

Government of the District of Columbia
Department of Insurance Securities and Banking



William P. White
Commissioner

Comments by the District of Columbia Department of Insurance, Securities and Banking
in response to the SEC's Comment Request on
Existing Private and Public Efforts to Educate Investors

I. The Role of the D.C. Department of Insurance, Securities and Banking in Investor Educator Programs

The District of Columbia Government Department of Insurance, Securities and Banking ("DISB" or "agency") regulates financial-service businesses within the District of Columbia by administering the District of Columbia's insurance, securities and banking laws and regulations. DISB's primary mission is to ensure that residents of the District of Columbia ("District") have access to a wide choice of insurance, securities and banking products and services, and that they are treated fairly by the companies and individuals that provide these services. DISB is actively engaged in investor education, financial literacy, and other consumer protection activities.

In that connection, DISB has produced a series of community-based public forums on financial services, featuring panels composed of senior DISB staff, other local and federal government officials, and non-profit organizations. These events have included citizen participation that have been recorded for future broadcast on public access television. In addition, DISB has conducted small group presentations on consumer protection and financial literacy/investor education throughout the city in partnership with civic associations, advisory neighborhood commissions, religious institutions, non-profit organizations and educational institutions. The small group presentations have enabled the agency to reach residents in their own backyard in a comfortable environment that supports open dialogue.

More important, DISB consistently engages in research and resource development in order to produce programs for District of Columbia residents. Recent initiatives include "Investor Education in Your Community," "Investor Education in Your Library" and two projects in development, "Seniors Against Investment Fraud" and "Investor Education in the Workplace." All of the above programs have been made possible through the support of the Investor Protection Trust.

DISB extends its reach beyond the District's geographic boundaries through strategic alliances with national and local organizations. Staff members recently served on the review committee for publication of the US General Services Administration-Federal Citizen Information Center "2011 Consumer Action Handbook." ("handbook") Published continuously since 1979, the handbook is one of the most helpful and popular consumer resources designed to help citizens find the best and most direct source for assistance with their consumer problems

organizations that share an interest in advancing financial literacy among students in pre-kindergarten through college.

DISB is a resource for investor education, financial literacy and consumer protection information through its myriad publications in print and electronic form. Among them are the agency's highly acclaimed Foreclosure Mediation Kit, which assists residents who are experiencing a home foreclosure. The quarterly consumer protection and advocacy market report offers local and national information on mortgage foreclosures, insurance, securities, banking, financial literacy and investor education resources and activities. Additionally, DISB offers monthly consumer and business newsletters which explore hot topics in the financial-services industry, especially investor education; and there are a variety of consumer alerts and investor tips to guide District consumers through the complicated financial maze. The agency has relied heavily on the emergence and explosion of social media as an additional vehicle for communicating its educational components. Coupled with the agency's website as well, DISB has certainly armed itself properly to educate the community it serves.

DISB believes that consumers/investors need to know what steps to take if they ever need the help of a financial regulator. We fear that financial regulators still remain an abstraction to the average investor. DISB's consumer protection programs address this situation by working directly with organizations and stakeholder groups within the various communities in Washington, DC, so that their members may know that these programs exist and are readily available to them. We know that there is no single medium that will deliver the information to the millions of persons who could benefit from it in our large and diverse country. However, regulators and other committed organizations need to continue developing and seeking a variety of ways to reach out to the communities they seek to protect.

Perhaps in response to the recent financial crisis, there is a plethora of organizations that are offering financial literacy and investor education programs. But are they operating in a mutually reinforcing manner, or each going off in the direction that appears promising from a single perspective? How much of our investor education resources are being consumed in redundant efforts? Are we learning best practices from each other?

II. Recommendations

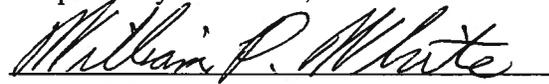
DISB believes that the investor education programs it offers meet the needs of District residents, but, as is the case with most such programs around the country, it is difficult to develop empirical confirmation. Regulators and others who provide investor education need to think constantly about whether the ways they are employing to reach out to the public are effective and efficient: Just as the nation is searching for meaningful measures of effectiveness in the field of public education, DISB submits that regulators should be conducting a similar search for the most effective methods in the field of investor education.

Well-designed and administered research and evaluation programs could produce enormous benefits by providing an empirical basis for determining whether our financial literacy/investor education efforts are addressing the actual needs of the public, that the measures we utilize make a difference in the lives of those who participate, and that those measures are reaching the greatest numbers of our population -- in its great variety -- at the lowest cost consistent with effective presentation.

The SEC is uniquely situated to address these questions because of its national perspective and its position on the national financial regulatory team and the national investor education network.

The SEC is in a position to develop and maintain a research-based assessment of the state of investor awareness and concerns and investor education programs, so that investment educators throughout the U.S. can evaluate their programs, build on programs that have proven effectiveness, and achieve maximum coverage while avoiding redundancy.

Respectfully submitted,

A handwritten signature in cursive script, reading "William P. White", written over a horizontal line.

William P. White, Commissioner