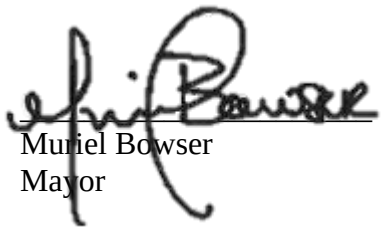
You are hereby notified that you shall be placed in an "on-call" status effective **On-Call Dates** between the hours of **Start AM/PM** and **End AM/PM**. During the aforementioned hours, you are required to be available to report for work within **a reasonable time (not to exceed two hours).** You are expected to be available by phone for the duration of the "on-call" period. You are expected to answer when called or return a call from INSERT AGENCY management within a reasonable amount of time (not to exceed **30 minutes**.

Sincerely,

SUPERVISOR/MANAGER NAME
SUPERVISOR POSITION/TITLE

APPROVAL

This collective bargaining agreement between the District of Columbia and Compensation Units 1 and 2, dated 05/14/2022, has been reviewed in accordance with Section 1-617.15 of the District of Columbia Official Code (2001 Ed.) and is hereby approved on this 14 day of May , 2022.



Muriel Bowser
Mayor

Compensation Units One and Two Collective Bargaining Agreement

On this 14 day of May, 2022, as witnesses the parties hereto have set their signatures.

FOR THE DISTRICT OF COLUMBIA GOVERNMENT

Lindsey Maxwell, Director
Office of Labor Relations and Collective Bargaining

Asha Bryant, Esq., Chief of Staff
Office of Labor Relations and Collective Bargaining

M. Colleen Currie, Chief Administrative Law Judge
Office of Administrative Hearings

Karl Racine, Attorney General
Office of the Attorney General

Barbara J. Bazron, PhD., Director
Department of Behavioral Health

Brendolyn McCarty-Jones, Labor Liaison
Department of Behavioral Health

FOR THE LABOR UNIONS

Lee Blackmon, NAGE Chief Negotiator
Director, NAGE/SEIU, Federal Division

Robert Hollingsworth, AFSCME Chief Negotiator
Executive Director, AFSCME Council 20

Ottis Johnson, AFGE Chief Negotiator
National Vice President, AFGE District 14

Lisa Blackwell, President
AFGE Local 1000

Stanley Freeman, President
AFGE Local 1975

Kermit Johnson, President
AFGE Local 2725

James Battle, President
AFGE Local 2741

Dr. Robert Holman, Medical Director
Fire and Emergency Medical Services Department

Debbie Knox, President
NAGE Local R3-07

India Daniels, Labor Liaison
Fire and Emergency Medical Services Department

Lisa White, President
NAGE Local R3-08

S/ Dory Peters
~~David Do~~, Director (Interim)
Department of For-Hire Vehicles

Dory Peters

Latoya McDowney, President
NAGE Local R3-09

Anthony Crispino, Interim Director
Department of Forensic Sciences

~~Perlieshia~~ Gales, President
NAGE Local R3-11

Keith A. Anderson, Director
Department of General Services

Wanda Shelton-Martin, ~~President~~ Executive Director
~~NUCHHCE~~ 1199
NUHHCE, 1199DC, AFSCME

Ronald Thaxton, Labor Liaison
Department of General Services

Larry Doggette, President
Public Service Employees Local 572

Laquandra S. Nesbitt MD, MPH, Director
Department of Health

Lisa Wallace, Vice President (Acting)
SEIU 1199

David Memnon, Labor Liaison
Department of Health

John Gibson, President
Teamsters Local 639

George Schutter, Chief Procurement Officer
Office of Contracting and Procurement

Wayne Enoch, President
AFSCME Local 2401

Robin Henry, Labor Liaison
Office of Contracting and Procurement

Felicia Dantzler, President
AFSCME Local 2743

Thomas N. Faust, Director
Department of Corrections

Alfred Barnes, President
AFSCME Local 2776

Paulette Johnson, Labor Liaison
Department of Corrections

Debra Walker, President
AFSCME Local 709

Andrew Reese, Director
Department on Disability Services

Darrin Roach, President
AFSCME Local 877

~~Joseph Alexander~~, Chairperson
FOP-Corrections NWAIZUGBO. LIVINUS

Unique N. Morris-Hughes, Director
Department of Employment Services

Derrick Hunter, Chairperson
FOP-DC Protective Services

Tracey Langley, Labor Liaison
Department of Employment Services

Regina Robinson, Chairperson
FOP-DYRS

Tommy Wells, Director
Department of Energy and Environment

Ignacio Alleyne, President
NAGE Local R3-05

S/ Angie M. Gates

Angie M. Gates, Director
Office of Cable Television, Film, Music and Entertainment

Carrol Ward, President
AFGE Local 2978

Dr. Steven Johnson, Labor Liaison
Office of Cable Television, Film, Music and Entertainment

Aretha Lyles, President
AFGE Local 3721

Lindsey Parker, Director
Office of the Chief Technology Officer

Kenneth Pitts, President
AFGE Local 383

Pamela Brown, Esq., General Counsel
Office of the Chief Technology Officer

Barbara Milton, President
AFGE Local 631

Robert L. Matthews, Director
Child and Family Services Agency

Deborah Williams, President
AFSCME Local 1200

Allison Fax, Labor Liaison
Child and Family Services Agency

Mathew Williams, President
AFSCME Local 1808

Ernest Chrappah, Director
Department of Consumer and Regulatory Affairs

LaVerne Gooding-Jones, President
AFSCME Local 2087

Donald Tatum, Labor Liaison
Department of Consumer and Regulatory Affairs

Kevin Hooks, President
AFSCME Local 2092

Dr. Christopher Rodriguez, Director
Homeland Security and Emergency Management Agency

Ritchie Brooks, President
Teamsters Local 730

Drew Hubbard, Interim Director
Department of Housing and Community Development

Kevin Page
AFSCME local 2091

Hnin Khaing, Director
Office of Human Rights

Ayanna Lee, Labor Liaison
Office of Human Rights

Laura Green Zeilinger, Director
Department of Human Services

Tammyjo Scriven, Labor Liaison
Department of Human Services

Karima Morris Woods, Commissioner
Department of Insurance, Securities, and Banking

Katrice Purdie, Labor Liaison
Department of Insurance, Securities, and Banking

Michael A. Carter, Director
Department of Public Works

Labor Liaison
Department of Public Works

Jed Ross, Chief Risk Officer
Office of Risk Management

Dr. Christina Grant, State Superintendent of Education
Office of the State Superintendent of Education

Quiyana Hall, Labor Liaison
Office of the State Superintendent of Education

Everett Lott, Director
Department of Transportation

Leah Brown, Labor Liaison
Department of Transportation

Karima Holmes, Director
Office of Unified Communications

Ingrid Jackson, Labor Liaison
Office of Unified Communications

Hilary Cairns
Department of Youth and Rehabilitation Services

Trey Stanback, Labor Liaison
Department of Youth and Rehabilitation Services

Fitzroy Lee, Acting Chief Financial Officer
Office of the Chief Financial Officer

LaSharn Moreland, Labor Liaison
Office of the Chief Financial Officer

Richard Reyes-Gavilan, Director
DC Public Library

Veronica Ahern, Executive Director
Public Service Commission

Richard Beverly, Labor Liaison
Public Service Commission

Ronald Mason, Jr., J.D., President
University of the District of Columbia

Wayne Turnage, Director
Department of Health Care Finance

Felicia Rothchild, Labor Liaison
Department of Health Care Finance

Jessica Gray, Labor Liaison / Human Capital Administrator
Department on Disability Services

TANYA L. MITCHELL
LABOR LIAISON
HOMELAND SECURITY AND
EMERGENCY MANAGEMENT
AGENCY

Gabriel Robinson, Director
Department of Motor Vehicles

Odessa Nance, Labor Liaison
Department of Motor Vehicles

Robert J. Contee III, Police Chief
Metropolitan Police Department

Mark Viehmeyer, Labor Liaison
Metropolitan Police Department

Delano Hunter, Director
Department of Parks and Recreation

Amy Caspari, Labor Liaison
Department of Parks and Recreation

Anita Cozart, Interim Director
Office of Planning

Sandra Harp, Labor Liaison
Office of Planning

Lewis D. Ferebee, Chancellor
District of Columbia Public Schools

Appendix 26

COLLECTIVE BARGAINING WORKING CONDITIONS AGREEMENT

BETWEEN

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, LOCAL 1403, AFL-CIO,

AND

THE DISTRICT OF COLUMBIA,

AND

THE OFFICE OF THE ATTORNEY GENERAL, THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

EFFECTIVE OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2020

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ARTICLE 1
RECOGNITION

Section 1 – Recognition:

A. The American Federation of Government Employees, (AFGE) Local 1403 (Union) is recognized as the sole and exclusive collective bargaining representative of employees in the bargaining unit as defined in Section 2 of this Article.

B. As the sole and exclusive representative, the Union is entitled to act for and to negotiate collective bargaining agreements (CBA) on behalf of all employees in the bargaining unit. The Union shall represent the interests of all employees in the bargaining unit without discrimination as to membership.

C. The Employer shall give the Union an opportunity to be present at any formal meeting between the Employer and one or more employee(s) in the bargaining unit concerning any grievance or general condition of employment of the employee(s) in the bargaining unit. A "formal meeting" refers to any meeting between an employee and any individual in his or her supervisory chain of control that includes at least one (1) other management official or supervisor and at least one (1) Union representative.

Section 2 – Coverage:

A. All Series 905 attorneys employed by the Office of the Attorney General for the District of Columbia ("OAG"), and all attorneys employed by an agency of the District of Columbia Government which is subordinate to the Mayor ("Agency Counsel Office" collectively with OAG referred to herein as "Employer"), except employees excluded under D.C. Official Code § 1-617.09(b). PERB Case No. O1-RC-03; Certification No. 121; PERB Case No. 01014-RC-0301, Certification No. 121, 133 (April 19, 2005).

B. AFGE Local 1403 is recognized as the sole and exclusive bargaining representative for the bargaining units set forth in PERB Certification No. 121 and PERB Certification No. 133.

ARTICLE 2
LABOR-MANAGEMENT RELATIONS

Section 1-A - Composition and Function of the OAG Labor-Management Committee:

A. The Union and the OAG shall continue the existing OAG Labor-Management Committee (LMC) that will consist of an agreed upon number of Union and OAG representatives.

B. The purpose of the OAG LMC, which shall meet monthly unless canceled in advance by the chairs, is to provide a forum for the exchange of views on working conditions, terms of employment, risk assessment, matters of common interest or other matters, which either party believes will contribute to improvement in the relations between the Union and the Employer within the framework of this Agreement.

C. Performance evaluation appeals, grievances and disciplinary matters shall not be the subject of discussions at these meetings, nor shall the meeting be for any other purpose, which would modify, add to or detract from the provisions of this Agreement. The Committee shall adopt rules for meetings including rules for notices, agendas, times and locations.

Section 1-B -Composition and Function of the MOLC Labor-Management Committee:

A. The Union and the Mayor's Office of Legal Counsel (MOLC) shall establish a Labor-Management Committee (LMC) that will consist of an agreed upon number of Union and MOLC representatives.

B. The purpose of the MOLC LMC, which shall meet quarterly, is to provide a forum for the exchange of views on working conditions, terms of employment, risk assessment, matters of common interest or other matters, which either party believes will contribute to improvement in the relations between the Union and the Mayor within the framework of this Agreement.

C. Performance evaluation appeals, grievances and disciplinary matters shall not be the subject of discussions at these meetings, nor shall the meeting be for any other purpose, which would modify, add to or detract from the provisions of this Agreement. The Committee shall adopt rules for meetings including rules for notices, agendas, times and locations.

Section 2 – Subcommittees:

The parties may mutually agree to establish subcommittees of the LMCs to study problems and conditions.

Section 3 – Union's Right to Request Impact and Effects Bargaining:

Nothing herein shall be construed to limit the Union's right to request impact and effects bargaining over any proposed organizational changes.

Section 5 - Labor-Management Meetings:

A. In mutual recognition of the parties' joint desire to discuss and resolve matters of concern at the lowest possible level, the Union steward and first-level supervisor, should meet periodically for the purpose of meaningful consultation and communication on the problems and policies of the organization in their working unit, and if appropriate, the steward may meet with supervisors of a higher level. Such meetings between supervisors and stewards shall be on duty time, shall be brief, and shall cover matters of concern between them and appropriate to their relationship.

B. Appropriate representatives from the Union and Employer shall meet at either party's request to discuss problems concerning the implementation of this Agreement. Each party shall furnish the other with an itemized agenda setting forth the topics of discussion one (1) day before the meeting,

unless otherwise agreed. The parties further agree that items not on the agenda may be raised for discussion, if agreed to by the parties at the meeting.

Section 6 - Organizational Changes:

A. The parties agree that changes to the functions and structure (except changes involving a particular individual as to personnel/supervisory appointments or transfers or space relocations) of the Employer, are a proper matter for consideration by the Labor-Management Committee or relevant subcommittee. The Employer may, in its discretion, solicit the views of the Union on any proposed organizational change at any time, but agrees that it shall provide to the Union President a copy of the final draft of organizational changes that will impact Bargaining Unit Employees. The Union President or his/her designee may request a meeting concerning the proposed changes and the Attorney General and/or the Mayor, as appropriate, or their designees, shall honor any such request. Following these consultations, the Union will be provided a copy of the final plan that has been approved by appropriate officials. If any changes to the plan are made thereafter, the Union shall be provided a copy of such changes.

Section 7 – Risk Assessment:

B. The Union may make recommendations to the Attorney General and/or the Mayor, as appropriate, concerning risk management issues for District legal service employees. The Attorney General and/or the Mayor, as appropriate, or their designees will respond to risk management recommendations within a reasonable period of time after receipt, but in no event later than six months following the transmittal of a written recommendation from the LMC to the Attorney General and/or the Mayor, as appropriate.

ARTICLE 3
ADMINISTRATION OF LEAVE

Except as otherwise provided in this Agreement or the corresponding Compensation Agreement, the parties shall adhere to all applicable law and District government rules and regulations in the administration of leave. Annual leave must be requested reasonably in advance except in an emergency (unanticipated event). Employer's decision to grant or deny annual leave shall be made within 72 hours of the request, excluding Saturdays, Sundays, holidays, and any other day that the District government is closed and will be based solely on mission (including coverage) requirements. Except in emergency situations, the Employer shall not consider the reason for the annual leave request in making the leave determination. If requested by the employee, the supervisor shall discuss the reason for the denial of any request, and discuss when the employee will be able to take the requested leave. Requests for annual leave shall be approved when possible.

ARTICLE 4
ALTERNATIVE WORK SCHEDULES

Section 1 – Definitions:

A. Except as provided in this Article, the professional workday for full-time employees shall consist of eight (8) hours of work within a 24-hour period. The normal hours of work shall be consecutive except that they may be interrupted by a lunch period.

B. **Professional Workweek:**

Attorneys work a professional work week on a salaried basis consisting of a minimum of forty (40) hours. The normal workweek for full-time attorneys shall consist of five (5) consecutive days, at least eight (8) hours of work, Monday through Friday. Management may vary the workweek of attorneys in order to meet work load requirements or emergency situations and must provide the employees with at least a two (2) day advance notice, if possible. Attorneys are exempt from the overtime restrictions under the Fair Labor Standards Act. However, in the event an employee is asked to work more than 8 hours per day or 40 hours per week, management will attempt to give as much notice as possible and reasonably consider any request for compensatory time covered elsewhere in this agreement.

Section 2 Fair Labor Standards Act:

Attorneys are excluded from the overtime provisions of the Fair Labor Standards Act (FLSA) and no overtime pay or compensatory time is authorized for work performed unless authorized elsewhere in this Agreement.

Section 3 Flexible/Alternative Work Schedules:

Employer shall maintain, to the extent already in effect, or establish at least the following three Alternative Work Schedules (AWS) for covered employees: (1) a Flexible Work Schedule, (2) a Compressed Work Schedule, and (3) a Flexiplace/Telecommuting Schedule, including Ad Hoc Telecommuting. AWS may be combined, except that a Compressed Work Schedule may only be combined with Ad Hoc Telecommuting. The existing AWS policies of all agencies are hereby incorporated by reference into this Agreement provided that they include the three AWS described in this Section. In the event that any agency does not currently have an AWS policy that includes the three AWS described in this Section, the OAG Office Order # 2015-03 shall apply until such time as the agency establishes its policy. The normal work hours shall be adjusted, consistent with a supervisor's discretion set forth in the applicable Office Order or other governing policy, rule, regulation or law to allow for AWS schedules, with appropriate adjustments in affected leave. In deciding whether to grant an employee's request to use an alternative work schedule, the employee's supervisor shall consider, but is not limited to the following factors:

A. The demands of the requesting individual's work;

B. The need to maintain adequate staffing to handle unanticipated matters or cover

matters that are handled by the Office, Unit, Section, or Division, even if that assignment is not assigned to the requesting employee;

(1) The needs of the work unit, including the need to ensure sufficient staffing levels during core hours and availability of office staff or government officials;

(2) Whether granting an AWS request results in the denial of annual or sick leave to other members of the Office, Unit, Section, or Division;

(3) The past performance of the requesting individual;

(4) Equitable sharing of Office functions;

a. Whether work assignments can be performed effectively and efficiently by an employee on the type of AWS being requested;

b. Whether the requested AWS places an undue burden on others covered by this Office Order within a particular Unit, Section, or Division; and

c. Any other factor that may affect the quality or quantity of work accomplished by the Office, Unit, Section or Division.

Such schedules maybe appropriate where:

1. It is cost effective;

2. It increases employee morale and productivity; or

3. It better serves the needs of the public.

The Union shall be given advance notice when flexible/alternative work schedules are proposed and shall be given the opportunity to consult. A flexible/alternative work schedule shall not affect the existing leave system. Leave will continue to be earned at the same number of hours per pay period as for employees on five (5) day, forty (40) hour schedules and will be charged on an hour-by-hour basis.

Section 4 Flexiplace/Telecommuting:

Supervisors may permit employees to use flexiplace/telecommuting plans. Employees participating in flexiplace/telecommuting plans must be accessible and available during their entire tour of duty and for recall to physically appear in the office. Employees should make every effort to report as soon as possible, generally within 2 hours. Employees are solely responsible for completing assigned work after appropriate management review and shall comply with management's requirements with regard to advance review of drafts prior to a final deadline.

Section 5 Supervisor's Authority:

An attorney's request for AWS shall not be unreasonably denied. An immediate supervisor must provide written justification for the denial of an AWS request. An attorney may seek review of the denial of an alternative work schedule to the manager of his/her immediate supervisor. OAG employees may appeal a manager's denial of his/her AWS request to the Attorney General. Agency employees may appeal a manager's denial of his/her AWS request to the Director of the MOLC. A supervisor may require AWS participants to provide additional information about conformance with their approved tours, such as the use of sign-in sheets, or other time accountability systems or methods.

Section 6 Impact and Effect Bargaining:

The Attorney General shall not change its existing AWS Office Order # 2015-03 without advance notice to the union and an opportunity to engage in impact and effects bargaining. Agencies shall not implement an alternate work schedule policy without advance notice to the union, an opportunity to engage in impact and effects bargaining and an opportunity to make substantive suggestions to any AWS policy before the policy's effective date.

ARTICLE 5
EMPLOYEE ASSISTANCE PROGRAM

Section 1 – General:

The parties recognize that alcoholism, drug abuse, and emotional and mental illness are health problems that may affect job performance. To this end, the Employer will, at least annually, make employees aware of the District's Employee Assistance Program (DPM Chapter 20B, Section 2050, EAP) and available services provided under it The provisions of the DPM govern except as provided below.

Section 2 - Use of Sick Leave:

Employees undergoing a prescribed program of treatment for alcoholism, drug abuse, emotional illness, or mental illness will be allowed to use available sick leave for this purpose on the same basis as any other illness with appropriate documentation of attendance.

ARTICLE 6
UNION STEWARDS/OFFICAL TIME

Section 1 - Number of Stewards:

A. The Union may designate, other than the Chief Steward, no more than five (5) stewards, or one (1) steward for every fifty (50) bargaining unit employees, whichever is greater.

B. The Union will endeavor, whenever possible, to limit the number of Union Representatives working in the same division, to a number that will not cause a significant work disruption in that work unit.

Section 2 - Designation of Representatives:

A. Union Officers, Stewards and Other Representatives

1. Union Officers and Stewards: The Union agrees to provide the Employer and the Office of Labor Relations and Collective Bargaining (OLRCB) with a written list of its officers and stewards within two (2) workdays after the date this Agreement is executed and within five (5) working days after each general election.

2. Other Representatives: The Union will also notify the Employer and OLRCB, in writing, of other Union representatives who may request official time, along with a description of their individual Union assignments.

B. Changes in the list will be submitted to the Employer's designated official(s) at least two (2) workdays prior to the assumption of representational responsibilities by any new officers, stewards or other representatives. If a Union official is not on the list of designated representatives and is needed prior to the two (2) days notice, the Union President shall notify the Employer's designated official(s) by phone and/or e-mail before the official will be recognized. The Employer shall recognize any Union official designated pursuant to this section.

C. The Employer will not recognize any Union official or representative who is not listed as required or for whom notification was not provided in accordance with this section.

D. Except where explicitly provided, this Agreement shall not be interpreted in any manner that interferes with the Union's right to designate representatives of its own choosing on any particular representational matter.

E. The Union will be notified prior to any change in tours of duty of duly appointed Stewards. The Union shall also be notified prior to the organization of tours of duty that would affect the members of the unit.

F. Employer recognizes that the Union may designate employee members, selected or appointed to a Union office or delegated to a Union function and agrees that, upon request, the employee may be granted annual leave or leave without pay for the period of time required to be away from his/her job. Such requests will be submitted as far in advance as possible, but not less than one (1) working day prior to the day the leave is to begin in the event the leave request is eight (8) hours or less, or five (5) working days in advance, in the event the leave request exceeds eight (8) hours. The Union shall be notified of a disapproval of leave in writing together with the Employer's justification. Leave contemplated under this article shall not be denied except for good cause.

Section 3 - Performance Appraisals:

A. No Union representative will be disadvantaged in the assessment of his/her performance based on his/her participation in Union activities and/or use of official time to conduct labor-management business authorized by this Agreement. However, performance problems unrelated to participation in Union activities and/or the use of official time may be addressed in accordance with other relevant provisions of this Agreement.

B. At the beginning of the rating year or when the Union representative is initially appointed, workload and performance expectations will be established that consider the actual use of official time and the impact on performance of the duties of the employee's position. Additionally, the designated supervisor and the Union representative will meet at least quarterly to discuss needed adjustments to workload and representational needs.

Section 4 - Official Time for Representational Activity:

A. Pursuant to the statutory right and responsibility of the Union to represent bargaining unit employees, representatives of the Union will be granted reasonable amounts of official time to investigate, prepare for, and conduct representational functions in accordance with the provisions of this Article as follows. The Union President will be assigned a caseload equal to no greater than 50% of the average caseload of an attorney with his or her grade level and experience in the Division which employs the Union President. The Union Vice President # 1 will be assigned a caseload equal to no greater than 80% of the average caseload of an attorney with his/her grade level and experience in the Division which employs the Union Vice President #1. The Union Vice President # 2 will be assigned a caseload equal to no greater than 85% of the average caseload of an attorney with his/her grade level and experience in the office which employs the Union Vice President #2. The Union represents that Union Vice President # 1 will primarily represent OAG employees and Union Vice President # 2 will primarily represent employees in subordinate agencies. No other Union members or officer will be assigned a reduced caseload. However, other Union members or officers shall be granted reasonable amounts of official time to investigate, prepare for, and conduct representational functions as needed, including necessary travel time. Employer will not be required to grant or approve official time for any Union shop steward, officer or other representative who has not complied with the Employer notification requirements of Section 2 of this Article.

B. For the purpose of this Article, "representational functions" means those authorized activities undertaken by employees on behalf of other employees or the Union pursuant to representational rights under the terms of this Agreement and District of Columbia law. Examples of activities for which reasonable amounts of official time will be authorized include:

(1) collective bargaining negotiations;

(2) discussions with Employer representatives concerning personnel policies, practices, and matters affecting working conditions;

(3) any proceeding in which the Union is representing an employee or the Union pursuant to its obligations under this Agreement;

(4) grievance meetings and arbitration hearings;

(5) a disciplinary or adverse action oral reply meeting, if the Union is designated as representative of the employee;

(6) any meetings for the purpose of presenting replies to the proposed termination of probationers, if the Union is designated as representative of the employee;

(7) any meeting for the purpose of presenting reconsideration replies in connection with the denial of within-grade increases, if the Union is designated as representative of the employee;

(8) attendance at an examination of an employee who reasonably believes he or she may be the subject of a disciplinary or adverse action;

(9) informal consultation meetings between the Employer and the Union;

(10) conferring with affected employees about matters for which remedial relief is available under the terms of this Agreement;

(11) attendance at meetings of committees on which Union representatives are authorized members by the Employer or this Agreement;

(12) attendance at labor-management committee meetings or other joint labor-management cooperative efforts;

(13) attendance at Employer recognized or sponsored activities to which the Union has been invited;

(14) attendance at public hearings of the District of Columbia City Council or other legislative/administrative bodies of the District or federal government relating to matters that affect either the Employer or labor relations/labor matters in the District of Columbia that impact or may impact the Union;

(15) necessary travel to any of the activities listed above;

(16) training related to the representational functions of Union officials and stewards which the parties agree is to their mutual benefit and for which management is given notice and provided with an agenda and course description; and

(17) new employee orientation meetings.

C. Official time shall not include time spent on internal Union business, including, but not limited to:

(1) Attending Local, Regional, or National Union meetings;

(2) Soliciting members;

(3) Collecting dues;

(4) Posting notices of Union meetings; administering elections;

(5) Preparing and distributing internal Union newsletters or other such internal documents; and,

(6) Internal Union strategy sessions, except for representational functions.

Section 5 - Requesting Official Time:

A. All use of official time by any Union officer, official, steward or other representative must be recorded on the Employer-approved Official Time Report Form and submitted on a monthly basis to Employer's designee.

B. Official time for Union representatives should be requested on the approved "Official Time Report" form. The Union representative will request authorization for official time from his or her supervisor in advance and as is consistent with workload requirements except when circumstances do not allow for advance approval (e.g., unscheduled meetings called by management where the Union's attendance is requested; or representation of employees in investigatory interviews; or circumstances where the employee might be subject to discipline). Failure to properly request and obtain approval of official time may result in disciplinary action depending on the circumstances.

C. All advance requests for official time are understood to be estimates.

D. If a request for official time is denied, the manager or supervisor refusing such permission shall give the reasons for refusal in writing to the individual who was so denied, if the individual involved makes such a request.

E. Employee Union representatives, except the Union President, in light of his 50% reduced caseload, Vice President #1, in light of his or her 20% reduced caseload, and Vice President #2, in light of his or her 15% reduced caseload, will complete the "Official Time Report" form (attached to this Agreement as Exhibit "A") provided by the Employer to accurately depict the actual official time used in a timely manner each pay period.

F. Management shall not prevent Union representatives from representing employees at reasonable times consistent with the provisions of this Agreement. The Union and employees recognize that workload and scheduling considerations will not always allow for the immediate release of employees from their assignments. However, the Employer agrees that such permission for release shall not be unreasonably delayed or denied. Workload needs will be balanced with official time needs prior to approval based on the following standard: official time requests shall be granted unless they hinder the accomplishment of essential workload requirements that cannot otherwise be accommodated.

G. All affected employees (e.g., grievants, representatives, witnesses, and appellants) whose presence has been determined to be necessary, by either the Union or the Employer, as the case may be, at relevant proceedings (including hearings, meetings, arbitrations, oral replies, or other labor-management business) will receive necessary official/duty time to participate in and travel to and from the proceedings.

Section 6:

A. The parties agree that Union officials and stewards are entitled to take a reasonable amount of official time and the officials and stewards requesting/using official time shall be treated with civility and shall not be discriminated against because they participate in Union activities and/or take official time. Likewise, Union officials and stewards shall treat supervisors with civility in regard to their supervisors need to have information about the amount and type of official time being requested so that the supervisor can effectively manage their personnel and allotted workload. The parties agree that there is a need for flexibility to enable managers to effectuate the mission of the government and, at the same time, to enable Union officials and stewards of the bargaining unit to take care of Union business expeditiously.

B. In cases of alleged abuse of official time by the Union, or alleged improper restriction of official time or discrimination by the Employer, the parties shall endeavor to resolve the matter at the lowest possible level. If efforts to resolve the matter between the first line supervisor and the Union official or representative fail, then the party alleging the abuse or improper restriction shall bring the matter to the attention of the appropriate management and Union representatives. If the matter is not resolved then either party may seek assistance from the D.C. Office of Labor Relations and Collective Bargaining.

Section 7:

The parties shall conduct separate training concerning use of official time for members and managers and supervisors.

ARTICLE 7
UNION USE OF EMPLOYER FACILITIES AND SERVICES

Section 1:

Upon request, the Union may have access to meeting space by following established Employer procedures. Except as provided elsewhere in this Agreement, the Union shall attempt to hold meetings during the non-work time of employees attending the meetings. The Union will be responsible for maintaining decorum at meetings on the Employer's premises and for restoring the space to the same condition to which it existed prior to the meetings.

Section 2:

Employer manpower, office space, and supplies, except as otherwise provided in this Agreement, shall not be used in support of internal Union business.

Section 3:

The Employer may provide appropriate office space with a locking door for the Union. Assigned Union office space will remain in use unless or until the Employer needs the use of the assigned space. In this event, management will notify the Union sixty (60) days in advance. Other approximately equivalent or mutually agreeable space will be made available at least

fifteen (15) business days prior to the time the Union is required to vacate the present office.

Section 4:

The Employer will make available to the Union at a minimum two (2) locking file cabinets, one (1) desk, and three (3) chairs.

Section 5:

The Union shall limit its posting of notices and bulletins to Union-designated bulletin boards, and each such posting shall be authorized and initialed by a Union officer or steward. A courtesy copy of all materials to be posted pursuant to this article will be provided to the Attorney General and/or Mayor, as appropriate, or their designees at the time of posting. Each bulletin board shall have the following notice posted in a prominent place:

> This bulletin board is for the exclusive use of AFGE Local 1403 and its membership. Matters posted on the board are not intended to reflect the official views of the DC Government or the Employer unless issued by them.

Section 6:

The contents of the notices posted on the bulletin board shall be at the discretion of the Union, except that the Attorney General and/or Mayor, as appropriate, or their designees may request the removal of language or material that it believes is defamatory or discriminatory. With notice to the Union, Employer may remove language or material that is defamatory or discriminatory.

Section 7:

Union officers and representatives, and other unit members who serve in any capacity on behalf of the Union, may use their regular workstations including telephones, computers, and e-mails to communicate with bargaining unit employees in connection with their representational functions; provided however, such activity shall not interfere with the effective operation of the Government's business. Employer shall not monitor Union telephone or email activity or content related to representational functions. All communication regarding terms and conditions of employment shall be in accordance with the Code of Conduct applicable to District Government employees as defined in the Government Ethics Act (D.C. Law 19-124, D.C. Official Code § 1-1161.01 *et seq.*). Communications, including broadcast emails, will not contain statements that reflect on or attack the integrity or motives of individuals, the Office of the Attorney General, the Mayor, or other agencies of the District Government. Communications will clearly identify the Union official responsible for its content.

ARTICLE 8
PERSONNEL FILES

Section 1 - Official Files – Definition and Right to Examine:

Employees and/or their authorized representatives shall be permitted to examine all contents of the employee's personnel files, including without limitation the Official Personnel File ("OPF"), whether maintained by the Employer, DCHR or elsewhere, upon request.

Section 2 - Right to Respond:

Each Employee shall have the right to answer any material filed in his/her personnel files and his/her answer shall be attached to the material to which it relates. Unless prohibited by law or regulation, in the case of complaints made orally that are reduced to writing and placed in an personnel file, Employees shall be informed of the person making the complaint; the substance of the complaint, and the date the complaint was made and may respond as provided for in this section.

Section 3 - Right to Copy:

An employee and/or their authorized representatives will be permitted to copy any material in all personnel files, including without limitation the OPF, for that employee maintained by the Employer.

Section 4 - Access by Union:

Upon presentation of written authorization by an employee, the Union representative may examine all of the employee's personnel files, including without limitation the OPF, and obtain copies of the material free of charge.

Section 5 – Employee to Receive Copies:

As consistent with applicable law, the employee shall receive a copy of all material placed in his/her OPF and all personnel related materials, including electronic data, upon request.

ARTICLE 9
JOB DESCRIPTIONS

Each employee within the unit shall receive a copy of his/her current job description upon request. When an employee's job description is changed, the employee and the Union shall be provided a copy of the new job description. When there is a material change in job duties, the employee shall be given advance notice of the change.

ARTICLE 10
LATE ARRIVAL/EARLY DISMISSAL

Section 1 -- Late Arrival:

Employees shall be permitted to arrive late at work without charge to leave during inclement weather or during other extraordinary circumstances where the District government has authorized a late arrival for all non-essential employees, consistent with the authorization. All employees shall be considered non-essential for purposes of this Article unless they have been previously notified of their essential status.

Section 2 -- Early Dismissal:

A. Whenever the Attorney General, the Mayor, designated agency head, or an authorized official authorizes the early dismissal of District government employees, all employees (except those who have been designated in advance as essential employees consistent with the applicable laws and regulations and those who have been notified by their supervisor that because of specific pressing work requirements that they may not leave work early) shall be permitted to leave their duty stations consistent with the early dismissal authorization. The Attorney General and/or Mayor (or their designees) shall make every reasonable effort to ensure that employees are notified timely of the early dismissal or other leave policy during extraordinary circumstances. In addition, managers and supervisors shall make every reasonable attempt to ensure that employees who they manage or supervise are notified of the early dismissal authorization.

B. Notice shall be provided to employees whose work assignments do not permit them to leave work early regardless of the general early release authorization.

Section 3 -- Employees on leave during the late arrival/early dismissal period:

An employee who previously requested and was granted leave during the authorized late arrival and/or early dismissal hours shall not be charged leave for the period requested that coincides with the authorized late arrival and/or early dismissal hours.

ARTICLE 11
STRIKES AND LOCKOUTS

In accordance with applicable law, it shall be unlawful for any District Government employee or the Union to authorize, ratify or participate in a strike against the District. The term strike as used herein means any unauthorized concerted work stoppage or slowdown. No lockout of employees shall be instituted by the Employer during the term of this Agreement except that the Employer in a strike situation retains the right to close down any facilities to provide for the safety of employees, equipment or the public.

ARTICLE 12
CONTRACTING OUT/PRIVATIZATION

Employer recognizes the Union's desire to retain all work regularly performed for the Employer, and the Union recognizes the Employer's need to maintain an efficient workplace; therefore, Employer will use its best efforts to continue to use bargaining unit employees and not subcontract work that has been traditionally and regularly performed by its employees. Decisions regarding contracting out are areas of discretion of the Employer. The impact and implementation of contracting out upon bargaining unit employees is a mandatory subject of bargaining. The Employer must notify the Union at least thirty (30) days in advance of any contracting out actions. The Union shall have full opportunity to make its recommendations known to the Employer who will duly consider the Union's position and give reasons in writing to the Union for any contracting out action. The Employer shall consult with the Union to determine if the needs of the Government may be met by means other than contracting out work traditionally performed by bargaining unit employees. The Employer shall minimize displacement actions by reassigning or retraining affected employees in order to retain bargaining unit employees consistent with available budget and applicable laws and regulations.

ARTICLE 13
UNION RIGHTS AND SECURITY

Section 1 – Exclusive Agent:

The Union shall be the exclusive collective bargaining representative of bargaining unit employees.

Section 2 – Access to Employees:

Representatives of the Union shall have access to individual employees, either new or rehired, in its bargaining unit to explain Union membership, services and programs. Such access shall be voluntary for new and rehired employees and shall occur during the formal orientation session. The Union shall have the opportunity to provide a fifteen (15) minute presentation as a part of the orientation programs for the Employer.

Section 3 – Dues Check Off:

Pursuant to D.C. Official Code § 1-617.07 (2012 Repl.), the Employer shall deduct dues from the bi-weekly salaries of those employees who authorize the deduction of said dues. The Union shall be solely responsible for notifying employees, prior to obtaining their authorization, that they have certain constitutional rights under *Chicago Teachers Union Local No. 1 v. Hudson*, 475 U.S. 292 (1986) and related cases. The employee must complete and sign an authorized dues deduction form to authorize the withholding. Employer will promptly process dues deduction forms.

Section 4 – Annual Notification of Annual Dues Amount:

The amount to be deducted shall be certified to the Office of Labor Relations and Collective Bargaining (OLRCB) annually in writing by the appropriate official of the Union. The employee's authorization shall be forwarded to the OLRCB. It is the responsibility of the employee and the Union to bring errors or changes in status to the attention of the Employer. Corrections or changes shall be made at the earliest opportunity after notification is received but in no case will changes be made retroactively, unless the Employer fails to deduct dues due to the Employer's action or inaction. This provision shall supersede any other dues deduction agreement in effect prior to the effective date of this Agreement.

Section 5 – Service Fees:

In keeping with the principle that employees who benefit by the Agreement should share in the cost of its administration, the Union shall require that employees who do not pay Union dues to pay an amount (not to exceed Union dues) that represents the cost of negotiation and/or representation. Such service fee deductions shall be allowed when the Union presents evidence that at least fifty-one percent (51%) of the employees in the unit are members of the Union.

Section 6 – Cost of Processing:

Union dues and/or service fees shall be transmitted to the Union, minus a fee of $.15 per deduction (dues or service fee) per pay period, payable to the OLRCB or the Office of the Attorney General, as the case may be, for the administrative expenses associated with the collection of said dues pursuant to executed dues check off authorizations.

Section 7 – Hold Harmless:

The Union shall indemnify, defend and hold the Employer harmless against any and all claims, demands and other forms of liability that may arise from the operation of this Article. In any case in which a judgment is entered against the Employer as a result of the deduction of dues or other fees, the amount held to be improperly deducted from an employee's pay and actually transferred to the Union by the Employer shall be returned to the Employer or conveyed by the Union to the employee(s) as appropriate.

Section 8:

Payment of dues or service fees shall not be a condition of employment.

Section 9:

When a service fee is not in effect, the Union may require that an employee who does not pay dues or service fees to pay reasonable costs incurred by the Union in representing such employee in grievances, adverse actions or appeal proceedings within the provisions of the CMPA, provided the Union gives advance notice of said costs to the employee.

Section 10:

The terms and conditions of this Agreement shall apply to all employees in the bargaining unit without regard to Union membership.

ARTICLE 14
TERM EMPLOYEES

Section 1:

A. Term employees in the bargaining unit shall be given not less than two (2) pay periods notice of the termination of their appointment.

B. Term bargaining unit employees shall be fully informed in their offer letter prior to their entrance on duty that the offer of employment is a term position. Term employees shall be provided a copy of their official position description.

C. To the extent not inconsistent with District or Federal law and regulations, the Employer shall use its best efforts, to convert term bargaining unit employees ("NTE employees") to permanent ("FTE") status by the end of each fiscal year if (1) the employee is in a pay status on September 30, 2017, and at the start of each successive fiscal year; (2) Council appropriates sufficient funding that may be utilized for the conversion of attorney term employment into permanent employment; (3) the employee performs services for which the Employer has a continuous need; and (4) the employee has both served for at least one year and performed at a meets expectations level, or the equivalent, for the most recent evaluation rating period. If a term employee is separated by management for any reason, other than project termination or budgetary reasons, and management previously extended the employee's term for 13 months, so that the employee is separated at the end of his or her second term, the employee shall have an opportunity to challenge his or her separation to the same extent as permanent unit employees.

D. By December 1st of each year, Employer must provide the Union with the names of all unit term employees, the reason why their positions are term positions, and the names of all unit employees who have been converted to FTE status.

Section 2 – Priority Conversion of NTE Employees to FTE Status:

When management determines to fill a FTE vacancy in a legal services section, the most senior qualified NTE employee with substantially similar, or greater, experience to the vacant position in that section, providing that the employee has a satisfactory performance appraisal and more than 24 months continuous employment, must be offered the FTE position.

ARTICLE 15
DISCRIMINATION

Section 1 – General Provisions:

A. In accordance with the D.C. Human Rights Act of 1977, as amended, D.C. Official Code 2-1401 et seq. (2012 Repl.), the Employer shall not discriminate against any Employee because of actual or perceived race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, family responsibilities, matriculation, political affiliation, disability, gender identity or expression or genetic information.

B. Employer and the Union agree to cooperate to provide equal opportunity for employment and promotion to all qualified persons, to cooperate in ending discrimination, and to promote the full realization of equal employment opportunity through a positive and continuing effort. To this end, EEO concerns may be filed with OAG's or the Mayor's EEO Director, as applicable and in accordance with OAG's Equal Employment Opportunity Office Order currently in effect, as amended, or any substantively similar Mayoral policy or directive, respectively and as the case may be. . At the request of either the Union or Employer, the appropriate EEO Director shall consider any employment practice or policy that allegedly has an adverse impact on members of any protected group.

Section 2 - Equal Employment Practices:

The Employer shall continue implementation of any applicable Equal Employment Opportunity Policy and any applicable Affirmative Action Plan in accordance with existing law on affirmative action. The respective Affirmative Action Plans will be developed in accordance with Federal and D.C. Office of Human Rights guidelines. The Union may provide nonbinding input on the development of the Affirmative Action Plans through OAG's or the Mayor's EEO Director, as applicable. The Employer shall provide the Union a copy of the Affirmative Action Plans, when developed by the Employer.

Section 3 – Sexual Harassment:

A. All Employees must be allowed to work in an environment free from sexual harassment. Therefore, the Union and Employer agree to identify and work to eliminate such occurrences in accordance with any applicable District sexual harassment policy as amended or any subsequent policy developed.

B. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Section 4 – Union Activity:

The Employer shall not in any way discriminate against any employee because of his/her membership or affiliation in or with the Union or service in any capacity on behalf of the Union. Each employee has the right, freely and without fear of penalty or reprisal:

A. To form, join and assist in labor organization or to refrain from this activity;

B. To engage in collective bargaining concerning terms and conditions of employment, as may be appropriate under the law, rules and regulations through a duly designated representative; and

C. To be protected in the exercise of these rights.

Section 5 – Discrimination Charges and Election:

A. An employee may raise a complaint of discrimination under applicable law (to the Mayor's or OAG's EEO Director through the administrative complaint process, the Office of Human Rights, the Equal Employment Opportunity Commission, local or federal courts). In consideration for the benefits of arbitration, each employee must sign the attached waiver acknowledging voluntary waiver of his/her federal statutory rights, including his/her rights under Title VII as a condition precedent to submission of his/her discrimination complaint to the grievance process. If an employee elects not to voluntarily waive his/her rights, the employee cannot submit his/her discrimination claim through the grievance process. Grievances must be filed within thirty (30) days of the date that the employee knew or should have known of the conduct being grieved. An employee shall be deemed to have exercised this option when the matter that gives rise to the allegation of discrimination is made the subject of a timely filed grievance or an informal EEO complaint, whichever event (filing) occurs first.

B. The Union and Employer shall agree on a panel of arbitrators who shall have at least five years of experience in employment discrimination law to hear such grievances at the arbitration level of review.

C. A party may appeal an arbitrator's award to the Public Employee Relations Board (PERB). If PERB fails to either exercise jurisdiction or fails to take any step to move the matter forward within 180 days, the complainant shall remove and file the matter with D.C. Office of Human Rights for *de novo* review.

D. A complainant has the right to be accompanied, represented, and advised by a representative of her/his choosing at any stage of the complaint process, except where there is a conflict of interest or position. No party (including the Employee or the Union) is entitled to attorney fees or costs at any level of review for any grievance filed under this Article.

E. The Employer shall notify the Union of all remedial or corrective actions that impact on bargaining unit employees to be taken as the result of informal or formal resolution of EEO complaints.

FORM TO BE COMPLETED BY EMPLOYEES WHO DECIDE TO FILE A GRIEVANCE OVER A DISCRIMINATION CHARGE

I, _____, acknowledge that I have decided to submit my employment discrimination charge through the grievance procedure. In consideration of arbitration, I will forego and waive my rights to file a separate claim under the discrimination statutes, including Title VII, in accordance with applicable law governing such elections. *See Alexander v. Denver-Gardner*, 415 U.S. 36 (1974).

Dated: _____

EMPLOYEE'S NAME

ARTICLE 16
SAFETY AND HEALTH

Section 1 - Working Conditions:

A. The Employer shall provide and maintain safe working conditions for all employees. It is understood that the District may exceed standards established by regulations consistent with the objectives set by law. The Union will cooperate in these efforts by encouraging its members to work in a safe manner and to obey established safety practices and regulations.

B. Matters involving safety and health will be governed by the D.C. Occupational Safety and Health Plan in accordance with the Comprehensive Merit Personnel Act (D.C. Official Code section 1-620.01 et seq., as amended (2012 Repl.)).

Section 2 - Corrective Actions:

A. If an employee observes a condition that he or she reasonably believes to be unsafe, the employee shall report the condition to the immediate supervisor and the OAG Risk Manager Specialist or the Risk Manager for the District agency, as applicable.

B. If the supervisor determines that a condition constitutes an immediate hazard to the health and safety of the employee, the supervisor shall take immediate precautions to protect the employee and contact the appropriate Risk Manager Specialist, as necessary. If the supervisor does not agree that the condition constitutes an immediate hazard to the health and safety of the employee, the employee may immediately refer the matter to the next level supervisor or designee. The supervisor or designee shall meet as soon as possible with the employee and his/her Union representative to make a determination of final actions to be taken, if any.

C. Employees shall be protected against penalty or reprisal for reporting an unsafe or unhealthful working condition or practice, or assisting in the investigation of such condition or practice.

Section 3 - First Aid Kits and Defibrillators:

A. Employer shall make first-aid kits reasonably available for the use of all employees in case of on the job injuries.

B. The need for additional first-aid kits is an appropriate issue for the Risk Assessment and Control Committee recommendation. Recommendations of the Risk Assessment and Control Committee will be referred to the Attorney General and/or the Mayor, or their designees.

C. Employer shall provide accessible defibrillators meeting the applicable standard of care where employees in the District legal service occupy office space.

D. Employees who have been identified by the Risk Management Specialist as having been exposed to a toxic substance (including, but not limited to asbestos) in sufficient quantity or duration to meet District Government risk standards shall receive appropriate health screening. In the absence of District Government risk standards, the OAG Risk Manager or the Risk Manager for the District agency, as applicable, will refer to standards established by other appropriate authorities such as OSHA, NIOSH or the EPA.

Section 4 – Excessive Temperatures in Buildings:

Employees, other than those determined by the Employer to be essential, shall be released from duty or reassigned to other duties of a similar nature at a suitably temperate site because of excessively hot or cold conditions in a building. The Employer shall make this determination as expeditiously as possible. In lieu of dismissal, the Employer may authorize employees affected

by excessive temperature conditions to telecommute until the condition abates. Administrative leave shall be granted if authorized by the Mayor, the Attorney General, or their designees.

Section 5 – Maintenance of Health Records:

Medical records of employees shall be maintained in accordance with the applicable provisions of law. Medical records shall not be disclosed to anyone except in compliance with applicable laws, rules and regulations relating to the disclosure of information. Copies of rules relating to medical records and information shall be made available to the Union.

ARTICLE 17
INFORMATIONAL REPORTS ON EMPLOYEES

Upon request, and at least annually by December 31st of each year, Employer shall provide the Union a list of bargaining unit members that includes the name, grade, step, title, hire date, organizational unit, assignment, location, contact information (including work address, telephone number and fax number) and bargaining unit status of each bargaining unit employee. The Employer shall maintain the Union on the regular distribution list for the New Hires and Resignations Report, which shall be updated at least quarterly. The Employer shall include the Union status on the New Hires and Resignations Report provided to the Union.

ARTICLE 18
FITNESS FOR DUTY

The Employer agrees to comply with applicable District law and controlling regulations concerning fitness for duty.

ARTICLE 19
REQUESTS FOR INFORMATION

Consistent with law and upon request of the Union, the Employer shall provide relevant information that the Union needs to perform its duties in grievance processing and collective bargaining negotiations.

ARTICLE 20
EMPLOYEE USE OF INFORMATION TECHNOLOGY

Section 1 – New Technology:

Whenever the Employer proposes to acquire or implement equipment or technological changes that may adversely impact employees in the bargaining unit, the Employer shall notify the Union and, when requested, bargain over any adverse effect. Appropriate training for affected employees that will enable

them to maintain their present job status shall be among the principal considerations as part of such bargaining. The Employer shall provide training for affected employees to acquire and maintain the skills and knowledge necessary for new equipment or procedures. The training shall be held during working hours. The Employer shall bear the expense of the training. The Employer shall provide training for employees who had previously not been required to use existing technology but who are then required to do so.

Section 2 – Electronic Mail Use:

The parties acknowledge that D.C. Government-provided electronic mail (email) services are to be used for internal and external communications that serve legitimate government functions and purposes. Employees are expected to be familiar with the D.C. Government's Email User Policy. The parties agree that employees are allowed to use email on a limited basis for personal purposes, but such use should be limited to non-work time and should not interfere with the performance of the employee's duties, nor used to conduct outside employment or for discriminatory or harassing purposes or exchange of pornographic, discriminatory or harassing material.

Section 3 – Internet Access and Use:

The parties agree that Internet access through the Employer is considered D.C. Government property and must be used for the program needs of the OAG and the District of Columbia. Employees are expected to be familiar with the D.C. Government's Internet Access and Use Policy. The parties agree that employees are allowed to use the Internet on a limited basis for personal purposes, but that such use should not interfere with the performance of the employee's duties. Employees are expressly prohibited from visiting websites to conduct outside employment or that contain discriminatory, pornographic, bandwidth-consuming, or harassing material.

Section 4 – Telephone Use:

The Employer and Union agree that D.C. Government telephones must be used primarily in support of D.C. Government programs. The parties acknowledge that employees are permitted to use telephones on an occasional and selective basis for personal purposes. Such use is a privilege and not a right and may not be abused for the conduct of outside employment during the scheduled tour of duty of the employee or for discriminatory, pornographic, or harassing purposes.

Section 5 – Privacy:

Except as provided generally under current, written, and published D.C. Government policies, the Office of the Attorney General shall not monitor employee email, telephone, or internet use, unless it has good cause to believe that an employee has violated this Article or any applicable law or regulation. The Employer will share with the Union notices of any changes or modifications to said policies that it receives.

ARTICLE 21
TRAINING

Section 1 - New Employee Orientation:

Employer will provide each new employee with an orientation and will notify the Union, in advance, of any such orientation. The orientation shall include a fifteen (15) minute presentation by the Union regarding Union membership.

Section 2 - Continued Training Opportunities:

The Employer and Union mutually agree that the legal services provided by attorneys employed by OAG and other District agencies that employ District legal service attorneys will be enhanced by the opportunity for attorneys to engage in continuing legal education that is relevant to their work. The Employer shall encourage and assist Employees in obtaining career-related training and education both inside and outside the OAG and other District agencies that employ District legal service attorneys by collecting and posting current information available on training and educational opportunities. The Employer shall inform Employees of time or expense assistance the Employer may be able to provide. Continued training shall be provided and approved within budgetary constraints. The Employer will use its best efforts to provide a variety of appropriate continuing legal education opportunities, including ongoing access to online training opportunities and legal ethics training opportunities, throughout each year at no cost to employees to enable employees to meet their continuing legal education requirements under the Legal Service Act.

Section 3 - Requests for Continued Training:

The Employer may consider requests for continued training of Employees and may provide time or expense assistance to Employees. Continued training opportunities shall be afforded Employees on a fair and impartial basis to the maximum extent possible. Employees shall be promptly informed of a denial of a training request together with the reason for the denial. The parties agree that the program needs of the Employer are paramount in providing training to Bargaining Unit Employees.

ARTICLE 22
EMPLOYEE RIGHTS

Section 1 – Respect in the Workplace:

It is the intent of the Mayor, the Attorney General, and the Union that all employees both within the bargaining unit and outside shall be treated with fairness and dignity.

Section 2 - Employee Rights:

A. All Union employees have the right, and shall be protected in the free exercise of that right without fear of penalty or reprisal:

(1) to organize a labor organization free from interference, restraint, or coercion;

(2) to form, join, or assist any labor organization;

(3) to bargain collectively through representatives of their own choosing; and

(4) to refrain from any or all such activities under subsections (1), (2), and (3) of this subsection, except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of employment as authorized in D.C. Official Code § 1-617.11 (2012 Supp.) ("Employee Rights").

B. Employee Rights shall extend to participation in the management of the Union and acting for it in the capacity of a Union representative, including representation of its views to the officials of the Mayor, the Attorney General, D.C. Council and Congress.

Section 3 - Employee Grievances:

An individual employee may present a grievance at any time to the Employer without the intervention of the Union; provided, however, that the Union is afforded at least forty-eight (48) hours advance notice by the Employer to be present and to offer its view when requested by an employee at any meeting held to resolve the grievance. Any employee or group of employees who present a personal grievance to the Employer may not do so under the name, or by representation, of the Union. Resolutions of grievance must be consistent with the terms of this Agreement.

Section 4 – Conflicts of Interest:

This Agreement does not authorize participation in the management of or acting as a representative of a labor organization by any employee if the participation or activity would result in a conflict of interest, a breach of legal ethics, or otherwise be incompatible with applicable law or with the official duties of the employee.

Section 5 - Campaigns or Drives - Solicitation of Employees in the Bargaining Unit:

A. Definition: For the purpose of this Article, solicitation of employees in the bargaining unit means OAG or District government approved solicitations which have been announced in generally published OAG or D.C. government directives.

B. Participation: Contributions from employees in the bargaining unit and participation by employees in the unit to solicit contributions shall be voluntary. There shall be no discrimination against

any employee in the unit for non-participation or for any level of contributions. An employee in the bargaining unit may be requested to volunteer or solicit for contributions. Absent a volunteer, management will request the Union to assist in providing the needed volunteer. Consistent with District government ethics rules, regulations and law, no management or supervisory employee shall participate in any direct solicitation of employees in the bargaining unit who are under his/her supervision except for occasional office functions.

ARTICLE 23
SABBATICAL/EXTENDED LEAVE

It is management policy to allow attorneys to apply for an extended time away from work for community service, education, travel or other outside interests in a non-pay status. To be eligible for a sabbatical, an attorney must have both: 1) been employed within the District legal service for seven years, and 2) received a performance evaluation of at least Successful, or an equivalent rating, in every category for the rating period which immediately precedes the application for sabbatical/extended leave. An attorney who receives a Needs Improvement or a Fails Expectation, or an equivalent rating, in any category is ineligible. At any time after completion of the attorney's seventh anniversary with the District legal service and each successive seven years after return from a sabbatical, the attorney may request up to one (1) year of leave as sabbatical. Attorneys who elect to take a sabbatical will return to a comparable position with the OAG or the District agency in which they worked prior to the sabbatical.

Section 1 – Process:

Application for sabbatical should be submitted to the attorney's immediate supervisor no later than 120 days before the proposed leave is to commence. The immediate supervisor shall review each application and send a recommendation to approve or disapprove the request to the Attorney General or agency director within 30 days of the submission of the request.

Section 2 – Supervisor's Authority:

Sabbaticals may be taken for any purpose. However, the reason for the request may be taken into consideration by the employee's supervisor in determining whether to approve the request. Final decision on request for sabbatical is in the sole discretion of the Mayor or Attorney General, as applicable, who, in his/her discretion, may set limits on the number of attorneys who shall be approved for a sabbatical in any one year. If an employee asks for the reason for the denial, a supervisor must provide a written justification for the denial. The denial of an application for sabbatical/extended leave is not grievable.

Section 3 – Potential Loss of Benefits and Insurance Premiums:

Attorneys understand that an extended leave of absence in a non -pay status may impact his or her retirement and other benefits with the District of Columbia. Attorneys also understand that they are required to pay their portion of any insurance premiums while in a non -pay status. Attorneys shall inform themselves of the District of Columbia rules and regulations applicable to

an extended leave of absence in a non -pay status before submitting the request for sabbatical. Under no circumstances is the management required to allow attorneys to use leave intermittently to avoid the loss of benefits while the attorney is on sabbatical.

ARTICLE 24
REASSIGNMENTS, PROMOTIONS, DETAILS

Section 1 – Promotions:

The criteria and selection process for line attorney promotions are contained in OAG Office Order number 2007-36, entitled Promotion Policy for Legal Service Attorneys in the Office of the Attorney General. The terms of this policy are incorporated by reference into this Agreement, except as otherwise provided herein.

Section 2 - Promotion Priority Process:

Notwithstanding any other provision in this Agreement or in promotion policies and office orders, an attorney who is rated qualified for a promotion and assigned a promotion ranking number but not promoted in the rating period for which he or she is first qualified shall be promoted in rank order before attorneys who are later qualified for promotion, unless the Employer can demonstrate that a substantial reason exists for deviating from this provision.

Section 3 - The Promotions Ranking Committee:

A. The Promotions Ranking Committee (PRC) shall be comprised of Employer representatives (i) from each division in OAG or (ii) selected by the Mayor's Office of Legal Counsel for each subordinate agency. The PRC will rank all promotion candidates office-wide in accordance with procedures outlined in the Office Order establishing the PRC. The PRC shall be governed by the specific provisions set forth in applicable District of Columbia laws and regulations.

B. Management will provide a copy of the current list and it shall provide an updated copy as changes are made.

Section 4 – Grievance on Failure to Comply with Process:

Attorneys may not grieve a failure to obtain a promotion or failure to appear on a list of candidates recommended for promotion. The decision on whether to grant a promotion is within the sole and unreviewable discretion of the Attorney General or agency head, as applicable. However, attorneys may grieve management's alleged failure to comply with the process outlined in Office Order number 2007-36, later orders or section 2 above.

Section 5 – Filling Vacancies:

A. Whenever an attorney vacancy exists within OAG or at a subordinate agency, other than a temporary opening, in any existing job classification or as the result of the development or establishment of a new job classification, Employer shall provide a copy to the Union which shall post such vacancy notice on all Union bulletin boards. The Employer shall also post the announcement electronically through the use of agency-wide e-mail no later than ten (10) working days prior to the closing date. A copy of the notices of job openings will be provided to the appropriate Union Steward at the time of posting.

B. During this period, employees who wish to apply for the position, including employees on layoff, may do so. The application shall be in writing, and may be submitted by electronic mail, any official District online application system or in person to the appropriate Personnel Office.

Section 6 - Job Qualifications:

Management has the right to determine job qualifications. Where the Employer has considered the recommendations of the PRC and has determined that two or more employees/applicants for a position are equally qualified to perform the duties of the position, the selection shall be made by the Employer from the designated qualified candidates. The Employer may also reject all candidates on the list and may request a new list.

Section 7 - Additional Duties:

Issues involving changed or additional duties assigned to an employee, within his/her present position, shall be considered in accordance with District government position classification guidelines set forth in the District Personnel Manual and any other applicable District of Columbia law.

ARTICLE 25
TIMELY RECEIPT OF CORRECT PAY AND EXPENSE REIMBURSEMENTS

Section 1 - Tardy or Non-Receipt of Pay:

A. Employer shall use its best efforts to take all action necessary to correct tardy receipts or non-receipts of employee paychecks due to electronic, delivery, or other pay errors within its control.

B. Employer shall use its best efforts to take all action necessary to assist in correcting tardy receipts or non-receipts of employee paychecks due to electronic, delivery, or other pay errors when the specific error or needed correction is not within its control.

Section 2 - Pay Errors:

Employer shall expeditiously use its best efforts to take all action necessary to correct all other paycheck errors including those concerning benefits, sick leave, annual leave and various deductions. In any event, the Employer shall correct all pay errors no later than two (2) weeks following the identification of the error by the employee or the Employer. In the event that pay errors continue to exist more than two pay period after employee provides notice to the appropriate Employer representative and the delay results due to no fault of employee, employee shall receive four (4) hours of administrative leave.

Section 3 - Timely Receipt of Pay, Pay Increases, Bonuses and Reimbursements:

A. Employer agrees to use its best efforts to ensure that pay increases, including but not limited to those resulting from step increases, promotions, bonuses and other salary increases, are paid on the effective date. To this end, Employer shall, among other things, use its best efforts to ensure that paperwork needed to implement such increases is completed within a reasonable time of the proposed effective date of the action and shall process the proposed action as expeditiously as possible, to avoid or minimize any delay in implementation.

A. The Employer must pay all pay increases, including but not limited to those resulting from step increases, promotions, bonuses and other salary increases no later than two (2) pay periods following the effective date of the increase.

Section 4 - Timely Reimbursement of Expenses:

Employer shall use its best efforts to take all necessary action to ensure that reimbursement of pre-authorized expenses related to the employee's employment, including but not limited to travel and education expenses, is paid within thirty (30) days of submission of a proper request.

Section 5 – Audits:

In the event employee requests an audit of pay and benefit records because of errors made in their computation, Employer shall complete such audit and transmit the results to the requesting employee within ten (10) business days or shall provide the employee a reason why additional time is required and shall give a projected date of completion.

ARTICLE 26
GENERAL PROVISIONS

Section 1 - Work Rules:

Employees will be advised of verbal and written work rules that they are required to follow. The Employer agrees that proposed new written work rules and the revision of existing written work rules shall be subject to notice and consultation with the Union.

Section 2 – Identification Device:

The Employer agrees that the employee has a right to participate and identify with the Union as his/her representative in collective bargaining matters. Therefore, the Employer agrees that such identification devices as emblems, buttons and pins supplied by the Union to the employees within the bargaining unit may be worn on their clothing except when appearing in court or before any administrative tribunal or other government agency on behalf of the Employer.

Section 3 - Distribution of Agreement:

The Employer and the Union agree to electronically distribute the fully executed version of this contract to all management and covered employees upon execution of the contract by the parties.

Section 4 – Office Space:

Employer will consider the attorney client and other privileges in providing space. Office space will be identified by OAG, the Mayor, or their designees, and assigned by the Union. Employer determines space, division and section allocation, as well as what offices are available for bargaining unit employees. Employer will afford the Union the advance opportunity to consult over the design of new office space at each step of the design process. The parties acknowledge that this does not interfere with management's final authority to determine the final design.

ARTICLE 27
COMPUTATION OF TIME

All time frames referenced in this Agreement shall be interpreted as business days, unless otherwise specified.

ARTICLE 28
GRIEVANCE AND ARBITRATION PROCEDURES

Section 1 – Definitions:

A grievance under this section is an allegation that the other party has violated a provision of this Agreement. RIFs, furloughs, disciplinary actions and performance rating appeals are excluded from the definition of grievance under this section and such disciplinary actions and ratings are not subject to challenge, review or arbitration under the grievance and arbitration procedures of this section. The grievability of disciplinary actions and performance evaluations is governed by other parts of this Agreement and the Compensation Agreement.

Section 2 – Performance Ratings:

Any performance rating may be appealed within thirty (30) calendar days of receipt by the employee to a three-person committee established by the Attorney General or the Mayor's Office of Legal Counsel. The committee shall be empowered to review the basis for a direct

supervisor's rating, conduct a hearing, receive written briefs, and issue a written decision which shall approve, modify, or reject a performance rating. Any decision by the Committee shall be appealable to the Attorney General or agency head, as applicable, within thirty (30) calendar days of receipt of the decision by the employee. The Attorney General's decision or agency head's decision, as applicable, shall be final and no further appeal shall be allowed under this Agreement. If the committee does not act within thirty (30) calendar days of the appeal, the evaluation may be appealed to the Attorney General or the agency head, as applicable who shall issue a decision within fifteen (15) calendar days thereafter. If the Attorney General or agency head, as applicable, does not act within fifteen (15) calendar days, unsatisfactory evaluations may be appealed under the provisions of this Article within fifteen (15) calendar days. The Attorney General and the Mayor's Office of Legal Counsel shall establish procedures for appeals under this Article to the committee and to the Attorney General and agency head, respectively.

Section 3 – General Provisions:

Any grievance that may arise between the parties involving an alleged violation of this Agreement shall be settled as described in this Article unless otherwise agreed to in writing by the Union President and the Attorney General or agency head, as applicable, or his/her designee.

Section 4 – Information Requests:

Both parties shall provide all information determined to be reasonable and needed by the other party for processing of a grievance after a request by the other party within a reasonable amount of time.

Section 5 – Procedure:

A. This procedure is designed to enable the parties to settle grievances at the lowest possible administrative level. Grievances must be filed at the lowest level where resolution is possible. Therefore, all grievances shall ordinarily be presented to the immediate supervisor unless it is clear that the immediate supervisor does not have authority to deal with the grievance and that it should be filed elsewhere. The Union may request a face-to-face meeting with the appropriate management representative who is delegated authority to deal with the grievance at each step. The parties agree to endeavor to engage in productive meetings to resolve a grievance.

B. Nothing in this Agreement shall be construed as precluding discussion between an employee, the Union and the appropriate supervisor over a matter of interest or concern to any of them prior to the initiation of a grievance. Once a matter has been made the subject of a grievance under this procedure, nothing herein shall preclude any party (the Union, the Employer or the Employee) from attempting to resolve the grievance informally at the appropriate level.

Step 1: The employee and/or the Union shall take up the grievance, in writing, with the employee's immediate supervisor within fifteen (15) business days from the date of the occurrence or when the employee or the Union knew or should have known of the occurrence. The written grievance shall be clearly identified as a grievance submitted under the provisions of this Article, and shall list the name of the grievant or grievants, the contract provisions allegedly

violated, the basic facts, issues, or concerns giving rise to the grievance, the date or approximate date and location of the violation and the remedy sought. The supervisor shall address the matter and shall respond, in writing, to the Steward and/or the employee within fifteen (15) business days after the receipt of the grievance.

Step 2: If the grievance has not been settled, or the supervisor has failed to respond, it may be presented in writing by the Union to the second level supervisor within ten (10) business days after the Step 1 response is due or received, whichever is sooner. The second level supervisor shall respond to the Union in writing within ten (10) business days after receipt of the written grievance.

Step 3: If the grievance is still unresolved, or the supervisor has failed to respond, it may be presented in writing by the Union to the Attorney General or agency head, as applicable, or his/her designee, within twenty (20) working days after the Step 2 response is due or received, whichever is sooner. The Attorney General or agency head, as applicable, or his/her designee, shall respond in writing to the Union within twenty (20) business days after receipt of the written grievance.

Step 4: If the grievance is still unresolved, or the Attorney General, or agency head, as applicable, or his/her designee has failed to respond, the Union may by written notice request arbitration within twenty (20) business days after the reply at Step 3 is due or received whichever is sooner.

A grievance filed by the Union on a matter involving more than one division within OAG, may be filed with the Attorney General or his/her designee at Step 3. The grievance must be filed within fifteen (15) business days from the date of the occurrence giving rise to the grievance or when the Union knew or should have known of the occurrence.

When mutually agreed by the parties, grievances on the same matter on behalf of two (2) or more employees may be processed as a single grievance for the purpose of resolving all the grievances.

A grievance filed by the Union which does not seek personal relief for a particular employee or a group of employees, but rather expresses the Union's disagreement with management's interpretation or application of the Agreement and which seeks an institutional remedy shall be filed at Step 3 within fifteen (15) business days from the date of the occurrence or when the Union knew or should have known of the occurrence to the extent reasonably possible.

A grievance filed by the Employer should be filed directly with the Union President within fifteen(15) business days from the date of the occurrence or when the Employer knew or should have known of the occurrence giving rise to the grievance. The Union President shall have fifteen (15) business days to respond. If the Employer's grievance is still unresolved, or the Union President or his/her designee has failed to respond, the Employer may by written notice request arbitration within twenty (20) business days after the Union's reply is due or received whichever is sooner.

A grievance concerning a continuing violation of this Agreement may be filed at any time during the existence of the alleged violation of this Agreement.

Section 6 - Selection of the Arbitrator:

The arbitration proceeding shall be conducted by an arbitrator selected by the Employer and the Union. The Federal Mediation and Conciliation Service (FMCS) shall be requested to provide a list of seven (7) arbitrators from which an arbitrator shall be selected within seven (7) calendar days after receipt of the list by both parties. Both the Employer and the Union may strike three (3) names from the list using the alternate strike method. The party requesting arbitration shall strike the first name. The arbitration hearing shall be conducted pursuant to the FMCS guidelines unless modified by this Agreement.

Section 7 – Authority of the Arbitrator:

The jurisdiction and authority of the arbitrator and his/her opinion and award shall be confined exclusively to the interpretation or application of the express provisions of this Agreement at issue between the Union and the Employer consistent with applicable law and regulation. He/she shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement; or to impose on either party a limitation or obligation not explicitly provided for in this Agreement. The written award of the arbitrator on the merits of any grievance adjudicated within his jurisdiction and authority shall be final and binding on the aggrieved employee, the Union and the Employer, subject to either party's appeal rights to the Public Employee Relations Board and the Superior Court of the District of Columbia.

Section 8 - Decision of the Arbitrator:

The arbitrator shall be requested to render his/her decision in writing within thirty (30) calendar days after the conclusion of the arbitration hearing.

Section 9 - Expenses of the Arbitrator:

Expenses for the arbitrator's services and the proceeding shall be borne equally by the Employer and the Union. However, each party shall be responsible for compensating its own representatives and witnesses. If either party desires a record of the arbitration proceedings, it may cause such a recording to be made, providing it pays for the record and makes copies available without charge to the other party and the arbitrator.

Section 10 - Time Off For Grievance Hearings:

The employee, Union Steward and/or Union representative shall, upon request, be permitted to meet and discuss grievances with designated management officials at each step of the Grievance Procedure within the time specified consistent with Section 4 of Article 6 on Union Stewards.

Section 11 – Time Limits:

All time limits following the initiation of any grievance set forth in this Article may be extended by mutual consent, but if not so extended, must be strictly observed. If the matter in dispute is not resolved within the time period provided for in any step, the next step may be invoked. The appropriate representative of either party shall not unreasonably deny a request for an extension of time if the request is made in writing by the original deadline date. The parties may mutually agree in writing to waive Steps 1 and/or 2 of the procedure described in this Article.

Section 12 – Termination of Grievance:

A grievance shall terminate when either party terminates its own grievance, when both parties consent or for failure to meet contractual time limits. The termination of a grievance shall not prejudice either party from reinstituting a grievance at a later date.

Section 13 – Exclusions:

Matters not within the jurisdiction of the Employer will not be processed as a grievance under this Article unless the matter is specifically included in another provision of this Agreement or the Compensation Agreement.

ARTICLE 29
DISCIPLINE AND DISCHARGE

Section 1 -- Disciplinary Actions:

A. Assistant Attorneys General ("AAG") in the bargaining unit are appointed to serve the District of Columbia consistent with the provisions of the Legal Service Act. An AAG may be subject to disciplinary action, including reprimand, suspension (with or without pay), reduction in grade or step, or removal for unacceptable performance or for any reason that is not arbitrary or capricious. Disciplinary actions shall be processed in accordance with Section 3614, Chapter 36 of the D.C. Personnel Regulations. The Employer shall provide the Employee with ten (10) calendar days advance notice, consistent with the notice provisions of Chapter 36 of the D.C. Personnel Regulations, of any proposed discipline, with the exception of summary removal. The proposed notice of discipline will also be sent to the Union.

B. Notwithstanding Section 1A herein, the Attorney General or an agency head, may summarily suspend or remove a bargaining unit member, in accordance with Sections 1616 and 1617 of the DPM, when the employee's conduct:

1. Threatens the integrity of government operations;

2. Constitutes an immediate hazard to the agency, to other District employees, or to the employee; or

3. Is detrimental to public health, safety, or welfare.

C. Upon request, an employee subject to any disciplinary action shall be allowed access to his or her office, at a mutually agreeable time, to retrieve personal items.

D. If there is no appeal pursuant to the provisions herein, the Attorney General's decision or agency head's decision, as applicable, shall be the final agency decision.

Section 2 -- Appeal Procedures:

After the Attorney General or agency head issues an administrative decision in accordance with §3614, Chapter 36 of the D.C. Personnel Regulations, the Union, on behalf of the Employee, may appeal the Attorney General's or agency head's suspensions of ten days or more, including demotions and terminations, within ten (10) business days of the Attorney General's or agency head's decision. This time limit may be extended by mutual consent of the parties, but if not so extended, must be strictly observed. An appeal to the nonbinding arbitrator shall stay the time limits for invoking a review by the Mayor under Section 3614, Chapter 36 of the D.C. Personnel Regulations. The Attorney General's or the agency head's decision in connection with a suspension of less than ten days or any other corrective action is final and not subject to appeal.

Section 3 -- Stay of Disciplinary Action:

The filing of an appeal shall not serve to stay or delay the effective date of the Attorney General's or agency head's final administrative decision.

Section 4 -- Standard of Review and Authority of the Arbitrator:

A. The arbitrator's jurisdiction and authority and opinion shall be confined exclusively to suspensions of ten days or more, and shall be an advisory, nonbinding decision concerning whether the Employer's decision to discipline is: (1) a result of the Employee's unacceptable performance, (2) for any reason that is not arbitrary or capricious in accordance with § 106.56(a) of the Legal Service Act, or (3) both.

B. The arbitrator does not have authority to modify, amend, or rescind any disciplinary action or to impose any back-pay or other financial obligation on the Employer resulting from the disciplinary action.

Section 5 -- Time Limits:

All time limits set forth, in this Article must be strictly observed. If the Union fails to pursue any step within the time limit then it shall have no further right to continue the appeal.

Section 6 -- Extension of Time Limits:

All time limits set forth in this Article may be extended by mutual consent, but if not so extended, must be strictly observed. If the matter in dispute is not resolved within the time

period provided for in any step, the next step may be invoked. However, if a party fails to pursue any step within the time limit, then he/she shall have no further right to continue the grievance. The appropriate representative of either party shall not unreasonably deny a request for an extension of time if such request is made in writing by the original deadline date. The parties may mutually agree in writing to waive Steps 1 and or 2 of the procedure described in this Article.

Section 7 -- Substitution of Binding Arbitration Procedures:

In the event that the Council of the District of Columbia legislatively establishes a binding arbitration process concerning discipline and discharge for any unit employees in the Legal Service, the parties agree to reopen negotiations solely to rescind this Article to the extent of any conflict and incorporate the binding arbitration process into this Agreement to the maximum extent possible.

ARTICLE 30
SAVINGS CLAUSE

SECTION 1:

In the event any article, section or portion of this Agreement is held to be invalid and unenforceable by any court or other authority of competent jurisdiction, such decision shall apply only to the specific article, section, or portion thereof specified in the decision; and upon issuance of such a decision, the Employer and the Union agree to immediately negotiate a substitute for the invalidated article, section or portion thereof to the extent possible.

SECTION 2:

The terms of this Agreement supersede any subsequently enacted D.C. laws, District Personnel Manual (DPM) regulations, or departmental rules concerning non-compensation covered herein for the term of this agreement.

ARTICLE 31
INCORPORATION OF COMPENSATION AGREEMENT TERMS

The terms and conditions of the Compensation Agreement between the District of Columbia and the American Federation of Government Employees, Local 1403, AFL-CIO, effective October 1, 2017, through September 30, 2020 (Compensation Agreement), are incorporated by reference into this Agreement. The provisions of the Compensation Agreement shall control to the extent of any inconsistency.

ARTICLE 32
DURATION AND FINALITY

Section 1 -- Effective Date

This agreement shall be implemented as provided herein subject to the requirements of Section 1715 of the District of Columbia Comprehensive Merit Personnel Act D.C. Official Code, § 1-617.15(a), (2012 Repl.). This Agreement shall be effective on the date provided by law (i.e., when it is approved by the Council or as otherwise effective pursuant to D.C. Official Code § 1-617.17 (2012 Repl.)) and shall remain in full force and effect until September 30, 2020, or until a new non-compensation agreement becomes effective. Notice to reopen the Agreement shall be provided as required by D.C. Official Code § 1- 617.17 (f)(1)(A)(i) (2012 Repl.).

Section 2 – Finality

This Agreement was reached after negotiations during which the parties were able to negotiate on any and all negotiable non-compensation issues, and contains the full agreement of the parties as to all such non-compensation issues that were or could have been negotiated.

On this 31st day of October, 2017 and in witness to this Agreement, the parties hereto set their signatures.

FOR THE DISTRICT OF COLUMBIA GOVERNMENT

Mark H. Tuohey, III, Director
Mayor's Office of Legal Counsel

Karl A. Racine, Attorney General
Office of the Attorney General

FOR THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES LOCAL 1403

Steve Anderson, President
AFGE, Local 1403

Robert A. DeBerardinis, Vice President
AFGE, Local 1403

On this 31st day of October, 2017 and in witness to this Agreement, the parties hereto set their signatures.

FOR THE DISTRICT OF COLUMBIA GOVERNMENT

Lionel C. Sims Jr., Esq., Director
Office of Labor Relations & Collective Bargaining

Ronald R. Ross, Deputy Director
Mayor's Office of Legal Counsel

Nadine Wilburn, Chief
Personnel, Labor & Employment Division
Office of the Attorney General

Kathryn Naylor, Attorney Advisor
Office of Labor Relations & Collective Bargaining

Kevin Stokes, Chief of Staff
Office of Labor Relations & Collective Bargaining

Asha Bryant, Attorney Advisor
Office of Labor Relations & Collective Bargaining

FOR THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES LOCAL 1403

Olga L. Clegg, Vice President
AFGE, Local 1403

Anne Hollander
AFGE, Local 1403

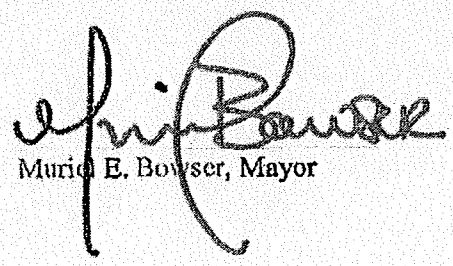
Beth-Sherri Akyereko
AFGE, Local 1403

Dave Rosenthal
AFGE Local 1403

Marie-Claire Brown
AFGE Local 1403

APPROVAL

This collective bargaining working conditions agreement between the District of Columbia and Compensation Unit 33 represented by AFGE, Local 1403, dated 10-31-2017, has been reviewed in accordance with Section 1-617-15(a) of the District of Columbia Official Code (2012 Repl.) and is hereby approved on this 16th day of January, 2017 2018



Muriel E. Bowser, Mayor

Appendix 27

Bank Branches by Ward

Bank Name		Office Address	Zip	Ward
Bank of America		1931 14th St Nw	20009	1
Bank of America		3100 14th St Nw	20010	1
Bank of America		3500 Georgia Ave Nw	20010	1
Capital Bank, National Association		1400 W St Nw, Suite 170	20009	1
Capital One, National Association		1947 14th St Nw	20009	1
Citibank, National Association		3241 14th St Nw	20010	1
Industrial Bank		2000 11th St Nw	20001	1
JPMorgan Chase Bank, NA		2201 Georgia Ave Nw	20059	1
JPMorgan Chase Bank, NA		3100 14th St Nw, Ste 118	20010	1
PNC Bank, National Association		1779 Columbia Rd Nw	20009	1
PNC Bank, National Association		3300 14th St Nw	20010	1
TD Bank, National Association		1924 8th St Nw	20001	1
Truist Bank		1801 Adams Mill Rd Nw	20009	1
Truist Bank		3101 14th St Nw	20010	1
United Bank		1301 U St Nw	20009	1
Wells Fargo Bank, National Association		1804 Adams Mill Rd Nw	20009	1
Wells Fargo Bank, National Association		1901 7th St Nw	20001	1
Wells Fargo Bank, National Association		3325 14th St Nw	20010	1
Amalgamated Bank		1825 K St Nw	20006	2
Bank of America		1001 Pennsylvania Ave Nw	20004	2
Bank of America		1090 Vermont Ave Nw	20005	2
Bank of America		1800 K St Nw	20006	2
Bank of America		1800 K St Nw, Ste 104	20006	2
Bank of America		2001 Pennsylvania Ave Nw, Frnt 1	20006	2
Bank of America		3 Dupont Cir Nw	20036	2
Bank of America		700 13th St Nw	20005	2
BNY Mellon, NA	N	1250 H Street, Nw, Suite 1100	20005	2
Capital One, National Association		1700 K St Nw	20006	2
Cibc National Trust Company	N	1201 F St Nw, Ste 900	20004	2
Citibank, National Association		1000 Connecticut Ave Nw	20036	2
Citibank, National Association		1000 Vermont Ave Nw	20005	2
Citibank, National Association		1218 Connecticut Ave Nw	20036	2

Citibank, National Association		1400 G St Nw	20005	2
Citibank, National Association		1717 K St Nw	20006	2
Citibank, National Association		1775 Pennsylvania Ave Nw	20006	2
Citibank, National Association		1901 Wisconsin Ave Nw	20007	2
Citizens Bank, NA		1401 I St Nw	20005	2
City First Bank, NA	M	1432 U St Nw	20009	2
City National Bank		2001 M St Nw	20036	2
EagleBank		1425 K St Nw	20005	2
EagleBank		2001 K St Nw	20006	2
EagleBank		700 K St Nw Ste 60	20001	2
First National Bank of Pennsylvania		900 19th St Nw	20006	2
FVCBank		1301 9th St Nw	20001	2
Hingham Institute for Savings		1061 Thomas Jefferson St Nw	20007	2
HSBC Bank Usa, National Association		802 7th St Nw	20001	2
John Marshall Bank		1625 K Street Nw, Suite 1050	20006	2
JPMorgan Chase Bank, NA		1120 G St Nw	20005	2
JPMorgan Chase Bank, NA		1212 18th St Nw	20036	2
JPMorgan Chase Bank, NA		1401 14th St Nw	20005	2
JPMorgan Chase Bank, NA		1401 New York Ave Nw	20005	2
JPMorgan Chase Bank, NA		1667 K St Nw	20006	2
JPMorgan Chase Bank, NA		3140 M St Nw	20007	2
JPMorgan Chase Bank, NA		3217 P St Nw	20007	2
JPMorgan Chase Bank, NA		850 O St Nw	20001	2
Mainstreet Bank		1130 Connecticut Ave Nw, Ste 110	20036	2
Manufacturers and Traders Trust Company		1680 K St Nw	20006	2
Manufacturers and Traders Trust Company		1899 L St Nw	20036	2
Manufacturers and Traders Trust Company		555 12th St Nw	20004	2
Manufacturers and Traders Trust Company		1350 I St Nw, Ste 200	20005	2
Peoples Bank		1501 K St Nw	20005	2
Peoples Bank		1604 17th St Nw	20009	2
PNC Bank, National Association		1050 Connecticut Avenue Nw	20036	2
PNC Bank, National Association		1331 Pennsylvania Ave Nw	20004	2
PNC Bank, National Association		1400 K St Nw	20005	2
PNC Bank, National Association		1405 P St Nw	20005	2

PNC Bank, National Association		1913 Massachusetts Ave Nw	20036	2
PNC Bank, National Association		1920 L St Nw	20036	2
PNC Bank, National Association		800 17th St Nw	20006	2
PNC Bank, National Association		833 7th St Nw	20001	2
Presidential Bank, FSB		1660 K St Nw	20006	2
Sandy Spring Bank		1025 Connecticut Ave Nw Fl 1	20036	2
Sandy Spring Bank		647 New York Ave Nw	20001	2
TD Bank, National Association		1489 P St Nw	20005	2
TD Bank, National Association		1753 Connecticut Ave Nw	20009	2
TD Bank, National Association		2000 K St Nw	20006	2
TD Bank, National Association		901 7th St Nw	20001	2
The Bank of New York Mellon	N	1250 H St Nw	20005	2
The Northern Trust Company		800 Connecticut Ave Nw, Ste 200	20006	2
Truist Bank		1100 G St Nw	20005	2
Truist Bank		1150 Connecticut Ave Nw	20036	2
Truist Bank		1369 Connecticut Ave Nw	20036	2
Truist Bank		1445 New York Ave Nw	20005	2
Truist Bank		1804 14th St Nw	20009	2
Truist Bank		900 17th St Nw	20006	2
Trustar Bank		1701 Pennsylvania Ave Nw, Ste 200	20006	2
United Bank		1001 G St Nw	20001	2
United Bank		1100 Connecticut Ave Nw, Ste 100	20036	2
United Bank		1825 Wisconsin Ave Nw	20007	2
United Bank		3030 M St Nw	20007	2
Wells Fargo Bank, National Association		1001 Connecticut Ave Nw	20036	2
Wells Fargo Bank, National Association		1300 Connecticut Ave Nw	20036	2
Wells Fargo Bank, National Association		1300 I St Nw	20005	2
Wells Fargo Bank, National Association		1329 Wisconsin Ave Nw	20007	2
Wells Fargo Bank, National Association		1350 New York Ave Nw	20005	2
Wells Fargo Bank, National Association		1447 P St Nw	20005	2
Wells Fargo Bank, National Association		2001 K St Nw	20006	2
Bank of America		1 Ridge Sq Nw	20016	3
Bank of America		1339 Wisconsin Ave Nw	20007	3
Bank of America		3401 Connecticut Ave Nw	20008	3

Bank of America		5201 Wisconsin Ave Nw	20015	3
Capital One, National Association		4860 Massachusetts Ave Nw	20016	3
Citibank, National Association		5001 Wisconsin Ave Nw	20016	3
Citibank, National Association		5250 Macarthur Blvd Nw	20016	3
Citibank, National Association		5700 Connecticut Ave Nw	20015	3
Founders Bank	M	5225 Wisconsin Ave Nw	20015	3
JPMorgan Chase Bank, NA		3527 Connecticut Ave Nw	20008	3
JPMorgan Chase Bank, NA		4445 Wisconsin Ave Nw	20016	3
JPMorgan Chase Bank, NA		5501 Connecticut Ave Nw	20015	3
Manufacturers and Traders Trust Company		2620 Connecticut Ave Nw	20008	3
Manufacturers and Traders Trust Company		5630 Connecticut Ave Nw	20015	3
PNC Bank, National Association		1201 Wisconsin Ave Nw	20007	3
PNC Bank, National Association		4249 Wisconsin Ave Nw	20016	3
PNC Bank, National Association		4835 Massachusetts Ave Nw	20016	3
PNC Bank, National Association		5530 Connecticut Ave Nw	20015	3
TD Bank, National Association		1611 Wisconsin Ave Nw	20007	3
TD Bank, National Association		4849 Wisconsin Ave Nw	20016	3
Truist Bank		2929 M St Nw	20007	3
Truist Bank		3301 New Mexico Ave Nw	20016	3
Truist Bank		3402 Wisconsin Ave Nw	20016	3
Truist Bank		5000 Connecticut Ave Nw	20008	3
United Bank		4900 Massachusetts Ave Nw	20016	3
Wells Fargo Bank, National Association		2901 M St Nw	20007	3
Wells Fargo Bank, National Association		3700 Calvert St Nw	20007	3
Wells Fargo Bank, National Association		4841 Massachusetts Ave Nw	20016	3
Wells Fargo Bank, National Association		5100 Wisconsin Ave Nw	20016	3
Wells Fargo Bank, National Association		5701 Connecticut Ave Nw	20015	3
Wells Fargo Bank, National Association		801 Pennsylvania Ave Nw	20004	3
Wilmington Trust, National Association	N	1350 I St Nw	20005	3
Industrial Bank	M	4812 Georgia Ave Nw	20011	4
JPMorgan Chase Bank, NA		1145 Dahlia St Nw	20012	4
Manufacturers and Traders Trust Company		6434 Georgia Ave Nw	20012	4
PNC Bank, National Association		7601 Georgia Ave Nw	20012	4
The National Capital Bank of Washington		5228 44th St Nw	20015	4

Truist Bank		6422 Georgia Ave Nw	20012	4
Bank of America		2007 Walt Lincoln Way Ne	20002	5
Bank of America		915 Rhode Island Ave Ne	20018	5
Citibank, National Association		1060 Brentwood Rd Ne	20018	5
JPMorgan Chase Bank, NA		1555 Maryland Ave Ne	20002	5
PNC Bank, National Association		1348 4th St Ne	20002	5
PNC Bank, National Association		3806 12th St Ne	20017	5
TD Bank, National Association		905 Rhode Island Ave Ne	20018	5
Truist Bank		2350 Washington Pl Ne, Apt 108n	20018	5
Wells Fargo Bank, National Association		2119 Bladensburg Rd Ne	20018	5
Wells Fargo Bank, National Association	C	125 Michigan Ave Ne	20017	5
Bank of America		1100 1st St Ne	20002	6
Bank of America		1391 Pennsylvania Ave Se	20003	6
Bank of America		201 Pennsylvania Ave Se	20003	6
Bank of America		55 M St Se, Ste 101	20003	6
Bank of America		722 H St Ne	20002	6
Capital One, National Association		336 Pennsylvania Ave Se	20003	6
Citibank, National Association		600 Pennsylvania Ave Se	20003	6
JPMorgan Chase Bank, NA		130 M St Se	20003	6
JPMorgan Chase Bank, NA		501 H St Ne	20002	6
JPMorgan Chase Bank, NA		700 Pennsylvania Ave Se, Ste A	20003	6
PNC Bank, National Association		650 Pennsylvania Ave Se	20003	6
PNC Bank, National Association		800 H St Ne	20002	6
The National Capital Bank of Washington	M	316 Pennsylvania Ave Se	20003	6
Truist Bank		100 M St Se	20003	6
Truist Bank		300 Pennsylvania Ave Se	20003	6
Truist Bank		360 H St Ne	20002	6
Wells Fargo Bank, National Association		215 Pennsylvania Ave Se	20003	6
Wells Fargo Bank, National Association		444 N Capitol St Nw	20001	6
Wells Fargo Bank, National Association		600 Maryland Ave Sw	20024	6
Wells Fargo Bank, National Association		99 M St Se	20003	6
Bank of America		3821 Minnesota Ave Ne	20019	7
Capital One, National Association		2831 Alabama Ave Se	20020	7
Citibank, National Association		3917 Minnesota Ave Ne	20019	7

Industrial Bank	3443 Benning Road NE	20019	7
JPMorgan Chase Bank, NA	3900 Minnesota Ave Ne	20019	7
Manufacturers and Traders Trust Company	2865 Alabama Ave Se	20020	7
PNC Bank, National Association	2236 Town Center Dr. Se	20020	7
Wells Fargo Bank, National Association	3200 Pennsylvania Ave Se	20020	7
Bank of America	2100 Martin Luther King Jr Ave Se	20020	8
Industrial Bank	1800 Martin Luther King Jr Ave Se	20020	8
JPMorgan Chase Bank, NA	2200 Martin Luther King Jr Ave Se	20020	8
JPMorgan Chase Bank, NA	2728 Good Hope Rd Se	20020	8
PNC Bank, National Association	2000 Martin Luther King Jr Ave Se	20020	8
TD Bank, National Association	1299 1st St Se	20003	8
Truist Bank	1340 Marion Berry Ave Se	20020	8
United Bank	250 M St Se, Ste 100	20003	8
Wells Fargo Bank, National Association	1545 Alabama Ave Se	20032	8

Appendix 28

Company Name	CoCode	State of Domicile	Filing Type	Date Submitted	SERFF Tracking #	TOI	Disposition Date	Disposition Status	Overall % Rate Impact
The Doctors Company, an Interinsurance Exchange	15756	NE	Rate/Rule	12/07/2021	USLI-132831610	17.0 Other Liability-Occ/Claims Made	1/7/2022	APPROVED	21.20%
National Casualty Company	21113	DE	Rate/Rule	10/14/2020	CRUM-132530244	09.0 Inland Marine	1/14/2022	APPROVED	12.40%
Great American Alliance Insurance Company	25224	ND	Rate/Rule	08/12/2021	MNLM-132946094	11.1 Med Mal-Occurrence Only	1/20/2022	APPROVED	19.50%
U.S. Specialty Insurance Company	18058	PA	Rate/Rule	12/03/2021	PHLX-133071792	20.0 Commercial Auto	1/20/2022	APPROVED	15.90%
Selective Insurance Company of the Southeast	26344	OH	Rate/Rule	11/18/2021	GACX-133057712	17.0 Other Liability-Occ/Claims Made	1/20/2022	APPROVED	10.80%
Great Midwest Insurance Company	19682	CT	Rate/Rule	08/27/2021	HART-132960051	05.1 CMP Non-Liability Portion Only	1/24/2022	APPROVED	21.10%
Trumbull Insurance Company	14354	WI	Rate/Rule	09/30/2021	JMIC-132992641	05.0 CMP Liability and Non-Liability	1/25/2022	APPROVED	16.13%
Nationwide Insurance Company of Florida	20699	PA	Rate/Rule	06/14/2021	ACEH-132866963	05.0 CMP Liability and Non-Liability	1/25/2022	APPROVED	12.00%
Sun Life Assurance Company of Canada	20702	PA	Rate/Rule	06/14/2021	ACEH-132866963	05.0 CMP Liability and Non-Liability	1/25/2022	APPROVED	10.30%
Church Mutual Insurance Company, S.I.	10948	OH	Rate/Rule	03/16/2021	NWPP-132763195	20.0 Commercial Auto	1/26/2022	APPROVED	25.90%
State Farm Mutual Automobile Insurance Company	11991	OH	Rate/Rule	02/18/2021	NWPP-132726765	09.0 Inland Marine	2/25/2022	APPROVED	10.40%
Essentia Insurance Company	37885	DE	Rate/Rule	07/20/2021	XLAM-132917381	09.0 Inland Marine	3/10/2022	APPROVED	20.00%
Protective Insurance Company	31348	DE	Rate/Rule	01/14/2022	CRUM-133113695	20.0 Commercial Auto	3/28/2022	APPROVED	47.30%
United States Fire Insurance Company	25453	OH	Rate/Rule	03/04/2022	NWPP-133177933	20.0 Commercial Auto	3/28/2022	APPROVED	23.00%
United States Fire Insurance Company	10127	OH	Rate/Rule	03/04/2022	NWPP-133177933	20.0 Commercial Auto	3/28/2022	APPROVED	23.00%
The North River Insurance Company	37877	OH	Rate/Rule	03/04/2022	NWPP-133177933	20.0 Commercial Auto	3/28/2022	APPROVED	23.00%
CUMIS Insurance Society, Inc.	23787	OH	Rate/Rule	03/04/2022	NWPP-133177933	20.0 Commercial Auto	3/28/2022	APPROVED	23.00%
Great Midwest Insurance Company	23760	OH	Rate/Rule	02/08/2022	NWPP-133141609	01.0 Property	3/28/2022	APPROVED	20.50%
Government Employees Insurance Company	25453	OH	Rate/Rule	02/09/2022	NWPP-133137149	01.0 Property	3/28/2022	APPROVED	19.30%
Greater New York Mutual Insurance Company	23787	OH	Rate/Rule	02/09/2022	NWPP-133137149	01.0 Property	3/28/2022	APPROVED	18.00%
Strathmore Insurance Company	31194	CT	Rate/Rule	01/24/2022	TRVD-133117947	17.0 Other Liability-Occ/Claims Made	3/28/2022	APPROVED	17.60%
The Ohio Casualty Insurance Company	15032	IA	Rate/Rule	02/18/2022	GDEA-133152616	20.0 Commercial Auto	3/28/2022	APPROVED	14.70%
BITCO National Insurance Company	20109	IA	Rate/Rule	02/01/2022	LDDX-133127094	20.0 Commercial Auto	3/28/2022	APPROVED	13.80%
BITCO General Insurance Corporation	20095	IA	Rate/Rule	02/01/2022	LDDX-133127094	20.0 Commercial Auto	3/28/2022	APPROVED	13.80%
Selective Way Insurance Company	15032	IA	Rate/Rule	02/18/2022	GDEA-133144410	01.0 Property	3/28/2022	APPROVED	10.90%
American Bankers Insurance Company of Florida	31194	CT	Rate/Rule	02/21/2022	TRVD-133154465	05.0 CMP Liability and Non-Liability	3/29/2022	APPROVED	62.60%
National Fire Insurance Company of Hartford	13056	IL	Rate/Rule	01/11/2022	RLSC-133108501	05.0 CMP Liability and Non-Liability	3/29/2022	APPROVED	25.00%
Nationwide General Insurance Company	25674	CT	Rate/Rule	02/21/2022	TRVD-133154465	05.0 CMP Liability and Non-Liability	3/29/2022	APPROVED	12.40%
Selective Insurance Company of America	20427	PA	Rate/Rule	01/28/2022	CNAC-133129305	11.0 Med Mal-Claims Made and Occurrence	3/29/2022	APPROVED	10.70%
Nationwide General Insurance Company	29157	WI	Rate/Rule	01/13/2022	ACCD-G133103443	20.0 Commercial Auto	5/3/2022	APPROVED	12.40%
Nationwide Assurance Company	19615	AZ	Rate/Rule	09/13/2021	PENN-132975376	09.0 Inland Marine	5/3/2022	APPROVED	12.40%
American Family Connect Property and Casualty Insurance Company	22667	PA	Rate/Rule	12/21/2020	ACEH-132656702	09.0 Inland Marine	5/3/2022	APPROVED	11.30%
Midvale Indemnity Company	18961	OH	Rate/Rule	04/26/2022	NWPP-133239826	20.0 Commercial Auto	5/18/2022	APPROVED	12.70%
Ascot Insurance Company	28223	IA	Rate/Rule	04/26/2022	NWPP-133239826	20.0 Commercial Auto	5/18/2022	APPROVED	11.30%
Builders Premier Insurance Company	22063	NE	Rate/Rule	04/11/2022	GECC-133221391	17.0 Other Liability-Occ/Claims Made	5/26/2022	APPROVED	39.80%
Great American Insurance Company of New York	10127	OH	Rate/Rule	04/08/2022	NWPP-133219209	17.0 Other Liability-Occ/Claims Made	5/26/2022	APPROVED	19.80%
Greater New York Mutual Insurance Company	23434	WI	Rate/Rule	04/22/2022	SEPX-133235516	17.1 Other Liability-Occ Only	5/26/2022	APPROVED	16.70%
AmFed Casualty Insurance Company	27855	IL	Rate/Rule	03/23/2022	ZURC-133185356	05.0 CMP Liability and Non-Liability	5/26/2022	APPROVED	11.40%
Midvale Indemnity Company	40142	IL	Rate/Rule	06/22/2022	ZURC-133307959	20.0 Commercial Auto	7/6/2022	APPROVED	12.90%
National Casualty Company	26247	NY	Rate/Rule	06/22/2022	ZURC-133307959	20.0 Commercial Auto	7/6/2022	APPROVED	12.20%
Nationwide Mutual Insurance Company	27855	IL	Rate/Rule	06/22/2022	ZURC-133307959	20.0 Commercial Auto	7/6/2022	APPROVED	11.90%
Selective Insurance Company of America	16535	NY	Rate/Rule	06/22/2022	ZURC-133307959	20.0 Commercial Auto	7/6/2022	APPROVED	10.80%
Lemonade Insurance Company	12262	PA	Rate/Rule	05/05/2022	STLR-133252004	20.0 Commercial Auto	7/25/2022	APPROVED	13.30%
U.S. Specialty Insurance Company	41424	PA	Rate/Rule	05/05/2022	STLR-133252004	20.0 Commercial Auto	7/25/2022	APPROVED	11.40%
Wellpoint Life and Health Insurance Company	31194	CT	Rate/Rule	07/21/2022	TRVD-133338935	05.0 CMP Liability and Non-Liability	8/24/2022	APPROVED	62.60%
Nationwide Assurance Company	25674	CT	Rate/Rule	07/21/2022	TRVD-133338935	05.0 CMP Liability and Non-Liability	8/24/2022	APPROVED	12.40%
Atlantic Specialty Insurance Company	22608	TX	Rate/Rule	05/03/2022	STNA-133076009	17.2 Other Liability-Claims Made Only	8/26/2022	APPROVED	36.60%
The North River Insurance Company	42376	DE	Rate/Rule	05/09/2022	UNKP-133255639	17.2 Other Liability-Claims Made Only	8/26/2022	APPROVED	24.00%
Midvale Indemnity Company	20303	IN	Rate/Rule	02/08/2022	ACEH-133123612	04.0 Homeowners	9/27/2022	APPROVED	12.60%
Manufacturers Alliance Insurance Company	17230	IL	Rate/Rule	02/25/2022	ALSE-133146724	19.0 Personal Auto	9/27/2022	APPROVED	10.10%
Selective Insurance Company of the Southeast	42390	NE	Rate/Rule	08/23/2022	AMGD-133353649	17.2 Other Liability-Claims Made Only	10/4/2022	APPROVED	11.03%
Obsidian Insurance Company	27855	IL	Rate/Rule	08/12/2022	ZURC-133365457	05.0 CMP Liability and Non-Liability	10/14/2022	APPROVED	11.40%
Cimarron Insurance Company, Inc.	14138	NE	Rate/Rule	06/02/2022	GECC-133282495	19.0 Personal Auto	11/15/2022	APPROVED	25.20%
Crum & Forster Indemnity Company	14139	NE	Rate/Rule	06/02/2022	GECC-133282495	19.0 Personal Auto	11/15/2022	APPROVED	23.70%
Sompo America Fire & Marine Insurance Company	35882	NE	Rate/Rule	06/02/2022	GECC-133282495	19.0 Personal Auto	11/15/2022	APPROVED	10.30%
Sompo America Insurance Company	22063	NE	Rate/Rule	06/02/2022	GECC-133282495	19.0 Personal Auto	11/15/2022	APPROVED	10.30%
AXIS Insurance Company	12572	NJ	Rate/Rule	11/17/2022	SELC-133457310	26.0 Burglary and Theft	12/28/2022	APPROVED	49.90%
Continental American Insurance Company	29874	MO	Rate/Rule	11/03/2022	SWRE-133408212	17.2 Other Liability-Claims Made Only	12/28/2022	APPROVED	27.30%
United States Fire Insurance Company	22292	NH	Rate/Rule	07/13/2022	HNVR-G133326063	17.2 Other Liability-Claims Made Only	12/28/2022	APPROVED	24.80%
Metropolitan Life Insurance Company	10844	NC	Rate/Rule	09/15/2022	BDMT-133387080	20.0 Commercial Auto	12/28/2022	APPROVED	13.00%
Nationwide Assurance Company	18058	PA	Rate/Rule	10/21/2022	PHLX-133438259	17.2 Other Liability-Claims Made Only	12/28/2022	APPROVED	12.00%
Atlantic Specialty Insurance Company	10677	OH	Rate/Rule	08/17/2022	CNNA-133313198	17.0 Other Liability-Occ/Claims Made	1/3/2023	APPROVED	35.66%
Imperium Insurance Company	28665	OH	Rate/Rule	08/17/2022	CNNA-133313198	17.0 Other Liability-Occ/Claims Made	1/3/2023	APPROVED	20.02%
Great American Assurance Company	23280	OH	Rate/Rule	08/17/2022	CNNA-133313198	17.0 Other Liability-Occ/Claims Made	1/3/2023	APPROVED	19.88%
Technology Insurance Company, Inc.	24988	WI	Rate/Rule	12/15/2022	SEPX-133494738	17.0 Other Liability-Occ/Claims Made	1/30/2023	APPROVED	25.60%
Harford Mutual Insurance Co.	14974	PA	Rate/Rule	10/17/2022	PNSY-133422148	17.0 Other Liability-Occ/Claims Made	1/30/2023	APPROVED	15.42%
Harford Mutual Insurance Co.	22357	CT	Rate/Rule	11/10/2022	HART-133456376	04.0 Homeowners	1/30/2023	APPROVED	15.40%
The Hanover Insurance Company	19682	CT	Rate/Rule	11/10/2022	HART-133456376	04.0 Homeowners	1/30/2023	APPROVED	15.10%
Liberty Mutual Personal Insurance Company	29424	IN	Rate/Rule	11/10/2022	HART-133456376	04.0 Homeowners	1/30/2023	APPROVED	14.90%
Liberty Mutual Fire Insurance Company	27120	CT	Rate/Rule	11/10/2022	HART-133456376	04.0 Homeowners	1/30/2023	APPROVED	14.80%
Allstate Property and Casualty Insurance Company	38970	IL	Rate/Rule	12/28/2022	MRKB-133496064	17.0 Other Liability-Occ/Claims Made	1/31/2023	APPROVED	120.10%
Harford Mutual Insurance Co.	11452	CT	Rate/Rule	12/15/2022	HSTB-133414847	17.0 Other Liability-Occ/Claims Made	1/31/2023	APPROVED	15.60%
State Farm Mutual Automobile Insurance Company	22292	NH	Rate/Rule	07/20/2022	HNVR-G133335063	17.0 Other Liability-Occ/Claims Made	1/31/2023	APPROVED	10.10%
SureTec Insurance Company	27855	IL	Rate/Rule	09/19/2022	ZURC-133400816	05.0 CMP Liability and Non-Liability	2/3/2023	APPROVED	11.40%
Great Midwest Insurance Company	16023	NY	Rate/Rule	05/13/2022	LEMO-133261735	09.0 Inland Marine	2/23/2023	APPROVED	20.24%
Lemonade Insurance Company	23035	WI	Rate/Rule	08/09/2022	LBPM-133357204	04.0 Homeowners	2/24/2023	APPROVED	13.47%

RLI Insurance Company	29068	WI	Rate/Rule	07/08/2022	PRCA-133325002	19.0 Personal Auto	2/24/2023	APPROVED	11.20%
Firstline Insurance Company	11024	NY	Rate/Rule	08/24/2022	GNYM-133377929	01.0 Property	3/1/2023	APPROVED	15.60%
Firstline Insurance Company	22187	NY	Rate/Rule	08/24/2022	GNYM-133377929	01.0 Property	3/1/2023	APPROVED	15.40%
NOVA Casualty Company	12262	PA	Rate/Rule	06/28/2022	STLR-133315352	01.0 Property	3/1/2023	APPROVED	15.10%
The Hanover Insurance Company	36897	PA	Rate/Rule	06/28/2022	STLR-133315352	01.0 Property	3/1/2023	APPROVED	15.10%
Liberty Mutual Insurance Company	22195	NY	Rate/Rule	08/24/2022	GNYM-133377929	01.0 Property	3/1/2023	APPROVED	14.70%
Markel Insurance Company	12572	NJ	Rate/Rule	08/16/2022	SELC-133367540	01.0 Property	3/1/2023	APPROVED	12.90%
Everspan Insurance Company	14354	WI	Rate/Rule	09/06/2022	JMIC-133390564	05.0 CMP Liability and Non-Liability	3/2/2023	APPROVED	27.97%
American Casualty Company of Reading, Pennsylvania	16098	MD	Rate/Rule	01/05/2023	MRTN-133504306	05.0 CMP Liability and Non-Liability	3/2/2023	APPROVED	25.19%
Great Divide Insurance Company	14137	NE	Rate/Rule	06/03/2022	GECC-133286890	19.0 Personal Auto	3/3/2023	APPROVED	28.50%
American Bankers Insurance Company of Florida	10638	NE	Rate/Rule	01/26/2023	PERR-133392325	11.0 Med Mal-Claims Made and Occurrence	3/9/2023	APPROVED	52.00%
Independence American Insurance Company	19917	IL	Rate/Rule	01/31/2023	PERR-133525027	11.0 Med Mal-Claims Made and Occurrence	3/9/2023	APPROVED	15.00%
Middlesex Insurance Company	21113	DE	Rate/Rule	11/21/2022	USAI-133463395	09.0 Inland Marine	3/9/2023	APPROVED	10.40%
Strathmore Insurance Company	43575	PA	Rate/Rule	01/11/2021	ACEH-132675145	09.0 Inland Marine	3/15/2023	APPROVED	17.40%
Lemonade Insurance Company	23469	OH	Rate/Rule	03/03/2022	AMMH-133174768	09.0 Inland Marine	3/17/2023	APPROVED	13.19%
Brotherhood Mutual Insurance Company	22748	PA	Rate/Rule	02/27/2023	ACEH-133577259	05.0 CMP Liability and Non-Liability	4/6/2023	APPROVED	30.40%
Church Mutual Insurance Company, S.I.	20699	PA	Rate/Rule	02/27/2023	ACEH-133577259	05.0 CMP Liability and Non-Liability	4/6/2023	APPROVED	25.60%
American Family Home Insurance Company	37540	CT	Rate/Rule	02/22/2023	BEAZ-133530845	17.2 Other Liability-Claims Made Only	4/26/2023	APPROVED	80.50%
Lemonade Insurance Company	22241	VT	Rate/Rule	02/02/2023	MMCI-133356586	17.2 Other Liability-Claims Made Only	4/26/2023	APPROVED	13.30%
Nationwide Mutual Insurance Company	11150	MO	Rate/Rule	03/02/2023	AICO-133581992	20.0 Commercial Auto	4/26/2023	APPROVED	11.99%
Selective Insurance Company of the Southeast	24066	NH	Rate/Rule	04/07/2023	LBRC-133628286	20.0 Commercial Auto	4/26/2023	APPROVED	11.10%
Sentry Insurance Company	24082	NH	Rate/Rule	04/07/2023	LBRC-133628286	20.0 Commercial Auto	4/26/2023	APPROVED	10.60%
AXIS Insurance Company	27154	NY	Rate/Rule	02/17/2023	BEAC-133509931	20.0 Commercial Auto	5/10/2023	APPROVED	49.50%
Federal Life Insurance Company	26263	PA	Rate/Rule	10/05/2022	ERAP-133421921	19.0 Personal Auto	6/1/2023	APPROVED	19.90%
American Fire and Casualty Company	26271	PA	Rate/Rule	10/05/2022	ERAP-133421921	19.0 Personal Auto	6/1/2023	APPROVED	14.50%
Allstate Property and Casualty Insurance Company	22195	NY	Rate/Rule	06/09/2022	GNYM-133259672	17.0 Other Liability-Occ/Claims Made	6/6/2023	APPROVED	87.50%
Great American Insurance Company	22187	NY	Rate/Rule	06/09/2022	GNYM-133259672	17.0 Other Liability-Occ/Claims Made	6/6/2023	APPROVED	19.50%
American Builders Insurance Company	40517	UT	Rate/Rule	04/25/2023	ADWC-133640429	16.0 Workers Compensation	6/14/2023	APPROVED	11.30%
American National Property And Casualty Company	10200	IL	Rate/Rule	04/17/2023	HISC-133618522	17.0 Other Liability-Occ/Claims Made	6/23/2023	APPROVED	69.60%
Old Republic Insurance Company	10677	OH	Rate/Rule	05/01/2023	CNNA-133654036	26.0 Burglary and Theft	6/23/2023	APPROVED	13.90%
Middlesex Insurance Company	20427	PA	Rate/Rule	11/14/2022	CNAC-133461990	11.0 Med Mal-Claims Made and Occurrence	6/27/2023	APPROVED	10.40%
Builders Mutual Insurance Company	18058	PA	Rate/Rule	05/19/2023	PHLX-133681747	17.1 Other Liability-Occ Only	7/21/2023	APPROVED	39.00%
Nationwide Mutual Insurance Company	25615	CT	Rate/Rule	06/07/2023	TRVD-133696072	17.0 Other Liability-Occ/Claims Made	7/21/2023	APPROVED	12.45%
United States Fire Insurance Company	25682	CT	Rate/Rule	06/07/2023	TRVD-133696072	17.0 Other Liability-Occ/Claims Made	7/21/2023	APPROVED	11.76%
Progressive Casualty Insurance Company	25674	CT	Rate/Rule	06/07/2023	TRVD-133696072	17.0 Other Liability-Occ/Claims Made	7/21/2023	APPROVED	11.26%
Atlantic Specialty Insurance Company	20427	PA	Rate/Rule	05/10/2023	CNAB-133669631	05.0 CMP Liability and Non-Liability	7/25/2023	APPROVED	35.00%
Selective Way Insurance Company	10723	OH	Rate/Rule	05/26/2023	NWPP-133685669	05.0 CMP Liability and Non-Liability	7/25/2023	APPROVED	11.10%
Selective Insurance Company of the Southeast	23760	OH	Rate/Rule	05/26/2023	NWPP-133685669	05.0 CMP Liability and Non-Liability	7/25/2023	APPROVED	10.90%
Atlantic Specialty Insurance Company	21113	DE	Rate/Rule	07/07/2023	USAI-133734340	09.0 Inland Marine	7/26/2023	APPROVED	33.70%
Church Mutual Insurance Company, S.I.	11991	OH	Rate/Rule	07/28/2021	NWPP-132925597	09.0 Inland Marine	7/26/2023	APPROVED	25.60%
Erie Insurance Company	12190	NY	Rate/Rule	08/31/2021	APII-132937940	09.0 Inland Marine	7/26/2023	APPROVED	20.00%
Erie Insurance Company	15032	IA	Rate/Rule	06/01/2023	GDEA-133693384	05.0 CMP Liability and Non-Liability	7/26/2023	APPROVED	20.00%
FCCI Insurance Company	11991	OH	Rate/Rule	02/22/2021	NWPP-132727411	09.0 Inland Marine	7/26/2023	APPROVED	19.90%
Federal Life Insurance Company	29068	WI	Rate/Rule	05/31/2023	PRCA-133692597	19.0 Personal Auto	7/26/2023	APPROVED	19.90%
Harleysville Insurance Company	20346	WI	Rate/Rule	06/16/2023	ACEH-133705506	19.0 Personal Auto	7/26/2023	APPROVED	12.50%
RLI Insurance Company	20303	IN	Rate/Rule	06/16/2023	ACEH-133705506	19.0 Personal Auto	7/26/2023	APPROVED	11.20%
Selective Insurance Company of America	20281	IN	Rate/Rule	06/16/2023	ACEH-133705506	19.0 Personal Auto	7/26/2023	APPROVED	10.90%
SiriusPoint America Insurance Company	39608	CT	Rate/Rule	07/12/2023	HART-133741027	20.0 Commercial Auto	8/24/2023	APPROVED	12.80%
Nationwide Assurance Company	23434	WI	Rate/Rule	07/17/2023	SEPX-133747119	05.0 CMP Liability and Non-Liability	8/24/2023	APPROVED	12.10%
Nationwide General Insurance Company	24988	WI	Rate/Rule	07/17/2023	SEPX-133747119	05.0 CMP Liability and Non-Liability	8/24/2023	APPROVED	12.10%
Atlantic Specialty Insurance Company	24791	CT	Rate/Rule	08/16/2023	TRVD-133781726	05.0 CMP Liability and Non-Liability	9/6/2023	APPROVED	35.46%
Great Divide Insurance Company	41483	CT	Rate/Rule	08/16/2023	TRVD-133781726	05.0 CMP Liability and Non-Liability	9/6/2023	APPROVED	28.97%
California Casualty Indemnity Exchange	12190	NY	Rate/Rule	08/01/2023	APII-133732719	09.0 Inland Marine	9/6/2023	WITHDRAWL	26.40%
Monroe Guaranty Insurance Company	13528	IN	Rate/Rule	08/02/2023	BRTH-133747435	01.0 Property	9/6/2023	APPROVED	19.93%
GEICO Choice Insurance Company	24775	CT	Rate/Rule	08/16/2023	TRVD-133781726	05.0 CMP Liability and Non-Liability	9/6/2023	APPROVED	18.10%
Nutmeg Insurance Company	24767	CT	Rate/Rule	08/16/2023	TRVD-133781726	05.0 CMP Liability and Non-Liability	9/6/2023	APPROVED	16.22%
QBE Insurance Corporation	42390	NE	Rate/Rule	08/03/2023	AMGD-133748975	20.0 Commercial Auto	9/6/2023	APPROVED	11.23%
Humana Insurance Company	19402	IL	Rate/Rule	01/23/2023	APCG-133418125	04.0 Homeowners	9/11/2023	APPROVED	15.00%
American Bankers Insurance Company of Florida	26581	DE	Rate/Rule	03/24/2021	IADC-132777025	09.0 Inland Marine	9/13/2023	APPROVED	58.80%
Humana Insurance Company	21113	DE	Rate/Rule	09/29/2021	CRUM-132957617	09.0 Inland Marine	9/19/2023	APPROVED	15.00%
Protective Insurance Company	39950	RI	Rate/Rule	04/10/2023	META-133594699	09.0 Inland Marine	9/21/2023	APPROVED	44.00%
Mitsui Sumitomo Insurance USA Inc.	26271	PA	Rate/Rule	08/30/2023	ERGP-133800437	17.0 Other Liability-Occ/Claims Made	9/28/2023	APPROVED	12.70%
The Hartford Steam Boiler Inspection and Insurance Company	22063	NE	Rate/Rule	06/06/2023	GECC-133697041	17.0 Other Liability-Occ/Claims Made	10/5/2023	APPROVED	15.00%
GEICO Advantage Insurance Company	42617	GA	Rate	09/08/2023	MAGM-133807923	16.0 Workers Compensation	10/6/2023	APPROVED	18.80%
Harleysville Preferred Insurance Company	42579	IA	Rate	09/11/2023	NWPP-133810332	16.0 Workers Compensation	10/6/2023	APPROVED	12.50%
Erie Insurance Exchange	22667	PA	Rate/Rule	08/11/2023	ACEH-133777450	09.0 Inland Marine	10/12/2023	APPROVED	20.00%
Campmed Casualty & Indemnity Company, Inc.	20281	IN	Rate/Rule	08/15/2023	ACEH-133777098	17.1 Other Liability-Occ Only	10/12/2023	APPROVED	15.00%
Liberty Insurance Corporation	22357	CT	Rate/Rule	09/20/2023	HART-133823006	20.0 Commercial Auto	10/19/2023	APPROVED	14.70%
Liberty Mutual Insurance Company	11000	CT	Rate/Rule	09/20/2023	HART-133822977	20.0 Commercial Auto	10/19/2023	APPROVED	14.30%
Liberty Mutual Fire Insurance Company	23787	OH	Rate/Rule	07/25/2023	NWPP-133753580	19.0 Personal Auto	11/7/2023	APPROVED	14.20%
Allstate Insurance Company	10111	FL	Rate/Rule	10/19/2023	ASPX-133821982	24.0 Surety	11/29/2023	APPROVED	91.10%
Brotherhood Mutual Insurance Company	24147	PA	Rate/Rule	10/18/2023	LDDX-133857750	20.0 Commercial Auto	11/29/2023	APPROVED	29.90%
GEICO Secure Insurance Company	24732	NH	Rate	10/19/2023	LBRC-133858030	17.1 Other Liability-Occ Only	11/29/2023	APPROVED	19.40%
Strathmore Insurance Company	33600	IL	Rate	09/14/2023	LBPM-133814679	19.0 Personal Auto	12/11/2023	APPROVED	17.90%
Greater Midwestern Indemnity Company	36447	IL	Rate	09/14/2023	LBPM-133814679	19.0 Personal Auto	12/11/2023	APPROVED	17.40%
Greater Mid-Atlantic Indemnity Company	12484	NH	Rate	09/15/2023	LBPM-133814749	19.0 Personal Auto	12/11/2023	APPROVED	17.00%
Greater Midwestern Indemnity Company	33588	IL	Rate	09/14/2023	LBPM-133815017	19.0 Personal Auto	12/11/2023	APPROVED	17.00%

Strathmore Insurance Company	23035	WI	Rate	09/14/2023	LBPM-133815017	19.0 Personal Auto	12/11/2023	APPROVED	17.00%
The Hanover Insurance Company	42404	IL	Rate	09/14/2023	LBPM-133815017	19.0 Personal Auto	12/11/2023	APPROVED	15.10%
BITCO General Insurance Corporation	33600	IL	Rate	09/14/2023	LBPM-133814667	04.0 Homeowners	12/11/2023	APPROVED	14.10%
Old Republic Insurance Company	42404	IL	Rate	09/14/2023	LBPM-133814667	04.0 Homeowners	12/11/2023	APPROVED	13.80%
Old Republic Insurance Company	23035	WI	Rate	09/14/2023	LBPM-133814763	04.0 Homeowners	12/11/2023	APPROVED	13.60%
Crestbrook Insurance Company	23043	MA	Rate	09/14/2023	LBPM-133814667	04.0 Homeowners	12/11/2023	APPROVED	12.00%
Intrepid Insurance Company	25976	NY	Rate/Rule	09/29/2023	UTCX-133834257	17.0 Other Liability-Occ/Claims Made	12/15/2023	APPROVED	32.00%
StarNet Insurance Company	12475	OH	Rate/Rule	09/29/2023	UTCX-133834257	17.0 Other Liability-Occ/Claims Made	12/15/2023	APPROVED	32.00%
General Security National Insurance Company	11843	IN	Rate/Rule	10/04/2023	MDPC-133831212	11.0 Med Mal-Claims Made and Occurrence	12/20/2023	APPROVED	11.60%
Key Risk Insurance Company	18767	WI	Rate/Rule	10/17/2023	CHMU-133833758	01.0 Property	1/4/2024	APPROVED	28.28%
Greater New York Mutual Insurance Company	25895	NE	Rate/Rule	10/31/2023	USLI-133870159	05.0 CMP Liability and Non-Liability	1/24/2024	APPROVED	17.78%
Vantapro Specialty Insurance Company	44768	AR	Rate/Rule	08/26/2024	DRWN-G134218420	17.0 Other Liability-Occ/Claims Made	9/25/2024	APPROVED	15.00%
Liberty Insurance Underwriters Inc.	19917	IL	Rate/Rule	01/09/2024	PERR-133943838	11.0 Med Mal-Claims Made and Occurrence	02/02/2024	APPROVED	14.00%
AmGUARD Insurance Company	42390	NE	Rate/Rule	01/02/2024	AMGD-133937832	20.0 Commercial Auto	02/02/2024	APPROVED	20.99%
Nationwide Assurance Company	10723	OH	Rate	01/09/2024	NWPP-133945707	20.0 Commercial Auto	02/02/2024	APPROVED	12.20%
Nationwide Affinity Insurance Company of America	26093	OH	Rate	01/09/2024	NWPP-133945707	20.0 Commercial Auto	02/02/2024	APPROVED	12.20%
National Union Fire Insurance Company of Pittsburgh, Pa.	19445	PA	Rate	02/08/2024	AGNY-133980793	17.2 Other Liability-Claims Made Only	02/29/2024	APPROVED	15.00%
Arch Insurance Company	11150	MO	Rate/Rule	02/16/2024	AICO-133996181	24.0 Surety	02/29/2024	APPROVED	47.26%
Pharmacists Mutual Insurance Company	13714	IA	Rate/Rule	02/26/2024	PHAR-133996631	20.0 Commercial Auto	03/20/2024	APPROVED	19.30%
United States Liability Insurance Company	25895	NE	Rate/Rule	02/14/2024	USLI-133989411	17.0 Other Liability-Occ/Claims Made	03/27/2024	APPROVED	21.80%
Nationwide Assurance Company	10723	OH	Rate/Rule	02/02/2024	NWPP-133972942	17.0 Other Liability-Occ/Claims Made	03/27/2024	APPROVED	19.60%
Nationwide General Insurance Company	23760	OH	Rate/Rule	02/02/2024	NWPP-133972942	17.0 Other Liability-Occ/Claims Made	03/27/2024	APPROVED	13.80%
Selective Way Insurance Company	26301	NJ	Rate/Rule	02/26/2024	SELC-134003049	17.0 Other Liability-Occ/Claims Made	03/27/2024	APPROVED	10.40%
Everspan Insurance Company	24961	AZ	Rate/Rule	03/13/2024	PERR-134031178	24.0 Surety	03/27/2024	APPROVED	56.20%
Allstate Indemnity Company	19240	IL	Rate	01/22/2024	ALSE-133955364	17.0 Other Liability-Occ/Claims Made	04/03/2024	APPROVED	47.30%
Allstate Indemnity Company	19240	IL	Rate	01/22/2024	ALSE-133961345	17.0 Other Liability-Occ/Claims Made	04/03/2024	APPROVED	47.30%
Nationwide Assurance Company	10723	OH	Rate/Rule	01/25/2024	NWPP-133966062	01.0 Property	04/11/2024	APPROVED	20.60%
Next Insurance US Company	16285	DE	Rate/Rule	02/28/2024	NXUS-133983536	01.0 Property	04/11/2024	APPROVED	18.30%
Zurich American Insurance Company	16535	NY	Rate	01/25/2024	ZURC-133954780	01.0 Property	04/11/2024	APPROVED	18.30%
Vantapro Specialty Insurance Company	44768	AR	Rate/Rule	03/25/2024	DRWN-134021035	01.0 Property	04/11/2024	APPROVED	18.00%
American Zurich Insurance Company	40142	IL	Rate	01/25/2024	ZURC-133954780	01.0 Property	04/11/2024	APPROVED	11.20%
National Casualty Company	11991	OH	Rate	01/17/2024	VPIC-133943414	09.0 Inland Marine	04/11/2024	APPROVED	60.20%
Erie Insurance Exchange	26271	PA	Rate	02/01/2024	ERGP-133976136	05.0 CMP Liability and Non-Liability	04/12/2024	APPROVED	15.60%
General Insurance Company of America	24732	NH	Rate	03/25/2024	LBRC-134040100	05.0 CMP Liability and Non-Liability	04/16/2024	APPROVED	15.40%
The Medical Protective Company	11843	IN	Rate/Rule	03/28/2024	MDPC-134044861	11.0 Med Mal-Claims Made and Occurrence	04/16/2024	APPROVED	16.00%
American Casualty Company of Reading, Pennsylvania	20427	PA	Rate/Rule	01/18/2024	CNAC-133956578	11.0 Med Mal-Claims Made and Occurrence	04/16/2024	APPROVED	14.20%
United States Fire Insurance Company	21113	DE	Rate/Rule	03/26/2024	CRUM-134042313	17.1 Other Liability-Occ Only	04/23/2024	APPROVED	11.30%
American Guarantee and Liability Insurance Company	26247	NY	Rate/Rule	03/20/2024	ZURC-134037804	20.0 Commercial Auto	04/23/2024	APPROVED	10.70%
The Travelers Indemnity Company of America	25666	CT	Rate	03/12/2024	TRVD-134028634	17.0 Other Liability-Occ/Claims Made	04/30/2024	APPROVED	27.90%
The Travelers Home and Marine Insurance Company	27998	CT	Rate	03/12/2024	TRVD-134028634	17.0 Other Liability-Occ/Claims Made	04/30/2024	APPROVED	27.90%
The Standard Fire Insurance Company	19070	CT	Rate	03/12/2024	TRVD-134028634	17.0 Other Liability-Occ/Claims Made	04/30/2024	APPROVED	27.90%
The Automobile Insurance Company of Hartford, Connecticut	19062	CT	Rate	03/12/2024	TRVD-134028634	17.0 Other Liability-Occ/Claims Made	04/30/2024	APPROVED	27.90%
Selective Insurance Company of the Southeast	39926	IN	Rate/Rule	03/28/2024	SELC-134047612	17.2 Other Liability-Claims Made Only	05/01/2024	APPROVED	25.00%
Selective Way Insurance Company	26301	NJ	Rate/Rule	03/28/2024	SELC-134047612	17.2 Other Liability-Claims Made Only	05/01/2024	APPROVED	21.20%
Crestbrook Insurance Company	18961	OH	Rate/Rule	03/25/2024	NWPP-134042263	20.0 Commercial Auto	05/01/2024	APPROVED	34.40%
Nationwide Agribusiness Insurance Company	28223	IA	Rate/Rule	03/25/2024	NWPP-134042263	20.0 Commercial Auto	05/01/2024	APPROVED	16.80%
GuideOne Insurance Company	15032	IA	Rate/Rule	04/04/2024	GDEA-134030985	20.0 Commercial Auto	05/02/2024	APPROVED	12.50%
American Pet Insurance Company	12190	NY	Rate/Rule	03/15/2024	APII-134031532	09.0 Inland Marine	05/16/2024	APPROVED	20.60%
Travelers Personal Insurance Company	38130	CT	Rate	03/12/2024	TRVD-134027941	04.0 Homeowners	06/07/2024	APPROVED	27.90%
The Ohio Casualty Insurance Company	24074	NH	Rate/Rule	05/10/2024	LBRC-134103318	20.0 Commercial Auto	06/14/2024	APPROVED	20.70%
West American Insurance Company	44393	IN	Rate/Rule	05/10/2024	LBRC-134103318	20.0 Commercial Auto	06/14/2024	APPROVED	20.70%
American Fire and Casualty Company	24066	NH	Rate/Rule	05/10/2024	LBRC-134103318	20.0 Commercial Auto	06/14/2024	APPROVED	20.40%
Ohio Security Insurance Company	24082	NH	Rate/Rule	05/10/2024	LBRC-134103318	20.0 Commercial Auto	06/14/2024	APPROVED	19.90%
Swiss Re Corporate Solutions Elite Insurance Corporation	29700	MO	Rate	04/11/2024	SWRE-134055460	20.0 Commercial Auto	06/14/2024	APPROVED	13.20%
American Fire and Casualty Company	24066	NH	Rate	05/03/2024	LBRC-134092329	05.0 CMP Liability and Non-Liability	06/18/2024	APPROVED	16.90%
Ohio Security Insurance Company	24082	NH	Rate	05/03/2024	LBRC-134092329	05.0 CMP Liability and Non-Liability	06/18/2024	APPROVED	15.50%
Arch Insurance Company	11150	MO	Rate/Rule	04/05/2024	AICO-134057826	05.0 CMP Liability and Non-Liability	06/18/2024	APPROVED	14.30%
West American Insurance Company	44393	IN	Rate	05/03/2024	LBRC-134092329	05.0 CMP Liability and Non-Liability	06/18/2024	APPROVED	12.50%
The Ohio Casualty Insurance Company	24074	NH	Rate	05/03/2024	LBRC-134092329	05.0 CMP Liability and Non-Liability	06/18/2024	APPROVED	12.30%
Great American Insurance Company of New York	22136	NY	Rate	04/15/2024	GACX-134040119	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	65.04%
Great American Insurance Company	16691	OH	Rate	04/15/2024	GACX-134040119	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	65.04%
Great American Assurance Company	26344	OH	Rate	04/15/2024	GACX-134040119	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	65.04%
Great American Alliance Insurance Company	26832	OH	Rate	04/15/2024	GACX-134040119	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	65.04%
Harford Mutual Insurance Company	14141	MD	Rate/Rule	01/30/2024	HFMU-133962341	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	35.80%
Union Insurance Company	25844	IA	Rate/Rule	04/23/2024	BNIC-134078138	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	24.60%
Great American Insurance Company	16691	OH	Rate/Rule	05/09/2024	GACX-134100091	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	23.40%
Nationwide Mutual Insurance Company	23787	OH	Rate/Rule	05/31/2024	NWPP-134129554	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	20.70%
Great American Insurance Company of New York	22136	NY	Rate/Rule	05/09/2024	GACX-134100091	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	20.20%
The Ohio Casualty Insurance Company	24074	NH	Rate/Rule	04/05/2024	LBRC-134057670	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	19.70%
Ohio Security Insurance Company	24082	NH	Rate/Rule	04/05/2024	LBRC-134057670	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	19.00%
West American Insurance Company	44393	IN	Rate/Rule	04/05/2024	LBRC-134057670	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	17.80%
Continental Western Insurance Company	10804	IA	Rate/Rule	04/23/2024	BNIC-134078138	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	17.30%
Acadia Insurance Company	31325	IA	Rate/Rule	04/23/2024	BNIC-134078138	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	15.10%
Great American Assurance Company	26344	OH	Rate/Rule	05/09/2024	GACX-134100091	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	13.50%
Firemen's Insurance Company of Washington, D.C.	21784	DE	Rate/Rule	04/23/2024	BNIC-134078138	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	11.60%
American Fire and Casualty Company	24066	NH	Rate/Rule	04/05/2024	LBRC-134057670	17.0 Other Liability-Occ/Claims Made	06/18/2024	APPROVED	11.40%
Philadelphia Indemnity Insurance Company	18058	PA	Rate/Rule	04/05/2024	PHLX-134049131	17.2 Other Liability-Claims Made Only	06/18/2024	APPROVED	18.40%

Middlesex Insurance Company	23434	WI	Rate/Rule	04/24/2024	SEPX-134081686	01.0 Property	06/20/2024	APPROVED	25.90%
Allmerica Financial Benefit Insurance Company	41840	MI	Rate/Rule	05/13/2024	HNVR-G134106064	01.0 Property	06/20/2024	APPROVED	10.70%
Sentry Insurance Company	24988	WI	Rate/Rule	04/24/2024	SEPX-134081686	01.0 Property	06/20/2024	APPROVED	10.70%
Erie Insurance Exchange	26271	PA	Rate/Rule	04/29/2024	ERGP-134088078	05.0 CMP Liability and Non-Liability	06/20/2024	APPROVED	11.50%
The Travelers Indemnity Company Of Connecticut	25682	CT	Rate	05/24/2024	TRVD-134118762	17.0 Other Liability-Occ/Claims Made	06/20/2024	APPROVED	18.69%
The Travelers Indemnity Company	25658	CT	Rate	05/24/2024	TRVD-134118762	17.0 Other Liability-Occ/Claims Made	06/20/2024	APPROVED	17.13%
The Travelers Indemnity Company of America	25666	CT	Rate	05/24/2024	TRVD-134118762	17.0 Other Liability-Occ/Claims Made	06/20/2024	APPROVED	15.17%
Travelers Property Casualty Company of America	25674	CT	Rate	05/24/2024	TRVD-134118762	17.0 Other Liability-Occ/Claims Made	06/20/2024	APPROVED	15.16%
The Charter Oak Fire Insurance Company	25615	CT	Rate	05/24/2024	TRVD-134118762	17.0 Other Liability-Occ/Claims Made	06/20/2024	APPROVED	12.07%
The Phoenix Insurance Company	25623	CT	Rate	05/24/2024	TRVD-134118762	17.0 Other Liability-Occ/Claims Made	06/20/2024	APPROVED	11.60%
Hartford Underwriters Insurance Company	30104	CT	Rate	02/13/2024	HART-133961363	19.0 Personal Auto	06/28/2024	APPROVED	20.30%
Trumbull Insurance Company	27120	CT	Rate	02/13/2024	HART-133961363	19.0 Personal Auto	06/28/2024	APPROVED	18.50%
Hartford Accident and Indemnity Company	22357	CT	Rate	02/13/2024	HART-133961363	19.0 Personal Auto	06/28/2024	APPROVED	14.80%
Twin City Fire Insurance Company	29459	IN	Rate	02/13/2024	HART-133961363	19.0 Personal Auto	06/28/2024	APPROVED	14.70%
Liberty Mutual Fire Insurance Company	23035	WI	Rate	04/16/2024	LWCM-134069927	20.0 Commercial Auto	07/18/2024	APPROVED	29.20%
Employers Insurance Company of Wausau	21458	WI	Rate	04/16/2024	LWCM-134069927	20.0 Commercial Auto	07/18/2024	APPROVED	13.30%
Liberty Insurance Corporation	42404	IL	Rate	04/16/2024	LWCM-134069927	20.0 Commercial Auto	07/18/2024	APPROVED	12.50%
Employers Mutual Casualty Company	21415	IA	Rate/Rule	07/02/2024	EMCC-134146349	20.0 Commercial Auto	07/24/2024	APPROVED	14.70%
CSAA General Insurance Company	37770	IN	Rate	03/18/2024	WSUN-134035304	17.1 Other Liability-Occ Only	07/26/2024	APPROVED	25.00%
USAA Casualty Insurance Company	25968	TX	Rate	03/14/2024	USAA-134029894	19.0 Personal Auto	07/29/2024	APPROVED	20.00%
USAA General Indemnity Company	18600	TX	Rate	03/14/2024	USAA-134029894	19.0 Personal Auto	07/29/2024	APPROVED	15.00%
Garrison Property and Casualty Insurance Company	21253	TX	Rate	03/14/2024	USAA-134029894	19.0 Personal Auto	07/29/2024	APPROVED	15.00%
United Services Automobile Association	25941	TX	Rate	03/14/2024	USAA-134029894	19.0 Personal Auto	07/29/2024	APPROVED	12.90%
AXIS Insurance Company	37273	IL	Rate/Rule	03/21/2024	AXSS-G133990620	09.0 Inland Marine	07/31/2024	APPROVED	50.00%
Amica Mutual Insurance Company	19976	RI	Rate/Rule	03/27/2024	AMMA-134026153	17.0 Other Liability-Occ/Claims Made	08/05/2024	APPROVED	20.00%
Wesco Insurance Company	25011	DE	Rate/Rule	07/29/2024	UNKP-134169710	01.0 Property	08/30/2024	APPROVED	38.60%
Allied Insurance Company of America	10127	OH	Rate/Rule	07/30/2024	NWPP-134195633	01.0 Property	08/30/2024	APPROVED	19.10%
Nationwide Mutual Insurance Company	23787	OH	Rate/Rule	07/30/2024	NWPP-134195633	01.0 Property	08/30/2024	APPROVED	18.80%
Technology Insurance Company, Inc.	42376	DE	Rate/Rule	07/29/2024	UNKP-134169710	01.0 Property	08/30/2024	APPROVED	170.10%
Nationwide Mutual Insurance Company	23787	OH	Rate/Rule	07/18/2024	NWPP-134184763	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	36.90%
Nationwide Insurance Company of America	25453	OH	Rate/Rule	07/18/2024	NWPP-134184763	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	32.10%
Allied Insurance Company of America	10127	OH	Rate/Rule	07/18/2024	NWPP-134184763	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	30.50%
The Automobile Insurance Company of Hartford, Connecticut	19062	CT	Rate	08/28/2024	TRVD-G134227241	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	25.30%
The Travelers Home and Marine Insurance Company	27998	CT	Rate	08/28/2024	TRVD-G134227241	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	25.30%
The Travelers Indemnity Company of America	25666	CT	Rate	08/28/2024	TRVD-G134227241	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	22.20%
Privilege Underwriters Reciprocal Exchange	12873	FL	Rate	06/24/2024	PRIV-134012821	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	20.00%
The Standard Fire Insurance Company	19070	CT	Rate	08/28/2024	TRVD-G134227241	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	18.60%
Nationwide Property and Casualty Insurance Company	37877	OH	Rate/Rule	07/18/2024	NWPP-134184763	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	14.40%
American Zurich Insurance Company	40142	IL	Rate	07/24/2024	ZURC-134190605	17.0 Other Liability-Occ/Claims Made	09/25/2024	APPROVED	10.40%
Philadelphia Indemnity Insurance Company	18058	PA	Rate/Rule	07/12/2024	PHLX-134163695	17.1 Other Liability-Occ Only	09/25/2024	APPROVED	24.90%
Allied World Insurance Company	22730	NH	Rate/Rule	09/06/2024	DRWN-134237504	17.2 Other Liability-Claims Made Only	09/25/2024	APPROVED	15.00%
CUMIS Insurance Society, Inc.	10847	IA	Rate/Rule	09/25/2024	CUNA-134252871	20.0 Commercial Auto	09/25/2024	APPROVED	41.00%
Vantapro Specialty Insurance Company	44768	AR	Rate	07/16/2024	DRWN-134177957	20.0 Commercial Auto	09/25/2024	APPROVED	30.00%
Nationwide Property and Casualty Insurance Company	37877	OH	Rate/Rule	08/05/2024	NWPP-134202595	20.0 Commercial Auto	09/25/2024	APPROVED	29.20%
Nationwide Insurance Company of America	25453	OH	Rate/Rule	08/05/2024	NWPP-134202595	20.0 Commercial Auto	09/25/2024	APPROVED	28.50%
Nationwide Mutual Insurance Company	23787	OH	Rate/Rule	08/05/2024	NWPP-134202595	20.0 Commercial Auto	09/25/2024	APPROVED	13.80%
Incline Casualty Company	11090	TX	Rate	07/24/2024	SHNF-134151584	20.0 Commercial Auto	09/25/2024	APPROVED	13.36%
GuideOne Insurance Company	15032	IA	Rate/Rule	09/18/2024	GDEA-134246785	20.0 Commercial Auto	09/25/2024	APPROVED	11.90%
Fidelity and Guaranty Insurance Company	35386	IA	Rate/Rule	09/23/2024	TRVD-134248908	20.0 Commercial Auto	09/25/2024	APPROVED	11.59%
Trumbull Insurance Company	27120	CT	Rate	09/10/2024	HART-134243591	20.0 Commercial Auto	09/25/2024	APPROVED	10.40%
St. Paul Protective Insurance Company	19224	CT	Rate/Rule	09/23/2024	TRVD-134248908	20.0 Commercial Auto	09/25/2024	APPROVED	10.10%
St. Paul Mercury Insurance Company	24791	CT	Rate/Rule	09/23/2024	TRVD-134248908	20.0 Commercial Auto	09/25/2024	APPROVED	10.06%
Berkshire Hathaway Specialty Insurance Company	22276	NE	Rate/Rule	08/07/2024	BHSI-G133989106	11.0 Med Mal-Claims Made and Occurrence	09/26/2024	APPROVED	19.30%
The Cincinnati Casualty Company	28665	OH	Rate/Rule	06/20/2024	CNNA-134136772	11.0 Med Mal-Claims Made and Occurrence	09/26/2024	APPROVED	117.00%
Pharmacists Mutual Insurance Company	13714	IA	Rate	06/10/2024	PHAR-134107696	11.0 Med Mal-Claims Made and Occurrence	09/26/2024	APPROVED	10.80%
The Cincinnati Insurance Company	10677	OH	Rate/Rule	06/20/2024	CNNA-134136524	17.0 Other Liability-Occ/Claims Made	09/26/2024	APPROVED	62.50%
Church Mutual Insurance Company, S.I.	18767	WI	Rate/Rule	06/14/2024	CHMU-134145403	17.0 Other Liability-Occ/Claims Made	09/26/2024	APPROVED	19.70%
Armed Forces Insurance Exchange	41459	KS	Rate	07/22/2024	ARMD-134185278	17.0 Other Liability-Occ/Claims Made	09/26/2024	APPROVED	19.23%
United States Liability Insurance Company	25895	NE	Rate/Rule	08/07/2024	USLI-134203631	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	36.38%
St. Paul Mercury Insurance Company	24791	CT	Rate	07/23/2024	TRVD-134184274	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	22.31%
Fidelity and Guaranty Insurance Company	35386	IA	Rate	07/23/2024	TRVD-134184274	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	21.76%
Pharmacists Mutual Insurance Company	13714	IA	Rate	07/15/2024	PHAR-134097465	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	20.40%
St. Paul Fire and Marine Insurance Company	24767	CT	Rate	07/23/2024	TRVD-134184274	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	19.36%
St. Paul Guardian Insurance Company	24775	CT	Rate	07/23/2024	TRVD-134184274	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	18.88%
Farmington Casualty Company	41483	CT	Rate	07/23/2024	TRVD-134184274	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	17.31%
The Standard Fire Insurance Company	19070	CT	Rate	07/23/2024	TRVD-134184274	05.0 CMP Liability and Non-Liability	09/27/2024	APPROVED	13.46%
GuideOne Insurance Company	15032	IA	Rate/Rule	09/12/2024	GDEA-134241099	01.0 Property	10/04/2024	APPROVED	21.20%
GuideOne Specialty Insurance Company	14559	IA	Rate/Rule	09/12/2024	GDEA-134241099	01.0 Property	10/04/2024	APPROVED	13.40%
GuideOne Specialty Insurance Company	14559	IA	Rate/Rule	09/12/2024	GDEA-134241096	17.0 Other Liability-Occ/Claims Made	10/04/2024	APPROVED	41.40%
GuideOne Insurance Company	15032	IA	Rate/Rule	09/12/2024	GDEA-134241096	17.0 Other Liability-Occ/Claims Made	10/04/2024	APPROVED	21.00%
Allstate Property and Casualty Insurance Company	17230	IL	Rate	03/29/2024	ALSE-134043505	04.0 Homeowners	10/07/2024	APPROVED	13.00%
GuideOne Specialty Insurance Company	14559	IA	Rate/Rule	09/12/2024	GDEA-134241084	05.0 CMP Liability and Non-Liability	10/08/2024	APPROVED	28.90%
GuideOne Insurance Company	15032	IA	Rate/Rule	09/12/2024	GDEA-134241084	05.0 CMP Liability and Non-Liability	10/08/2024	APPROVED	21.50%
Allied World Insurance Company	22730	NH	Rate/Rule	09/23/2024	DRWN-134258057	11.0 Med Mal-Claims Made and Occurrence	10/10/2024	APPROVED	15.00%
Allied World Insurance Company	22730	NH	Rate/Rule	09/20/2024	DRWN-134232814	11.1 Med Mal-Occurrence Only	10/10/2024	APPROVED	15.00%
Citizens Insurance Company of America	31534	MI	Rate	09/30/2024	HNVR-G134266471	01.0 Property	10/29/2024	APPROVED	10.10%
Crestbrook Insurance Company	18961	OH	Rate/Rule	09/27/2024	NWPP-134264465	16.0 Workers Compensation	10/29/2024	APPROVED	28.30%

Erie Insurance Exchange	26271	PA	Rate	10/07/2024	ERGP-134274172	17.0 Other Liability-Occ/Claims Made	10/29/2024	APPROVED	23.60%
ACE American Insurance Company	22667	PA	Rate/Rule	10/01/2024	ACEH-134267657	17.1 Other Liability-Occ Only	10/29/2024	APPROVED	20.00%
GuideOne Insurance Company	15032	IA	Rate/Rule	10/18/2024	GDEA-134253892	05.0 CMP Liability and Non-Liability	10/30/2024	APPROVED	27.00%
GuideOne Specialty Insurance Company	14559	IA	Rate/Rule	10/18/2024	GDEA-134253892	05.0 CMP Liability and Non-Liability	10/30/2024	APPROVED	23.30%
Independence American Insurance Company	26581	DE	Rate/Rule	10/22/2024	IAIC-134293378	09.0 Inland Marine	10/30/2024	APPROVED	13.10%
Selective Insurance Company of the Southeast	39926	IN	Rate/Rule	10/15/2024	SELC-134283526	20.0 Commercial Auto	10/30/2024	APPROVED	17.80%
Selective Way Insurance Company	26301	NJ	Rate/Rule	10/15/2024	SELC-134283526	20.0 Commercial Auto	10/30/2024	APPROVED	13.70%
Selective Insurance Company of America	12572	NJ	Rate/Rule	10/15/2024	SELC-134283526	20.0 Commercial Auto	10/30/2024	APPROVED	11.40%
Insurance Services Office, Inc.		NJ	Rate	04/25/2024	ISOF-G134075246	05.0 CMP Liability and Non-Liability	11/04/2024	APPROVED	99.90%
Allstate Insurance Company	19232	IL	Rate	07/26/2024	ALSE-134166540	04.0 Homeowners	11/07/2024	APPROVED	16.50%
District of Columbia Property Insurance Facility		MD	Rate	06/11/2024	APST-134141208	04.0 Homeowners	11/07/2024	APPROVED	15.10%
American Family Home Insurance Company	23450	FL	Rate	08/19/2024	MRTN-134204570	19.0 Personal Auto	11/07/2024	APPROVED	16.20%
CSAA General Insurance Company	37770	IN	Rate	06/28/2024	WSUN-134158892	19.0 Personal Auto	11/07/2024	APPROVED	14.90%
Midvale Indemnity Company	27138	WI	Rate/Rule	09/19/2024	HMSS-134254780	19.0 Personal Auto	11/15/2024	APPROVED	25.00%

Appendix 29



A Consumer's Guide to **Home Insurance**

NAIC NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

ABOUT THE NAIC

The National Association of Insurance Commissioners (NAIC) is the oldest association of state government officials. Its members consist of the chief insurance regulators in all 50 states, the District of Columbia and five U.S. territories. The primary responsibility of the state regulators is to protect the interests of insurance consumers, and the NAIC helps regulators fulfill that obligation in a number of different ways. This guide is one example of work done by the NAIC to assist states in educating and protecting consumers.

Another way the NAIC lends support to state regulators is by providing a forum for the development of uniform public policy when uniformity is appropriate. It does this through a series of model laws, regulations and guidelines, developed for the states' use. States that choose to do so may adopt the models intact or modify them to meet the needs of their marketplace and consumers.

The NAIC's mission is to assist state insurance regulators, individually and collectively, in serving the public interest and achieving the following fundamental insurance regulatory goals in a responsive, efficient and cost effective manner, consistent with the wishes of its members:

- Protect the public interest.
- Promote competitive markets.
- Facilitate the fair and equitable treatment of insurance consumers.
- Promote the reliability, solvency and financial solidity of insurance institutions.
- Support and improve state regulation of insurance.

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A CONSUMER'S GUIDE TO HOME INSURANCE

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This guide provides information on how to make decisions when you buy homeowners insurance. You have a choice in coverages and prices will differ between insurance companies.

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WHY YOU NEED INSURANCE

Homeowners insurance is an important purchase for many people. There are two major reasons to buy homeowners insurance:

To protect your assets
Homeowners insurance covers the structure of your home and your personal property, as well as your personal legal responsibility (or liability) for injuries to others or their property while they're on your property.

To satisfy your mortgage lender
Most mortgage lenders require you to have insurance as long as you have a mortgage and to list them as the mortgagee on the policy. If you let your insurance lapse, your mortgage lender will likely have your home insured. Compared to a policy you would buy on your own, the premium might be much higher and the coverage will be limited to damage to the structure of your home. The lender can require you to pay this higher premium until you get your own homeowners insurance again.

COVERAGES IN A HOMEOWNERS POLICY

Most homeowners insurance policies provide a package of coverages. The main types of coverage are described below. Keep in mind that you're covered only if the loss is caused by a peril your policy covers. For example, if your home becomes unlivable due to an earthquake and your homeowners policy doesn't cover earthquakes, your policy won't pay for loss of use of your home. Review your policy for the limits of your coverage.

- **Dwelling.** Pays for damage to your house and to structures attached to your house. This includes damage to fixtures, such as plumbing, electrical wiring, heating and permanently installed air-conditioning systems.
- **Other Structures.** Pays for damage to fences, tool sheds, freestanding garages, guest cottages and other structures not attached to your house.
- **Personal Property.** Reimburses you for the value of your possessions, including furniture, electronics, appliances and clothing, damaged or lost even when they aren't on your property, such as those at an off-site storage locker or with your child at college.
- **Loss of Use.** Pays some of your additional living expenses while your home is being repaired.
- **Personal Liability.** Covers your financial loss if you are sued and found legally responsible for injuries or damages to someone else.
- **Medical Payments.** Pays medical bills for people hurt on your property or hurt by your pets.

Peril is an insurance term for a specific risk or reason for a loss. Some policies cover all perils except ones specifically excluded. At the other extreme are policies that cover only the perils named in the policy.

TYPES OF HOMEOWNERS POLICIES

To be reimbursed for damage to your property, a covered peril (such as fire, theft or windstorm) must have caused your loss. Which perils your policy covers depends on the type of policy you buy. The most common types of homeowners policies are listed below. All of the policy types except the dwelling fire form cover your dwelling and its contents, as well as personal liability and medical payments. Read Table 1 to learn the specific perils each type of policy covers.

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A type of homeowners policy is called **Form**

- The **Dwelling Fire Form** covers only your dwelling. It does not cover your personal property, personal liability or medical payments. It also covers only a few perils. It's the type of policy your mortgage lender will buy for you if you let your homeowners policy lapse. It's also used for vacation homes and when you can't find other coverage.
- The **Basic Form** insures your property against only the list of perils shown in Table 1.
- The **Modified Coverage Form** is for older homes, where the cost to rebuild is greater than the market value. It covers the same set of perils as the Basic Form.
- The **Broad Form** insures your property against the perils shown on Table 1.
- The **Special Form** is the most popular of all homeowners forms. It insures your property against all perils, except those the policy specifically names as not covered. Perils commonly excluded are flood and earthquake.
- The **Tenants Form** is for renters. It insures your personal property against all of the perils in the Broad Form.
- The **Condominium Unit Owners Form** is for owner-occupants of condominium units. It insures your personal property and your walls, floors and ceiling against all of the perils in the Broad Form.

There are other types of insurance for other types of residences. If you own a **townhouse**, you may insure it through either an individual homeowners policy or an association master policy. If you live in a **mobile home** that has wheels and doesn't rest on blocks or a permanent foundation, in most states you'll buy a form of automobile insurance. This insurance offers far less coverage than homeowners policies. If your home is on land used for farming or raising livestock, ask about a **farmowners** policy.

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Table 1. Perils Covered by Different Types of Homeowners Policies

Peril	*Type of Policy*					
	Dwelling Fire	**Basic Form and Modified Coverage Form**	**Broad Form**	**Special Form**	**Tenants Form**	**Condominium Unit Owners Form**
	■ *Dwelling*			☐ *Contents*		
Fire, smoke, windstorm, hail, lightning, explosion, vehicles, civil unrest	■	■	■	■	☐	☐
Theft, vandalism		■	■	■	☐	☐
Trees and other falling objects			■	■	☐	☐
Weight of ice, snow, sleet			■	■	☐	☐
Freezing, rupturing or sudden and accidental overflow of a plumbing, heating, air-conditioning or fire-sprinkler system or a household appliance			■	■	☐	☐
All perils except flood, earthquake, war, nuclear accident and other perils specifically excluded in your policy				■		

Flood Insurance

Homeowners policies *don't* cover flood damage. Depending on where your home is, you may qualify for flood insurance through the National Flood Insurance Program or through a private insurer. Contact an insurance agent for more information. If your home is in a flood plain, your mortgage lender will usually require you to buy flood insurance.

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LIMITS OF COVERAGE

Your insurance agent usually will help you decide how much dwelling coverage to buy when you first get homeowners insurance. Your coverage should equal the full replacement cost of your home. Note that replacement cost and market value are not the same. The market value, which includes the price of your land, depends on the real estate market.

You should review your dwelling coverage from time to time to be sure it doesn't drop below the cost to replace your home. If it drops below 80% of the full replacement cost of your home, your insurance company may reduce the amount that it will pay on a claim.

The limits of your coverage for other structures, for personal property and for loss of use of your home are expressed as percentages of your dwelling limit. The coverage is usually a set percentage (see Table 2). For example, if your dwelling coverage limit is $150,000 and your coverage for personal property is limited to 50% of your dwelling coverage, your coverage for personal property would be $75,000. Check your policy, as coverage limits might be based on percentages different from those in Table 2. You choose your coverage limits for your personal liability and for medical payments.

Table 2. Policy Limits

Coverage Component	Typical Limit of Coverage
Dwelling	You Choose
Other Structures	10% of Dwelling Coverage Limit
Personal Property	50% of Dwelling Coverage Limit
Loss of Use	20% of Dwelling Coverage Limit
Personal Liability	You Choose
Medical Payments	You Choose

DEDUCTIBLES

A deductible is the money you have to pay out-of-pocket on a claim before the policy pays the loss. The deductible applies to coverage for your home and personal property and is paid on each claim. Higher policy deductibles mean lower policy premiums. A policy with a $1,000 deductible will have a lower premium than the same policy with a $500 deductible. In some locations, there are also catastrophe deductibles, which are expressed as a percentage instead of a dollar amount.

Having a higher deductible can be a good way to save money on your homeowners insurance premium and to submit fewer claims. However, be sure you can afford the deductible in case you have a loss.

Replacement Cost and Actual Cash Value
You can choose to insure your home and its contents for either replacement cost or actual cash value.
Replacement cost is the cost to rebuild your home or repair damages using materials of similar kind and quality.

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Actual cash value is the value of your home considering its age and wear and tear. Actual cash value coverage pays you for your loss, but often doesn't pay enough to fully repair or replace the damage.

OPTIONAL COVERAGES

You can add other coverages. Sometimes, you can add coverage by buying an endorsement; other times, you must buy another policy to cover a specific peril or a specific item of property. Some reasons you might want to add coverages are:

- **To cover *perils* most homeowners policies don't cover.** The National Flood Insurance Program writes most *flood insurance policies*, although some insurance companies also sell it. Many insurance companies sell *earthquake insurance* as a separate policy or as an endorsement to your homeowners policy. While homeowners policies in most states cover damage caused by *windstorm and hail*, policies in coastal areas often exclude this coverage, in which case you would need to buy a separate policy to protect from this risk. You might be able to buy endorsements to cover damage caused by *mold* or by *sewer or drain backups* and *sump pump overflow* since most homeowners policies offer limited or no coverage for these types of events.

- **To increase your current coverage.** *Guaranteed replacement cost coverage* pays to completely rebuild your home, while a *personal property replacement cost endorsement* pays to replace your personal property. An *inflation guard endorsement* raises your dwelling coverage limit annually in line with inflation. *Personal umbrella liability insurance* increases your liability coverage above the level available in a homeowners policy. A *scheduled personal property endorsement* (or "personal article floater") covers jewelry, furs, stamps, coins, guns, computers, antiques and other items whose value might be greater than the normal limits in your homeowners policy. An *ordinance or law endorsement* pays for the extra expense to rebuild your home in compliance with building codes and other ordinances or laws that didn't exist when your home was originally built.

BUSINESS USE OF YOUR HOME

While homeowners insurance isn't designed to cover most business uses of your home, some policies might cover some business uses, at least partially. For example:

- **Computers and laptops.** If you use your home computer or laptop for business purposes, it's often covered, but you should check your policy limits. Your laptop might be covered, even if it's lost, damaged or stolen when it's away from your home.

- **Daycare coverage**. Most homeowners policies provide a limited amount of liability coverage if you care for a friend's children and aren't paid. But if you're paid to provide daycare in your home, you must buy more insurance to cover your related liability.

OTHER TYPES OF HOME-RELATED INSURANCE

You might hear about other types of insurance, especially when you buy your home. Lenders usually require **private mortgage insurance (PMI)** if your down payment is less than 20% of the home's purchase price. PMI protects the lender if you default on your mortgage. The PMI premium is often included in your monthly mortgage payment.

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Title insurance protects you and the lender against any monetary loss due to errors in the title. You usually pay for title insurance as a one-time fee when you buy a home.

A **home warranty** covers the mechanical breakdown of individual parts of a home, such as the electrical and plumbing systems. A warranty doesn't cover the home's structure, may or may not cover appliances, ends at a specific point in time (for example, one year) and has exclusions and limitations that you should review. Home warranties might not be regulated as insurance in your state.

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HOW INSURERS DETERMINE YOUR PREMIUM

Many factors affect the premium you pay, including which insurance company you choose. Different insurance companies charge different premiums for similar coverage. Decisions you make about how much insurance coverage to buy also affect your premium. Some of the other things that are likely to affect your premium are:

The characteristics of your home

- The cost to rebuild your home. This is not the same as the purchase price (which includes the cost of the land). Your insurance agent might help you estimate replacement cost using information about your home and its contents.
- Whether your home is made of brick or wood. The premium usually is lower for homes that are primarily brick or masonry than for wood frame homes.
- The distance from your home to a water source or fire department and the quality of your community's fire protection services.
- The age and condition of your home. The premium often is higher for older homes and homes in poor condition than for newer homes and homes in good condition.
- The claims history of your home and of homes in your area.

Your choices and characteristics

- The coverages you choose, including optional endorsements.
- The deductible you choose.
- Insuring your home and autos with the same insurance company.
- The length of time you've been with your current insurance company.
- Your credit history. To access your credit report, the insurance agent might ask you for your Social Security number. In many states, insurers use your credit history as a factor to decide whether to sell you insurance and what price to charge you.
- Your history of filing claims for water damage, fire, theft or liability on homes you've owned.

Other characteristics

- Having protection devices in your home, such as smoke detectors, a burglar alarm, a sprinkler system, deadbolts on doors or security devices for windows. Many insurers offer a discount if you have any of these.
- Having a wood furnace or wood stove.
- Having a swimming pool, trampoline or playscape that could cause injuries.
- The types of pets you have. Some insurers won't insure you if you own certain breeds of dogs.
- Operating a business from your home.

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SMART SHOPPING

Different insurance companies charge different rates for the same coverage. Also, not all insurance companies provide the same level of claims service. Therefore, it makes sense to shop around for the best insurance company for your needs.

Insurance companies use one of three methods to sell their products.

- **Independent agents** represent several companies and can give you several quotes.
- **Exclusive agents** only sell the products of one insurance company.
- **Direct market** sales are over the Internet or by mail or telephone.

You can find insurance companies and agents through the phone book, on the Internet and television and by asking friends and neighbors. You should also check with your state insurance department to see if it publishes premium comparison guides for homeowners insurance.

Customer service is important to most consumers, particularly when they have a claim. You can get a sense of how well an insurer serves its customers from a complaint index. Many state insurance departments post complaint index information on their Web sites. A complaint index measures how many complaints your state insurance department receives relative to the size of the company.

It's illegal for unlicensed insurers or agents to sell insurance. Business cards aren't proof that an agent is licensed. If you do business with an unlicensed agent or company, it might not pay your claims or refund your premiums if you cancel your policy. If an unlicensed agent or company contacts you, check with your state insurance department immediately, so it can investigate. Your actions may protect someone else from being victimized.

You also want to buy insurance from a company that's financially sound. You can check the financial health of an insurance company by using ratings from independent ratings agencies such as Standard and Poor's, A.M. Best and Moody's.

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GETTING PREMIUM QUOTES

Getting premium quotes is a good way to compare different companies' prices. But, first you should decide what coverages and policy limits you need. It's important that you know how much it would cost to rebuild your home. An insurance agent or a contractor might be able to help you estimate the cost to rebuild your home.

When you get quotes, it's crucial that you ask for the same coverages and limits and give the same information to each agent or company. To give you an accurate quote, the insurance agent or company will usually ask for a description of your house (such as where it's located, its square footage, when it was built and the type of construction). He or she also might ask about items that increase your insurance needs, such as owning pets and expensive possessions. An agent might visit your home to take a photo or ask you for other information (such as the distance from the nearest fire department and the general condition of your home). Be sure to get rate quotes and key information in writing.

Make sure you ask the insurance agent if you qualify for any discounts. Some insurers offer a discount if you also buy your auto insurance from them or if you disaster-proof your home (for example, add storm shutters), update the home's electrical or plumbing systems, get a new roof or add home security devices (for example, a burglar alarm).

Also, be sure to find out how much your premium will change if you choose different deductibles.

While you're getting quotes, you should also ask the agent some of these questions:

- Are the agent and the insurance company licensed by my state insurance department? For how long? (Your state insurance department can confirm the answers to these questions.)
- How can I find out the claims history of the home before I buy it? The claims history of the home might affect your premium.
- If I submit a claim, how will it affect my premium when I renew the policy?
- How will my credit history affect my premium?
- What does the policy cover? What doesn't it cover? What are the limits to the coverages?
- How much coverage do I need for my personal property?
- How much liability coverage should I buy?
- Should I buy flood insurance or earthquake coverage? Your homeowners insurance policy doesn't cover either.
- What types of water damage are *not* covered? Is mold damage covered?

If you're thinking of buying a home, you can ask an agent to estimate the cost of insurance.

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YOUR RESPONSIBILITIES

A homeowners insurance policy is a legal contract. It's written so that your rights and responsibilities, and those of the insurance company, are clearly stated. You should read your policy and be sure you understand it. If you have questions about your insurance policy, contact your insurance agent or company.

When you buy homeowners insurance, you will receive a policy—not a photocopy. If you don't receive a policy within 30 days, contact the insurance company, not the agent. If you need a company's toll-free number, contact your state insurance department.

Keep your policy in a safe place and know the name of your insurer. If you still have questions, contact your state insurance department.

Other helpful tips:

- Pay the premium on time. Most insurers don't offer a grace period for paying the premium; the due date is the due date.
- Keep a file of all paperwork you completed online or received in the mail and signed—as well as any other documents related to your insurance, including the policy, correspondence, copies of advertisements, premium payment receipts, notes of conversations and any claims submitted.
- Make a household inventory.
    - Go through each room; write down and take pictures or videos of everything in the room.
    - Inventory everything, including valuable items such as antiques, electronics, jewelry, collectibles and guns.
    - Store your home inventory in a secure place at another location, such as your workplace, a safe deposit box, a relative's house or online.
    - Annually review and update your home inventory, including your pictures/videos. Also update your inventory when you buy new items.
    - Keep receipts with your home inventory for all repairs and new items you buy, for proof if you file a claim.
- Maintain your home.
    - A homeowners policy isn't a maintenance contract; it insures against damage from perils such as fire, wind and hail. It doesn't pay to repair items that simply wear out, like rotted porch railings. You're responsible for the upkeep of your home, such as repairing your roof when it begins to leak or cleaning your chimney flue so it doesn't catch fire.

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FILING A CLAIM

Read your policy—it's your guide to the types of losses that may or may not be covered. How often you file a claim and the types of claims you file often affect your premium and whether your insurer will renew your policy. If the cost to repair the damage is not much more than your deductible, you might want to pay for the repairs without filing a claim.

> Most insurance companies report your homeowners claims to private nationwide claim databases (such as the Comprehensive Loss Underwriting Exchange, better known as CLUE). Insurance companies use these databases to see the claims you've submitted in the past.

To file a claim, contact your insurance agent or company as soon as possible. Ask about forms or documents you'll need to support your claim. You're also required to protect your home from further damage. For example, you might need to board it up or clean up water from a backed-up drain.

The insurance company will assign a claims adjuster to assess the damages and determine the payment. These adjusters may be employees of the company or independent contractors. You should cooperate with the adjuster's investigation of your claim. The adjuster will probably want to meet with you at your house to inspect the damage. Jot down notes and keep track of the dates of any conversations you have with your insurance agent or adjuster.

If there are disagreements between you, the insurer and the claims adjuster, first try to resolve them with your insurer. Don't feel rushed or pushed to agree with something you aren't comfortable with. It might help to have your contractor meet with you and the insurance adjuster.

If you and the insurer still disagree about the value of the claim, check your policy for an appraisal clause. Another option is to hire an attorney or a public adjuster.

> Public adjusters aren't attorneys or government employees – they're freelance adjusters that charge you a fee. Not all states allow public adjusters, but those that do require them to be licensed and to follow certain guidelines. If you have questions about the use public adjusted, contact your state insurance department.

If you have trouble with or questions about your claim, you also may contact your state insurance department for help. Your state insurance department has consumer services personnel who can help you work with your insurer to resolve disagreements.

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LOSING YOUR INSURANCE

There's a big difference between an insurance company cancelling your policy and not renewing it.

Cancellation means either you or your insurance company stop the coverage before the policy's normal expiration date (which is usually 12 months after the policy starts). You can always cancel your policy for any reason. When you're a new policyholder, there's a limited period of time (typically 60 days) in which your insurance company can cancel your policy for any reason. After that, it can only cancel you if you don't pay your premium, if you've lied on your application or if your risk has changed substantially.

If your insurance company cancels your policy, it must give you notice. The number of days varies by state. If you or the insurer cancels your policy, the company may refund a portion of your premium.

Non-renewal means the company refuses to renew your policy after it expires. Insurance companies generally have the right to not renew your policy. If your company chooses not to renew your policy, it must give you notice; the number of days (typically 30 days before the renewal date) varies by state. You may ask the insurer for the reason. You also may choose not to renew your policy.

WHAT TO DO IF YOU CAN'T FIND INSURANCE

Contact your state insurance department to see if your state has a FAIR Plan, wind pool, or other residual market mechanism information or market assistance program available. See below for information on contacting your insurance department.

FOR MORE INFORMATION

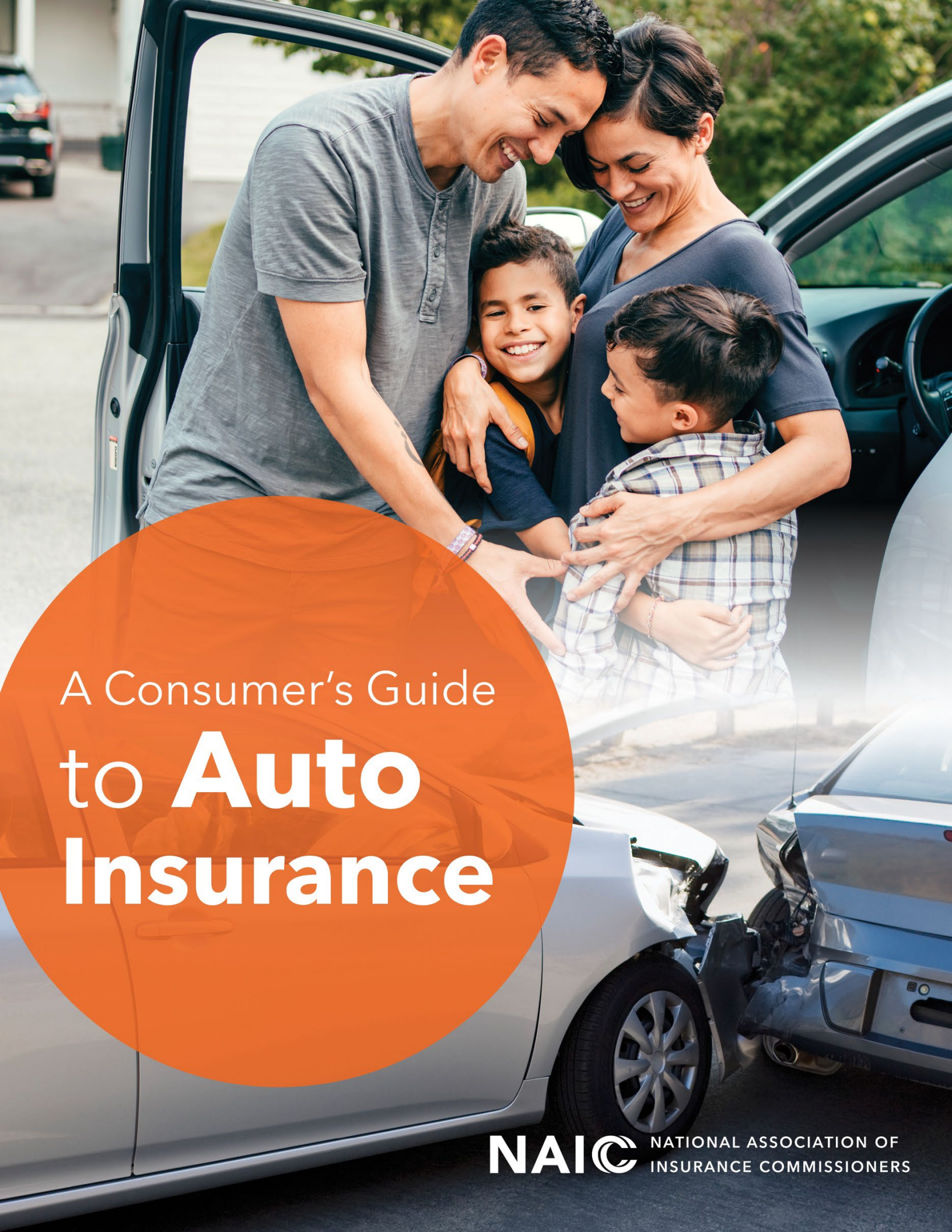
- If you can't find insurance, consumer rights information, premium comparisons or complaint handling information, visit your state insurance department's Web site. The department will have some information posted on the Web site, plus contact information if you have other questions. To find the Web site address of your state department, visit the National Association of Insurance Commissioners (NAIC) Web site at *www.naic.org/state_web_map.htm* and select your state on the map.
- Visit the NAIC Web sites for consumers: *www.InsureUonline.org* or *www.naic.org*.
- Visit the National Flood Insurance Program Web site: *www.floodsmart.gov*.
- Access your free annual credit report through *www.annualcreditreport.com* or call 877.322.8228.

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The 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, and coordinate their regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. NAIC members, together with the central resources of the NAIC, form the national system of state-based insurance regulation in the U.S.

For more information, visit **naic.org**.

Appendix 30



A Consumer's Guide

to **Auto Insurance**

NAIC NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

ABOUT THE NAIC

The National Association of Insurance Commissioners (NAIC) is the oldest association of state government officials. Its members consist of the chief insurance regulators in all 50 states, the District of Columbia and five U.S. territories. The primary responsibility of the state regulators is to protect the interests of insurance consumers, and the NAIC helps regulators fulfill that obligation in a number of different ways. This guide is one example of work done by the NAIC to assist states in educating and protecting consumers.

Another way the NAIC lends support to state regulators is by providing a forum for the development of uniform public policy when uniformity is appropriate. It does this through a series of model laws, regulations and guidelines, developed for the states' use. States that choose to do so may adopt the models intact or modify them to meet the needs of their marketplace and consumers.

The NAIC's mission is to assist state insurance regulators, individually and collectively, in serving the public interest and achieving the following fundamental insurance regulatory goals in a responsive, efficient and cost effective manner, consistent with the wishes of its members:

- Protect the public interest;
- Promote competitive markets;
- Facilitate the fair and equitable treatment of insurance consumers;
- Promote the reliability, solvency and financial solidity of insurance institutions; and
- Support and improve state regulation of insurance.

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A CONSUMER'S GUIDE TO AUTO INSURANCE

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The NAIC is the authoritative source for insurance industry information. Our expert solutions support the efforts of regulators, insurers and researchers by providing detailed and comprehensive insurance information. The NAIC offers a wide range of publications in the following categories:

Accounting & Reporting
Accountants, members of the insurance industry and educators will find relevant information about statutory accounting practices and procedures.

Consumer Information
Consumers, educators and members of the insurance industry will find important answers to common questions in guides about auto, home, health and life insurance.

Financial Regulation
Accountants, financial analysts and lawyers will find handbooks, compliance guides and reports on financial analysis, state audit requirements and receiverships.

Legal
State laws, regulations and guidelines apply to members of the legal and insurance industries.

NAIC Activities
Insurance industry members will find directories, newsletters and reports affecting NAIC members.

Special Studies
Accountants, educators, financial analysts, members of the insurance industry, lawyers and statisticians will find relevant products on a variety of special topics.

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This guide provides information on how to make decisions when you buy automobile insurance. You have a choice in coverages and prices will differ between insurance companies.

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WHY YOU NEED AUTO INSURANCE

Auto insurance is an important purchase for most drivers. There are three main reasons to buy auto insurance.

1. **To comply with state laws**

Most states have auto insurance requirements. If you drive without insurance, you could be fined, and your vehicle could be impounded.

2. **To satisfy your lender**

If you have a car loan, most lenders require you to have insurance to protect their interest in your car. If you let your insurance lapse, your lender will likely have your car insured. The premium may be much higher (and the coverage much less) than a policy you would buy on your own. The lender can require you to pay this higher premium until you get your own auto insurance.

3. **To protect your assets**

Auto insurance can provide bodily injury and property damage liability coverage for accidents that happen to others for which you are responsible. Liability insurance also will pay the cost of an attorney to protect you if you're sued. The state-required minimum coverages are usually not enough to fully protect you and your assets. Auto insurance also may cover the cost of accident-related repairs to your insured car, as well as your accident-related medical bills and lost wages.

COVERAGES IN AN AUTO POLICY

An auto insurance policy usually has several types of protections or "coverages" — some required and some optional. Some coverages may automatically be part of your policy unless you opt out of them. You must decide what coverages best fit your needs, which may mean choosing more coverages than you need to meet requirements.

Your auto policy may include the following coverages. Each coverage is usually priced separately.

Required by State Law

- **Bodily Injury Liability:** This coverage applies to injuries that you cause to someone else. You and family members listed on the policy also are covered when driving someone else's car with their permission.
- **Property Damage Liability:** This coverage pays for damages you cause to someone else's car or to objects and structures your car hits.

Required by Law in Some States

- **Uninsured and Underinsured Motorist Coverage:** Uninsured motorist coverage reimburses you if an uninsured or a hit-and-run driver hits you. Underinsured motorist coverage pays when an at-fault driver doesn't have enough insurance to fully pay for your loss.

- **Medical Payments or Personal Injury Protection (PIP):** This coverage pays for treating injuries to you and your

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passengers. Personal Injury Protection (PIP), which is available in "no-fault" states, can also cover lost wages and funeral costs.

No-fault. If you live in a no-fault state, your own insurance company pays for injuries to you and your passengers regardless of who's at fault. Most no-fault states also let you sue the at-fault driver if you have serious injuries. However, you still must file a claim with the at-fault driver's insurance company to be paid for damage to your vehicle.

Required by Your Lender if You Have an Auto Loan

- **Collision:** This coverage pays for damage to your car from a collision with another car, an object or a pothole or from flipping over.
- **Comprehensive:** This coverage reimburses you for damage to your car that's not caused by a collision. This includes theft, hail, windstorm, flood, fire and hitting animals. Comprehensive coverage also will reimburse you if your windshield is pitted, cracked or damaged. Some companies won't charge you a deductible for windshield repairs.

Most insurers offer many other types of coverage, such as for towing and rental car when your car is disabled. Each type of coverage likely will increase your premium so consider carefully what you need.

Most auto policies don't cover equipment — including stereos, CD players, navigation systems and cell phones — not permanently installed in your car, or maintenance for your car.

Auto insurance doesn't cover paying off your loan if your car is damaged and its market value is less than what you owe. Auto dealers and lenders may offer guaranteed auto protection (GAP) insurance for this purpose.

Your auto insurance will cover you if you drive into Canada. To drive into Mexico, however, you'll need to buy Mexican auto insurance. Ask your insurer about other requirements.

You'll likely need a separate insurance policy for these types of vehicles:

- Motorcycles
- All-Terrain Vehicles (ATVs)
- Off-Road Vehicles
- RVs
- Commercial Vehicles

HOW INSURERS DETERMINE YOUR PREMIUM

Many factors affect the premium you pay, including which insurance company you choose. Different insurance companies use different methods to rate their risk of insuring you and charge different premiums for similar coverage.

These items will likely affect your premium:

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- Your driving record, and the driving records of others covered by your insurance policy, during the last three to five years.
- Your credit-based insurance score. Those with better scores often pay lower premiums. Some states restrict the ways insurers can use credit-based insurance scores and several states ban their use. If you've had a hardship which may have hurt your credit history, ask your insurer if it will consider a life event exception.

> **Credit-based insurance scoring.** Most insurers use the information in your credit report to calculate a credit-based insurance score. They do this because studies show a correlation between this score and the likelihood of filing a claim. Credit-based insurance scores are different from other credit scores.

- Your age, gender and marital status. People under 25, males, single people and families with young drivers in the household tend to have more accidents and therefore pay higher premiums. Accident rates (and premiums) also tend to increase for people over age 65. Insurance companies can base premiums on all insured drivers in your household, including those not related by blood, such as roommates.
- The type of vehicle you drive. Generally, you'll pay more for insurance, particularly for comprehensive and collision coverages, if your vehicle is newer or more expensive. Sports cars and high-performance vehicles also cost more to insure because they're involved in more accidents and thefts and cost more to repair. If you drive a large SUV or truck, which can cause more serious damage in an accident, you could pay more for liability coverage.
- Where you live. Urban areas usually have more accidents and auto thefts than rural areas.
- Vehicle use, including your annual mileage.
- Your prior insurance coverage. Most insurance companies will charge you more if you don't have auto insurance when you apply for coverage. Some also charge you more if you currently have only the state-required minimum amounts of coverage.

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- Previous claims. Most insurance companies report your auto claims to one or more private nationwide claim databases (such as the Comprehensive Loss Underwriting Exchange—CLUE). Insurance companies use these databases to see the claims you've submitted in the past. You have a right to a free copy of your CLUE report.
- The limits you choose for liability coverage.
- The deductibles you choose for comprehensive and collision coverages.

> A **deductible** is the amount you have to pay out-of-pocket on a claim before the policy pays the loss. Higher policy deductibles mean lower policy premiums. A policy with a $1,000 deductible has a lower premium than the same policy with a $500 deductible. Having a higher deductible is a good way to save money on your auto insurance premium and to submit fewer claims. But be sure you can afford the deductible in case you have a loss.

Discounts

Most insurance companies offer various types of discounts. Ask the agent if there's a discount for:

- Insuring your auto and your home with the same insurance company.
- Insuring multiple vehicles with the same insurance company.
- Protection devices such as airbags, anti-lock brakes and anti-theft devices.
- Taking a defensive driving course, particularly if you're 55 or older.
- Being a member of an organization or working for certain employers.

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SMART SHOPPING

Different insurance companies charge different rates for the same coverage. Also, not all insurance companies provide the same level of claims service. So, it makes sense to shop around for the best insurance company for your needs.

Insurance companies use one of three methods to sell their products.

- **Independent agents** represent several companies and can give you several quotes.
- **Exclusive agents** only sell the products of one insurance company.
- **Direct market** sales are done over the Internet or by mail or telephone.

The insurer—not you—usually pays the agent. The insurer may pay the agent a percentage of your premium as a commission. An agent who is salaried may receive bonuses for sales.

You can find insurance companies and agents by asking friends and neighbors, browsing the Internet, looking through the phone book, or in ads in the newspaper, on the radio and on television. You should also ask your state insurance department if it publishes premium comparison guides for auto insurance.

Customer service is important to most consumers, particularly when they have a claim. A complaint index gives you a sense of how well an insurer serves its customers. Many state insurance departments post complaint indexes on their websites. A complaint index measures how many complaints your state insurance department receives relative to the size of the company.

It's illegal for unlicensed insurance companies or agents to sell insurance. Business cards and websites aren't proof that an agent is licensed. If you buy insurance from an unlicensed agent or company it may not pay your claims or, if you cancel your policy, it may not refund your premiums. To find out if an agent or company is licensed, check with your state insurance department.

You also want to buy insurance from a company that's financially sound. You can check the financial health of an insurance company by using ratings from independent ratings agencies, such as Standard and Poor's, A.M. Best and Moody's.

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GETTING PREMIUM QUOTES

The way to compare different companies' prices is to get premium quotes. But first you should decide what coverages and policy limits you need. An agent can help you with this.

State law sets the minimum amounts of liability coverage required. These minimums are too low to fully cover you if you cause a serious accident. Most insurers let you buy higher amounts or "limits" of liability coverage, often without much increase in your premium.

When you get quotes be sure to ask for the same coverages and limits and give the same information to each agent or company. Auto insurers may use all of the factors listed in the "How Insurers Determine Your Premium" section (and maybe more) to price your policy. The insurer needs quite a bit of information to price your policy, usually including your Social Security number and your vehicle's VIN (vehicle identification number).

The premium for your insurance may be different from the quote you initially receive for several reasons. For example, if you told the company or its agent that you have a perfect driving record and you don't, your premium will be higher than your quote. Be sure to get rate quotes and coverage information in writing.

Make sure you ask about discounts. Also be sure to find out how much your premium will change if you choose different deductibles.

While you're getting quotes, you should also ask the agent some of these questions:

- Are the agent and the insurance company licensed by my state insurance department? (Your state insurance department can confirm this.)
- What limits are available?
- What coverage does state law require me to buy? What coverage will a lender require if I have a car loan?
- Should I buy comprehensive and/or collision coverage? (Compare the premium to what your car is worth.) If so, what deductibles can I choose?
- What doesn't my policy cover?
- What is the deductible for uninsured and underinsured motorist coverage?
- How will my credit history affect my premium?
- How will my driving record affect my premium?
- If I'm in an accident and it wasn't my fault, how will this affect my insurance? (In some states, insurers can't charge you a higher premium because of accidents that weren't your fault.)
- If I'm in an accident and it was my fault, how will this affect my insurance?
- If I have an accident, can I use my own repair shop?
- If I let someone who doesn't live in my home drive my car, am I covered? Am I covered if I drive

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- someone else's car?
- If my child is away at school, is s/he covered?
- If I rent a car, will my policy cover me?

YOUR RESPONSIBILITIES

An automobile insurance policy is a legal contract. It explains your rights and responsibilities and those of the insurance company. Keep your policy in your home files and know the name of your insurer.

You should read your policy and be sure you understand it. If you have questions about your insurance policy, contact your insurance agent or company.

When you buy auto insurance, you'll receive a policy, not a photocopy. If you don't receive a policy within 30 days, contact the insurance company. If you need a company's toll-free number, check their website, call your agent or contact your state insurance department.

Other helpful tips:

- Pay the premium on time. Some insurers don't accept late payments. If an insurer accepts your payment late, it may increase your premium at renewal.
- Your full premium is due when your policy starts, which is usually every six months. Many insurance companies will let you pay monthly. To do this, you'll likely pay an extra fee.
- Keep your proof-of-insurance card in your car at all times; most states require this.
- Keep a file of all paperwork you completed online or received in the mail and signed, including the policy, changes to your policy, renewal notices, correspondence, copies of advertisements, premium payment receipts, notes of conversations and any claims submitted.
- Maintain your auto. You're responsible for its upkeep and repair (including maintenance) to keep it in good condition.

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IF YOU'RE INVOLVED IN AN ACCIDENT

If you're involved in an accident you should exchange information with the other driver. Get their name and address and their insurance company's name and phone number. This information is on the proof-of-insurance card in their auto. If you can't get this information, write down their driver's license number and license plate number to give to your insurance company. Be prepared to share the same information about yourself with the other driver.

- Call 911 if someone's injured.
- If your car is drivable, move it out of traffic.
- Get this important information at the accident scene:
  - The other car's make, model, year and license plate number.
  - Witnesses' names and contact information.
  - The name, badge number, and contact information for the officer who comes to the accident. Ask the officer when and where to get the accident report and accident report number.
  - The time, date and exact location of the accident, with notes of skid marks, weather and road conditions. Take a photo or sketch a diagram of the accident scene.
- If your car is damaged by a hit-and-run driver or is stolen, promptly call the police.

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FILING A CLAIM

Read your policy! It's your guide to the types of losses that will and will not be covered and to filing claims. How often you file a claim and the types of claims you file often affect your premium and whether your insurer will renew your policy. If the cost to repair the damage is not much more than your deductible, you may want to pay for the repairs without filing a claim.

To file a claim, call the phone number on your proof-of-insurance card as soon as possible. Ask about forms or documents you'll need to support your claim. Each state has its own laws about the claims process, and both you and your insurer will need to follow those rules.

The insurance company will assign a claims adjuster to assess the damages and determine the payment. These adjusters may be employees of the company or independent contractors. You should cooperate with the adjuster's investigation of your claim. The adjuster will probably want to meet with you to inspect the damage. Jot down notes and keep track of the dates of any conversations you have with your agent or adjuster.

If you, the insurer and the claims adjuster disagree, first try to resolve the differences with your insurer. Your agent may be helpful. It also might help to have your auto repairer meet with you and the insurance adjuster.

Don't feel rushed or pushed to agree with something you aren't comfortable with; your insurer doesn't have the last word. Ask questions and ask the adjuster to provide a written explanation of his decisions.

If you and the insurer still disagree about the claim handling or settlement, you should ask for help from the consumer services personnel at your state insurance department. If you disagree about the value of the claim, check your policy for an appraisal clause.

Another option is to hire an attorney or a public adjuster. A public adjuster isn't an attorney or a government employee. Those states that allow public adjusters require them to be licensed and to follow certain guidelines. If you have questions about public adjusters in your state, contact your state insurance department.

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LOSING YOUR INSURANCE

There's a big difference between an insurance company cancelling your policy and not renewing it.

Cancellation means either you or your insurance company stop the coverage before the policy's normal expiration date. You can always cancel your policy for any reason. In most states, when you're a new policyholder, your insurance company can cancel your policy for any reason, but only for a limited time (typically 60 days). After that, there's a limited number of reasons a company can cancel you, typically only if you don't pay your premium or if you were dishonest on your application.

If your insurance company cancels your policy, it must give you advance notice. The number of days' notice varies by state. If you or the insurer cancels your policy, the company may refund part of your premium.

Non-renewal means the company refuses to renew your policy after it expires. The expiration date is on your policy. Insurance companies generally have the right to not renew your policy. If your company chooses to not renew your policy, it must give you notice before your policy expires; the number of days (typically 30) varies by state. You should ask the insurer for the reason, which state regulation may limit. You also may choose to not renew your auto policy.

If your insurance is canceled or non-renewed and you don't agree with the insurance company's explanation, contact your state insurance department for advice.

WHAT TO DO IF YOU CAN'T FIND INSURANCE

If you've shopped around and still can't find insurance, contact your state insurance department. Ask if your state has an insurance program for high-risk drivers.

FOR MORE INFORMATION

- Visit your state insurance department website, which you can find at www.naic.org/state_web_map.htm. Here you might find important information about your consumer rights, as well as auto insurance premium comparisons and data about complaints filed against insurers.
- Visit the National Association of Insurance Commissioners (NAIC) website for consumers: www.naic.org/index_consumer.htm.
- For your free annual credit report go to www.annualcreditreport.com or call 877.322.8228. Check your credit report and correct any errors before you apply for insurance.
- For your free annual CLUE report go to www.choicetrust.com or call 866.312.8076. Check your CLUE report and correct any errors before you apply for insurance.

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