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QUARTER

Newsletter of the PA Department of Banking and Securities



**Generative AI: Balancing
Innovation and Diligence in
the Financial Services Industry**

**Shapiro Administration
Got Stuff Done for
Pennsylvanians in 2025**

**Be Prepared Financially
Before a Disaster or
Emergency Strikes**

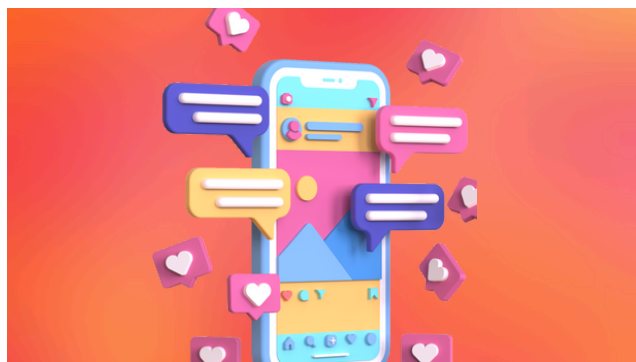


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Consumer Financial Protection Events are taking place each week. [See the complete listing of events on our events calendar.](#)



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PA Banking and Securities



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Secretary
Wendy Spicher
From the Desk of the Secretary

The definition of “success” can be very different based on who you ask, but for me, it means always striving to do better than yesterday. Fortunately, being surrounded by such a dedicated team at DoBS makes it easy because every day we work together to regulate financial services and ensure consumers and businesses are well-informed about the industry.

I’m happy to report that we were successful on many fronts in 2025, to include: achieving triple-national reaccreditation certifying that the Department continues to uphold the highest standards in regulating and supervising banks, credit unions, trust companies, and mortgage licensees; reaching nearly 53,000 Pennsylvanians through our popular investor education and outreach events; and managing more than 11,000 consumer inquiries.

And just as DoBS was successful, I encourage you to read p. 4 for the highlights on how Governor Shapiro’s entire Administration Got Stuff Done in 2025. I can attest from speaking and working with my counterparts, that our Commonwealth agencies truly work hard for Pennsylvanians and it’s an honor to be part of such a committed team.

I also believe that to be successful, you have to plan ahead. That’s why on p. 3 we look at the rapid advances in generative artificial intelligence and the importance of balancing innovation and diligence within the financial services industry. I also want to encourage all Pennsylvanians to plan ahead to protect their finances *before* a disaster or emergency strikes, so check out p. 5 for important tips. And while April is still a few months away, we are planning some exciting things to celebrate Financial Literacy Month, so be on the lookout for updates.

Measuring success is subjective, but I know that every step along the way is a chance to learn, adapt, and redefine our goals, leading to a continuous cycle of progress and improvement. We’re up for the task and DoBS will continue to Get Stuff Done!

**“Success is a
journey, not a
destination.”**

~ Arthur Ashe

Generative Artificial Intelligence (AI):

Balancing Innovation and Diligence in the Financial Services Industry



The Pennsylvania Department of Banking and Securities recognizes the importance of the transformative innovation and advances in the use of generative AI. Advances in generative AI are improving processes and outcomes, standardizing data, and driving strategic growth in the financial services industry. However, financial service entities and professionals must remain diligent in maintaining consumer trust and financial system stability through responsible adoption and utilization of generative AI tools and services, while continuing to provide traditional customer service contact with consumers. As with the use of all technology, identifying, managing and mitigating risks is imperative to maintaining consumer trust and financial system stability. Accordingly, the department encourages financial service entities and professionals to be responsible and diligent in adopting and utilizing generative AI tools and services and to consider the following strategies.

- **Governance & Accountability** – Effective oversight and accountability should be integral to the development and implementation of generative AI tools and services.
- **Risk Management** – Identify risks associated with the use of generative AI, evaluate methods to mitigate the identified risks, and determine the level of necessary oversight. Significant risks require increased risk management practices, policies and procedures.
- **Due Diligence & Documentation** – Have a clear understanding of generative AI uses and the expected results and conduct thorough due diligence prior to implementation. Adequate documentation and customer disclosures, if necessary, should be employed.
- **Data and Model, Integrity, Testing and Validation** – Data integrity is crucial to the reliability of generative AI model training and ultimate output. If the model is flawed, contains duplicates, hallucinations, or inconsistencies, the results could be detrimental to customers and business operations. Steps should be taken to ensure data quality, bias mitigation, and legal and regulatory compliance, and results should be tested and validated.
- **Information and Data Security** – Generative AI model training and processing may utilize confidential information, including protected consumer personal information. Accordingly, steps to mitigate the disclosure of such information are critical. Cybersecurity controls, continuous monitoring, tracking, and regular audits should be considered.
- **Third Party Risk Management** – Existing regulatory guidance on third party risk management should be followed when reviewing, assessing, and contracting with third parties utilizing generative AI.

In conclusion, the use of generative AI in financial services presents unique opportunities and the department stands ready to work with our state chartered, licensed, and registered financial services institutions, entities and professionals as they adopt generative AI in their business strategies.

Governor Shapiro Highlights How His Administration Got Stuff Done for Pennsylvanians in 2025



From day one, Governor Josh Shapiro and his Administration have been laser-focused on delivering results for the good people of Pennsylvania — and 2025 was no different. Throughout the year, he traveled to every corner of the Commonwealth, meeting with residents, addressing their concerns, and getting stuff done.

In a [newly released video](#), Governor Shapiro reflects on the Administration's accomplishments this year, highlighting real wins for Pennsylvanians — from historic funding for education and economic development, to investments in public safety, tourism, and more. He has repeatedly worked to bring leaders from both sides of the aisle together, to pursue commonsense solutions to problems facing Pennsylvanians across the Commonwealth.

Under Governor Shapiro's leadership this year, Pennsylvanians have seen:

- **Historic Investments in Education:** \$900 million more for public schools, special education, and school infrastructure – bringing the total investment in public education to nearly \$12 billion – while improving Pre-K access, reforming cyber charter payments, and working to recruit and retain more educators.
- **Growth in Tourism and Preparation for 2026:** The Michelin Guide came to Philadelphia, and cities across the Commonwealth are preparing to welcome the world for the NFL Draft, FIFA World Cup, NCAA March Madness, MLB All Star Game, PGA Championship, and more, for America's 250th Anniversary.
- **Historic Investments in Economic Development:** Governor Shapiro secured a \$20 billion investment from Amazon — the largest private sector investment in PA's history. To date, the Shapiro Administration has secured over \$35 billion in private sector investments, creating over 18,000 new jobs.
- **Continued Improvements in Public Safety:** Violent crime is down 12 percent and fatal gun violence is down 42 percent across the Commonwealth — and the Shapiro Administration invested \$37.5 million in grants to over 2,500 local fire and EMS departments, supporting equipment, training, facility upgrades, and operational costs this year.
- **Support For Our Neighbors:** Governor Shapiro stood up for Pennsylvanians when Donald Trump refused to fund food assistance, redirecting \$5 million to Pennsylvania food banks and suing the Trump Administration to get SNAP benefits out, ensuring our neighbors could put food on the table.
- **Another Tax Cut:** For the seventh time since taking office, Governor Shapiro delivered another tax cut through the [Working Pennsylvanians Tax Credit](#), putting up to \$800 back into the pockets of 940,000 Pennsylvanians.

Pennsylvanians Urged to Protect Their Finances, Be Prepared Before a Disaster or Emergency Strikes



The Pennsylvania Department of Banking and Securities (DoBS), along with the Pennsylvania Insurance Department (PID) and Pennsylvania Emergency Management Agency (PEMA), recently joined forces to offer practical guidance to help consumers stay financially secure and prepared before a disaster or emergency strikes.

“Recovering from a disaster can be overwhelming but taking steps to create a financial plan ahead of time can ease the stress,” said DoBS Secretary Wendy Spicher. “Safely storing important documents — including financial account information, deeds, titles, insurance policies, wills, and passports — can help families recover more quickly if disaster strikes.”

While electronic copies are helpful, paper copies stored in a fire-safe “evacuation box” are recommended, since power outages or damaged devices could limit access during emergencies.

Steps to Financially Prepare for Emergencies:

- **Keep Cash Handy:** Set aside emergency cash for essentials like food, lodging, and transportation.
- **List Account & Contact Information:** Maintain a record of account numbers and toll-free numbers for banks, credit cards, and insurance, both digitally and on paper.
- **Protect Important Documents:** Use a safe deposit box or fire-safe storage for deeds, titles, passports, and insurance policies.
- **Manage Credit Cards:** Keep balances low and understand available credit for unplanned expenses. If you have advance warning, contact issuers to explore temporary adjustments or waivers.

When a natural disaster or other emergency hits, you may have only seconds or minutes to react. You can help protect yourself financially by having an emergency financial plan in place.

After disasters, be on the lookout for scams because scammers may impersonate government officials to demand money or personal information.

“After a disaster, it’s also important to note that scammers may impersonate government officials, offering grants or other forms of assistance,” said Secretary Spicher. “Be aware that no legitimate government agency will ever initiate contact to demand money or sensitive personal information in exchange for aid. If you receive such a request, it is a scam.”

Pennsylvanians are encouraged to visit [Ready PA](#) to learn how to be informed, be prepared, and be involved or subscribe to the [Ready PA Newsletter](#). Check out our [Emergency Financial Planning Tip Sheet](#).

got pennies?

The U.S. Mint printed its last penny on November 12, 2025, marking the end of its 232-year production run as a circulating coin.

While the U.S. Mint produces coinage, it's the Federal Reserve who distributes coins to banks and credit unions.

Learn more at these links:

- [Penny FAQs From the U.S. Mint](#)
- [Penny Order and Deposit Information From the Federal Reserve](#)
- [Fed publishes FAQ on end of penny production](#)



Celebrating America's 250th Anniversary

The 250th anniversary, or the “Semiquincentennial,” of the founding of this great nation is here and just as Pennsylvania played a critical role back in 1776, Pennsylvania is primed to be in the spotlight in 2026. From grand celebrations the week of July 4th to world-class sporting events throughout the year to major milestone anniversaries of our cities, towns, museums, and monuments, the entire commonwealth is joining in the Semiquincentennial commemoration.

Check out these links to get the exciting details:

- [America 250 PA: Celebrate Pennsylvania's Leading Role in the 250th Anniversary of America!](#)
- [Visit PA: A Guide For America's 250th Anniversary](#)

The Banking and Securities Commission

Public meeting dates for the Commonwealth of Pennsylvania Banking and Securities Commission are scheduled to be held on the following dates (all at 1:00 PM):

- February 26, 2026
- May 28, 2026
- August 27, 2026
- November 19, 2026

Visit our website to learn more about the [Commission](#).

DoBS Employees Complete Leadership Training

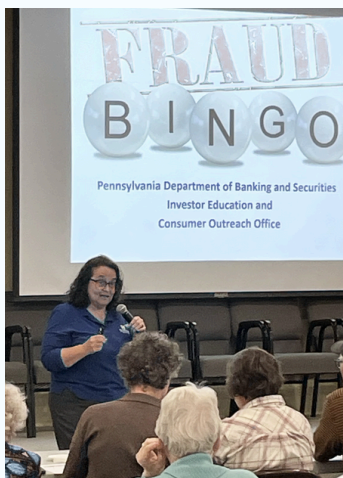


← Laura Krizner (left) and Lindsay Vanassan (right), both Senior Depository Financial Institutions Examiners at DoBS, recently graduated from the commonwealth's Leadership Development Institute (LDI). LDI provides professional development opportunities for employees who demonstrate leadership potential and the ability to succeed in positions of greater responsibility within Pennsylvania government. Congratulations, Laura and Lindsay!

Jamie Reed, Administrative Officer at DoBS, recently completed the Lead From Every Seat (LFES) program which provides an opportunity for the Commonwealth's next generation of aspiring leaders to strengthen and acquire the fundamental knowledge and skills of leadership. Congratulations, Jamie!



Our Outreach Staff are Always on the Road



(Pictured above L to R): Christina Kotsalos speaks to an audience of securities regulators and industry professionals; George Dillman discusses fraud prevention with attendees at a 50 & Up Expo; Katrina Boyer leads a game of Fraud BINGO at a \$camJam event; and Emma Bomberger shares DoBS publications at a community health fair.

Our Financial Education, Protection and Outreach staff host and participate in a variety of presentations year-round to promote financial capability and provide investor education.

To learn more about our free, non-commercial financial education programs or request a customized presentation, visit the [DoBS Events Calendar](#) or contact the team at 1-800-PA-BANKS or via email at informed@pa.gov.



In Case You Missed It

Here are some stories you may have missed this quarter:

- [Pennsylvania Ranks Among Top States for New Business Survival Under Governor Shapiro's Leadership](#)
- [Auditor General DeFoor, Secretary Redding, Be Money \\$mart Partners Announce Winner of Student Art Contest at PA Farm Show](#)
- [Attorney General Sunday Launches Elder Exploitation Section to Expand Protections for Older Pennsylvanians; Focus will be on Financial Theft and Fraud](#)
- [Shapiro Administration Invests \\$70 Million to Support 405 Projects Statewide That Will Help Revitalize Communities and Improve Quality of Life for Pennsylvanians](#)

COMPLIANCE CORNER: 4th Quarter 2025 Enforcement Orders

The Department of Banking and Securities issued 15 enforcement orders during the fourth quarter of 2025. Fines and assessments for these orders totaled \$267,033.74.

To see details on these enforcements, visit the Enforcement Orders section of the website. Inquiries and complaints about financial entities can be filed online through the DoBS Portal or by calling the toll-free helpline 1-800-PA-BANKS (1-800-722-2657).

2026 Bank Holidays

Below is a list of 2026 legal bank holidays as extracted from Section 113 of the Banking Code of 1965, as amended.

Fixed Holidays

Jan. 1 – New Year's Day
Jan. 19 – Dr. Martin Luther King, Jr. Day
May 25 – Memorial Day
June 19 – Juneteenth Day
July 4 – Independence Day
Sept. 7 – Labor Day
Nov. 26 – Thanksgiving Day
Dec. 25 – Christmas Day

Optional Holidays

Feb. 12 – Lincoln's Birthday
Feb. 16 – Washington's Birthday
April 3 – Good Friday
June 14 – Flag Day
Oct. 12 – Columbus Day
Nov. 3 – Election Day
Nov. 11 – Veterans' Day

When a fixed holiday falls on a Sunday, it shall be observed on the following Monday; when it falls on a Saturday, it may also be observed on the following Monday.

Independence Day, July 4, falls on a Saturday in 2026, therefore, institutions must be closed on July 4, and may also be closed the following Monday, July 6, 2026.

Flag Day, June 14, falls on a Sunday in 2026. As an optional holiday, there is no provision in the Banking Code to observe Flag Day on an alternate day.