



# QUARTER

Newsletter of the PA Department of Banking and Securities

## *Reflection and Days Ahead*



**Avoiding Charity and Gift Card Scams**

**New Web Portal for Professionals, Businesses**

**Financial Security for Crime Survivors**



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SECRETARY

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# Richard Vague

## Reflection and Days Ahead

The beginning of a new year is such an exciting time filled with possibility and hope for the year to come.

Publishing this **50th edition** of the department's quarterly newsletter offers an opportunity to look back as well. The very first issue of The Quarter was published in October 2009 on the heels of The Great Recession. Since then, the department has evolved through administration changes, shifts in legal and regulatory requirements, a global pandemic, and notably a merger of the Department of Banking and the Pennsylvania Securities Commission in 2012. Through it all, the department has remained unwavering in its mission to regulate financial services and work to ensure consumers and businesses are well-informed about the marketplace.

As we fix our eyes on the year ahead, here are a few areas of interest for the department:

### The Portal

The department continues its implementation of its self-service portal for the professionals, institutions, and businesses regulated by the agency. It is a more efficient, cost-effective, sustainable, and secure digital process to file many of the applications, forms,



and supplemental documentation our regulated entities have been accustomed to filing in paper form. The department is actively reaching out to regulated entities as we reach each stage of this phased roll out.

### Consumer Services

The department's Consumer Services Office responded to more than 4,900 calls on a host of financial questions and complaints, often working closely with other state agencies and partner organizations. Many financial institutions have made efforts to increase customer support over the past year; however, many consumers still face difficulty resolving issues and getting answers to some of their



questions related to accounts and services. The department takes its commitment to financial consumer protection seriously and the work of the Consumer Services Office plays a vital role in that effort.

## Investor Education and Consumer Outreach



### A Focus on Outreach

During FY2020-2021, the department's outreach staff reached more than **14,300 consumers** through **402 presentations**, both virtual and in-person. Programs and presentations include those for general audiences, such as through libraries and local partners, but also focused on financial issues impacting specific groups. Continuing outreach priorities include: preventing elder financial exploitation; evaluate investment habits and obstacles for women and reduce the gender financial gap through strategic partnerships; and educating individuals about how to rebuild their finances and navigate banking following reentry.

The department has maintained an excellent reputation as one of the finest state financial regulators in the country, but there is always room to enhance and improve. As we look ahead, there are areas that will require continued attention, as well as new areas to develop, and I look forward to experiencing what the new year has in store.

## DoBS Resolves 4,900 Consumer Financial Complaints

The department responded to more than **4,900 complaints and inquiries** about financial transactions, companies, and products in fiscal year 2020-2021 according to its Consumer Services Annual Report.

Of the 4,909 inquiries, the most common complaint or inquiry was related to bank account/service (28%). The second most frequent complaint involved sending or receiving funds via wire transfers and money transmitters (20%). On average, complaints were resolved in under four days.

Overall, complaint volume fell slightly compared to the prior fiscal year (4,970). The department received fewer inquiries related to mortgage forbearance and other pandemic-related assistance due to additional clarity being provided around repayment options and information about these programs.

The department's outreach staff reached more than **14,300 consumers** through **402 presentations**. Learn more from the [Consumer Services Annual Report](#).



### IT'S YOUR TURN



PA UNITES AGAINST COVID

To find an appointment near you, use the DOH [vaccine provider map](#).

### Join DoBS!

DoBS is seeking a hard-working, detail-oriented, analytical individual to assist consumers with their inquiries and complaints about banks and credit unions, and licensed investment professionals and other consumer lenders. The chosen candidate will be mentored by experienced Consumer Services Specialists.

Contact [abrillhart@pa.gov](mailto:abrillhart@pa.gov) for details and information on applying.

### Consumer Services Specialist

## Work With Us!



**APPLY NOW AT:**  
[www.employment.pa.gov](http://www.employment.pa.gov)



[statejobs@pa.gov](mailto:statejobs@pa.gov)



## New Web Portal for Professionals, Businesses

The department has launched a new online [DoBS Portal](#) to serve the professionals, institutions, and businesses regulated by the agency.

The portal replaces several legacy systems and provides a more efficient, cost-effective, sustainable, and secure digital process to file many of the applications, forms, and supplemental documentation previously submitted in paper form.

The department is implementing a phased roll-out of the system. The first phase of implementation encompassed non-depository licensees from the motor vehicle industry which are licensed under the Consumer Credit Code. Over 4,000 motor vehicle licensees joined the Portal and then completed their annual license renewal.

Non-depository licensees that currently use NMLS for their licensing functions will continue to do so, while using the department's portal for all non-licensing functions, such as examinations and compliance.

The second phase of the process is currently underway and impacts certain securities registrants. Licensees and registrants have or will receive correspondence from their program area on how the portal will serve their specific industry, license, or registration type, as well as next steps to take. Investment professionals who currently register through the Central Registration Depository (CRD) will continue to do so.

The functions of the system will differ based on industry, license, and registration type.

Some of the benefits include:

- **Increased efficiency.** Both the user and department staff can track all documentation and online payments. Automated notices, web-based questionnaires, and ability to securely upload examination materials allows streamlined communication.
- **Security protections.** The use of Keystone Login – a secure, single user credential used to log in to multiple online commonwealth services – is required to access the new system. Keystone Login uses advanced authentication tools to prevent unauthorized access and protect personal data. The portal is also fully encrypted to enable secure submission of and access to information.
- **Realized cost savings.** Going paperless eliminates costs required to overnight large application packages to the department, as well as potential delays caused by those shipments, including printing of paper documents and maintaining physical files.
- **Environmental sustainability.** Requiring fewer paper forms, documents, and checks reduces paper waste and the environmental impact of that waste.
- **Convenient online payments.** The portal will eliminate the use of paper checks for certain payment to the department, providing instead quick, convenient digital payment.

Future communication and personal outreach are forthcoming from our staff as the phase of the portal rollout impacting depository institutions approaches.

The portal demonstrates the department's commitment to Lean practices and incorporates key components of the governor's [Customer Service Transformation initiative](#) meant to serve citizens of the commonwealth through easy-to-use services and support.

More information, including FAQs, user guides, and who to contact with questions, visit the [DoBS Portal Resources](#) page.





## Preventing Gift Card Scams



DoBS Investor Education Coordinator Katrina Boyer joined the Pennsylvania Food Merchants Association's podcast, Shelf Confidence, to talk about preventing gift card scams through retailer training and the important role grocery store and convenience store managers and clerks play in identifying and preventing potential scams.

[Listen here](#)

Interested in scheduling a training? Contact [informed@pa.gov](mailto:informed@pa.gov)

## OUTREACH Spotlight

Upcoming Events

### Upcoming Consumer Events

#### Fraud BINGO

[Cleve J. Fredricksen Library](#)  
January 25: 11:00 AM to 12:00 PM

[Warminster Township Library](#) (Virtual)  
March 29: 7:00 PM to 8:00 PM

#### Budgeting for Your New Year's Goals

[Ephrata Public Library](#) (Virtual)  
January 25: 7:00 PM to 8:00 PM

[Malvern Public Library](#) (Virtual)  
January 31: 7:00 PM to 8:00 PM

#### Recovering Financially From A Pandemic

[Warminster Township Library](#)  
January 25: 7:00 PM to 8:00 PM

#### Avoiding ID Theft

[Cleve J. Fredricksen Library](#) (Virtual)  
[February 1: 6:00 PM to 7:00 PM](#)  
[February 22: 11:00 AM to 12:00 PM](#)

#### Making Your Retirement Nest Egg Last

[Warminster Township Library](#)  
February 22: 7:00 PM to 8:00 PM

#### Spending Plans – A Roadmap to Financial Success

[PA CareerLink – Lancaster](#) (Virtual)  
February 23: 11:00 AM to 12:00 PM

Visit our [calendar of events](#) for more information

## New Gift Card Scam Resource

The PA Department of Aging, PA State Police, and DoBS have created a resource warning consumers about the dangers of gift card scams, what to look for, and how to protect themselves. The new card includes guidance on how to report being scammed and other ways to protect yourself.

Interested in [this publication](#) or [others](#)? Contact the department at [informed@pa.gov](mailto:informed@pa.gov).

**SCAM ALERT!**  
**Gift Cards DON'T Pay Bills**

As the name implies, gift cards are for giving a gift. Scammers can use gift cards to steal your hard-earned money. They may call, email, mail, or send a text demanding payment of an imaginary overdue bill, fine, tax or other debt. They will try to convince you to purchase a gift card and provide them with the numbers from the back of the card. In every case, this is a SCAM!

Once you give those numbers from the card(s) to the scammer, the money is gone, and you will not get it back.

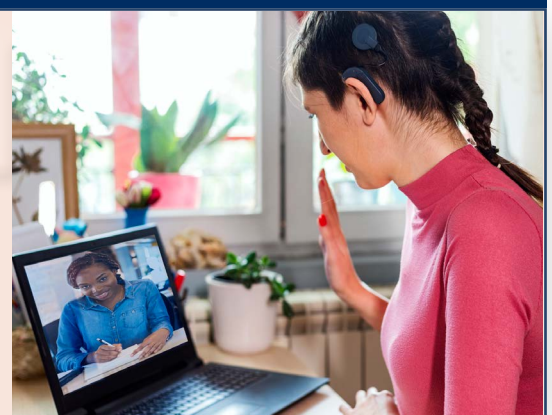
<p><b>Warning Signs:</b></p> <ul style="list-style-type: none"> <li>You did not call them, they called you</li> <li>The caller wants you to do something immediately without talking to someone you know and trust</li> <li>They want you to do something that involves your money, computers and/or gift cards</li> </ul>	<p><b>Protect Yourself:</b></p> <ul style="list-style-type: none"> <li>Don't give personal information if you didn't make the call</li> <li>If you owed money, you would not be contacted by telephone or expected to pay over the phone</li> <li>Don't open email or answer calls from unknown individuals</li> </ul>
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Logos for Pennsylvania Department of Banking and Securities, PA State Police, and Pennsylvania Department of Aging.

## Teaching Individuals with Disabilities About Personal Finance

DoBS staff, along with PA Treasury and the PA Assistive Technology Foundation, will host the second part of **Teaching Individuals with Disabilities about Personal Finance** on January 26. The series teaches individuals with disabilities and their support network about personal finance and features practitioners sharing techniques and individuals who have had success going through programs which address their needs.

• Part Two will be hosted virtually on **January 26** from 12:00 PM to 1:30 PM. [Register here](#)





## Avoiding Charity Scams

The department and Pennsylvania Department of State (DOS) are offering tips to help consumers make sure their contributions are going to legitimate charitable organizations.

Consumers can protect their contributions and prevent becoming a victim by learning how to identify a charity scam.

### Red Flags of Charity Scams:

1. **Similar Sounding Name** – Scammers often use names that sound similar to legitimate charities to intentionally create confusion.
2. **High Pressure Solicitation** – Fraudsters will try to force a hasty decision by turning up the pressure. They may cold call, identifying you as a previous contributor, and asking for your renewed support or to update your credit card information. These attempts rely on catching consumers off guard to extract financial information.
3. **100% Guarantee** – Most people want to ensure that their donations are going toward legitimate program expenses. Every organization has some level of administrative cost, which can include mailing and printing, rent and utilities, staff, or fundraising. An organization that promises that 100% of your funds are going directly to an individual in need might require additional scrutiny.
4. **Donation by Wire Transfer or Gift Card** – Legitimate charities will not ask you to make payment via money order or wire transfer. If you are being solicited for a donation and are asked to pay by these means, hang up immediately. A charity may ask for donations of gift cards such as from a grocery store to supply to someone in need. Never read the information from a gift card over the phone or provide it via email. After verifying the legitimacy of the charity, take any physical gift card donation directly to the location of the charity and request documentation of your contribution.



Here are a few tips that can help you avoid being the victim of a charity scam:

- **Always research before giving.**
  - o Visit the Department of State's online charities database to verify an organization's basic financial information about expenses for program services, fundraising, and management: [charities.pa.gov](https://charities.pa.gov)
  - o You can also check to see if an organization has been subject to corrective action by the Department of State's Bureau of Corporations and Charitable Organizations by checking its [enforcement and disciplinary actions page](#).
  - o Check whether an organization is registered with the Internal Revenue Service as a Tax Exempt Organization: <https://apps.irs.gov/app/eos/>
  - o Groups such as the BBB Wise Giving Alliance, Charity Navigator, and CharityWatch offer information and ratings about charitable organizations.
- **Don't feel pressured to make a donation on the spot.** Take time to do research before sharing your money or information.
- **Check websites closely.** Charity scams can be vehicles for identity theft by directing victims to fake charity websites where personal and financial information are taken for nefarious purposes.
- **Avoid wire transfer or money order donations.** Any requests for these kinds of payments should be approached with caution.
- **Direct your payment to the charity.** Never make a check payable to an individual; write the check to the verified organization.

DOS offers helpful [tips on charitable giving](#) to protect generous Pennsylvanians from being taken advantage of by unscrupulous groups.

If you've been the victim of a charity scam, contact the Department of State's Division of Charities Investigation Unit/Audits at [RA-STBEICIU@pa.gov](mailto:RA-STBEICIU@pa.gov) or use the [online complaint form](#). You should also file a report with the Federal Trade Commission at [ReportFraud.ftc.gov](https://www.ftc.gov/ReportFraud) and contact local law enforcement through non-emergency channels.



## Financial Security for Crime Survivors



### FINANCIAL SECURITY FOR CRIME SURVIVORS

Friday, February 25 | 11:30 am - 1:00 pm

Financial abuse occurs in 98% of abusive relationships and is the number one reason victims stay in or return to abusive relationships. We can reduce this abuse by normalizing discussion around this topic, which is why the Pennsylvania Commission for Women is hosting the Financial Security for Crime Survivors webinar. It is important for survivors, advocates, and policy makers to understand the complexities of financial abuse and how it impacts Pennsylvanians.

#### Join us to learn about

- the impact of financial abuse on survivors
- financial security for survivors and families
- access to victims' compensation
- the importance of pay equity
- resources available to help survivors recover from financial abuse



**LIVE** [Facebook Live Event Link](#)

Have questions? We have answers! Submit questions in advance to [women@pa.gov](mailto:women@pa.gov).

# Compliance Corner

## 4th Quarter 2021 Enforcement Orders



The department protects consumers through the following laws:

- Check Casher Licensing Act
- Consumer Credit Code
- Consumer Discount Company Act
- Credit Services Act
- Debt Management Services Act
- Debt Settlement Services Act
- Loan Interest and Protection Law
- Money Transmitter Act
- Mortgage Licensing Act
- Pawnbrokers Licensing Act
- Pennsylvania Securities Act of 1972

The Department of Banking and Securities issued **22 enforcement orders** during the fourth quarter of 2021 from October to December 2021. **Fines and assessments for these orders totaled \$332,762.** To see details on these enforcements, visit the [Enforcement Orders](#) section of the department's website.

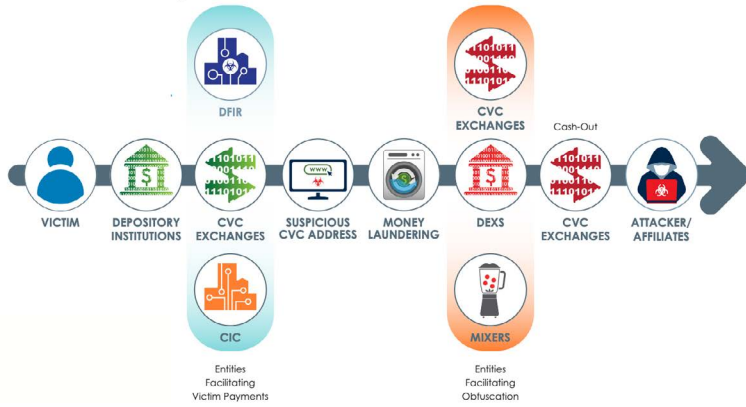


# Cyber Section

## Apache Log4j Vulnerability Guidance

The [Cybersecurity & Infrastructure Security Agency](#) (CISA) has issued guidance responding to the vulnerability in Apache’s Log4j software library. The guidance includes technical details, actions for organizations running products with Log4j, and additional resources.

[Access the guidance here](#)



## FinCEN Advisory on Ransomware

In response to an increase in ransomware attacks against critical U.S. infrastructure, the Financial Crimes Enforcement Network (FinCEN) has updated and replaced its previous Advisory on Ransomware and the Use of the Financial System to Facilitate Ransom Payments issued October 1, 2020. The original advisory addressed predominant trends, typologies, and indicators of ransomware and associated money laundering activities. [Read the advisory here](#)

## Mortgage Servicing Regulation Updated to Incorporate CFPB’s 08/31/2021 Changes



The department is required by Mortgage Licensing Act § 6141(a)(1) to “promulgate regulations which effectively incorporate the Consumer Financial Protection Bureau’s (CFPB) mortgage servicer regulations at 12 CFR Pt. 1024, Subpt. C (relating to mortgage servicing), other than 12 CFR 1024.30 (relating to scope).” The CFPB altered its mortgage servicer regulations at 12 CFR 1024, Subpart C effective August 31, 2021. Pursuant to § 6141(a)(2): “When the Federal regulations under paragraph (1) are altered, the department shall promulgate regulations making the appropriate incorporation.”

The department effectively incorporated the CFPB’s mortgage servicer regulations by PA Bulletin on September 25, 2021, which you can [view here](#).





# Pennsylvania Climate Change Leadership Academy



The [Pennsylvania Climate Leadership Academy](#), a state-sponsored institution, is providing continuing education and executive training programs.

The Academy was established in 2021 by the Commonwealth of Pennsylvania in partnership with the Association of Climate Change Officers, to support the work of Pennsylvania state agencies along with initiatives of the [Pennsylvania GreenGov Council](#), which was established in 2019 through executive order by Governor Wolf.

The programs are for leaders who want to increase Pennsylvania's capacity to tackle climate change. The online training programs are designed for:

- Elected officials
- Leaders and staff in state and local government agencies
- Executive and senior personnel in critical infrastructure organizations
- Leaders in business, industry and agricultural sectors
- Leaders of nonprofit organizations and academic institutions

### Current opportunities include:

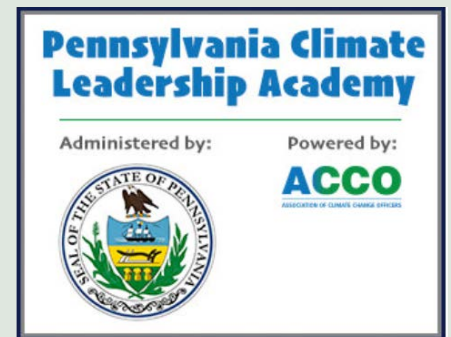
**[Climate Leadership Activator Series](#)** – Next series begins January 14, 2022: Ideal for senior leaders in the public and private sectors who want a solid grasp of the knowledge base on climate change, its impact upon their organizations and communities, and available tools and resources to mitigate and adapt.

A three-part online training program that builds a foundational understanding of the risks and opportunities that climate change poses for state/local government agencies, infrastructure organizations, and businesses in Pennsylvania. The program examines the impacts of climate change on organizational mission, operations, and constituents. It also analyzes and identifies opportunities to advance readiness and solutions grounded in economic vitality, public health, and security.

[GET ACTIVATED BY ENROLLING TODAY!](#)

**[Certified Climate Change Professional \(CC-P\)](#)** - 4 New Cohorts for Winter/Spring 2022: This two-month online program is designed to help participants build competencies to effectively integrate climate change into their decision-making and professional activities, as well as to advance their entrepreneurship and leadership skills. Leveraging a combination of on-demand online training resources and in-person cohort training, this workshop series will prepare attendees for the CC-P® exams and CC-P® Candidate entrance exam, and will satisfy the [geographic elective requirements](#)\* for the CC-P® credential. The curriculum in this training series will be regionally tailored for Pennsylvania and the mid-Atlantic United States.

[FIND MORE INFORMATION & ENROLL TODAY!](#)



## Contact DoBS



Call **1.800.PA.BANKS** or 800.600.0007 or [online](#) to ask questions file complaints about financial transactions, companies, or products.

Schedule outreach events by contacting us at [informed@pa.gov](mailto:informed@pa.gov).

If you believe you have fallen victim to a scam, contact local law enforcement.