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Testimony of

Robin L. Wiessmann
Secretary of Banking and Securities

with regard to the

**Pennsylvania Department of Banking and Securities’
2016-2017 Budget Request**

before the

**Pennsylvania House of Representatives
Appropriations Committee**

March 7, 2016
1:30 P.M.
Room 140 Main Capitol

Good afternoon Chairman Adolph, Chairman Markosek, and members of the committee. Thank you for inviting me here today to discuss the fiscal year 2016-2017 appropriation for the Pennsylvania Department of Banking and Securities. My name is Robin L. Wiessmann and it is an honor to appear before you for the second time to answer your questions about the needs of the Department.

We are requesting **\$31.735 million** to continue our important work supervising Pennsylvania’s state-chartered financial institutions and licensed financial services companies and professionals. In addition, we continue the work of protecting the public in the sales and purchases of securities in Pennsylvania, encourage the availability of equity and debt financing, and provide education and outreach support for consumers and investors throughout the commonwealth. Our activities help ensure that Pennsylvania has a government that works and that Pennsylvania is a desired destination for financial services – for both businesses and consumers.

We have experienced a busy year since I last testified in front of you. We developed and rolled out a three-year strategic plan for Department priorities and goals. The strategic plan focuses on developing a highly skilled workforce, leveraging technology to improve operations, institutionalizing a culture of risk management, and developing an external affairs plan.

As part of that external affairs plan, we established a new deputation, the Office of Financial Services for Consumers and Business, which is responsible for consumer, investor, and business outreach. In this new office, we combined our pre-existing efforts in the areas of financial education, consumer protection, and business engagement in order to take a more strategic approach towards helping consumers learn how to grow and protect their money, achieve financial independence, and plan for their financial future.

We are working on implementing the four cornerstones of Governor Wolf's Consumer Financial Protection Initiative, which he announced in November. The initiative focuses on four areas: protecting consumers from out-of-state lenders that violate Pennsylvania laws; helping health care and legal professionals identify and prevent elder financial abuse; helping working adults plan for retirement; and establishing an interagency financial education exchange for consumers, which involves the cooperation and collaboration of more than a dozen of our state government agencies. It is worth noting that this initiative requires no additional funding, no additional hiring, and no legislation, regulations, or rule-makings.

Cybersecurity is one of the Department's top priorities. In September, we launched a Cybersecurity Task Force to work towards two primary goals. First, we are educating and informing the companies and professionals we supervise about information security with a focus on cybersecurity issues and challenges. Second, we are developing, coordinating, and sharing cybersecurity and information security practices and issues across the various regulatory disciplines within the Department. We are one of the first state financial regulatory agencies in the country to have developed such a comprehensive cybersecurity initiative.

We established the 'RRRev Up' initiative, which focuses on Recruitment, Retention, and Recognition of talent within the Department. Through RRRev Up, we have been implementing various programs in order to increase the qualified candidate pools for vacancies; ensuring that the Department maintains proper staffing levels to meet regulatory mandates; ensuring that staff receive sufficient technical training in order to develop and maintain expertise in their fields and stay abreast of emerging issues; and developing new recognition programs designed to reward top performers within the organization.

At the same time, we are working as a whole to create internal operating efficiencies to save money and do our work better. We have developed an agency database system to enter, log and track training requests/expenses by employee, which streamlines the request and approval process. We launched our first online calendar of public events to better engage consumers with our Investor Education and Consumer Outreach programs. And we consolidated our mail operations with the Department of General Services. We are still working towards goals involving the Department's internal database, the use of electronic payments, and employee training.

I want to assure you that Governor Wolf and I are excited about the prospects for the financial services industries in Pennsylvania. They have survived the worst economic downturn of our lifetimes by exercising prudent judgment and living by sound Pennsylvania business principles and practices.

My colleagues and I appreciate your vote of confidence implicit in entrusting the Department of Banking and Securities to expend **\$31.735 million** wisely and efficiently. We work hard every day to deserve your confidence and that of your constituents to be effective administrators of our agency's budget.

I am happy to take any questions you may have.