

Regulators need new approach to innovation

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I am on a mission to change how the Federal Deposit Insurance Corp. views innovation, and I need some help.

Sixteen years ago, I was a young(ish) lawyer in Silicon Valley working with early-stage technology companies and startups. When I called regulatory agencies in Washington, my calls were answered by lawyers who were trying to fit new and emerging technologies into laws and regulations from an earlier century.

It became increasingly clear to me that technology was moving at a speed that our regulations simply could not follow.

As chairman of the FDIC, I am now [on the other end](#) of that phone call.

Recently, I met with two dozen fintechs in Silicon Valley and San Francisco to learn more about how they team up with banks to offer new and innovative products and services to consumers. For the most part, the FDIC does not regulate these companies.

I was eager to solicit their opinions for a simple reason: If our regulatory framework is unable to evolve with technological advances, the United States may cease to be a place where ideas and concepts become the products and services that improve people's lives.

At the FDIC, we want to foster innovation. Earlier this year, we launched [a new office](#) to do just that. The FDIC Tech Lab, or [FDiTech](#), will engage with banks and fintechs to help us understand the latest financial technology and provide sound guidance and technical assistance to banks that choose to deploy these new technologies.

By [engaging with these innovators](#), we can better understand their technology and work with them to ensure that compliance is built in from the start. These discussions will also help us identify regulatory questions or impediments that may arise with new innovations and work with institutions to address them. By promoting these developments and encouraging our supervised institutions toward a more advanced technological footing, the FDIC can help lead a transformation in the financial sector — one that results in easier access to banking products and services, brings more consumers into the banking fold, and makes the banking system safer and more stable.

We are [looking for techies to join our ranks](#): from a [Chief Innovation Officer](#) to lead FDITech to quants, data scientists, process engineers, software developers and network security experts who can reshape our supervisory approach in a rapidly evolving digital world and help protect our financial system.

We want disruptors and visionaries. We want people who wake up in the morning and ask, “Why not?”

We want people who have the foresight to dream big and the smarts and determination to make those dreams a reality.

We are looking for people to help us transform the FDIC so we do not just evolve with technology, we nurture it. It will not be easy, but it will be rewarding. And we will succeed.

We cannot offer free meals, a sand volleyball court or a workday spent in socks, flip-flops or slippers. We cannot bring pets to work. Heck, for the most part, we cannot even offer free coffee.

What we do offer is a chance to join a respected federal agency and its dedicated public servants who are hustling to make the FDIC agile, forward-looking and responsive.