

Treasury Releases Report on Nonbank Financials, Fintech, and Innovation



July 31, 2018

Fourth report in a series on the Administration's Core Principles for Financial Regulation

Washington –The U.S. Department of the Treasury today released a report identifying improvements to the regulatory landscape that will better support nonbank financial institutions, embrace financial technology, and foster innovation.

“American innovation is a cornerstone of a healthy U.S. economy. Creating a regulatory environment that supports responsible innovation is crucial for economic growth and success, particularly in the financial sector,” said Secretary Steven T. Mnuchin. “America is a leader in innovation. We must keep pace with industry changes and encourage financial ingenuity to foster the nation’s vibrant financial services and technology sectors.”

The report issued today is Treasury’s fourth report in response to Executive Order 13772. Issued by President Trump in February 2017, this E.O. calls on Treasury to identify laws and regulations that are inconsistent with the Core Principles for financial regulation it set forth.

In drafting the report, Treasury consulted extensively with a wide range of stakeholders focused on consumer financial data aggregation, lending, payments, credit servicing, financial technology, and innovation.

Treasury’s recommendations are designed to facilitate U.S. firm innovation by streamlining and refining the regulatory environment. These improvements should enable U.S. firms to more rapidly adopt competitive technologies, safeguard consumer data, and operate with greater regulatory efficiency.

Treasury’s report identifies just over 80 recommendations that are designed to:

- Embrace the efficient and responsible use of consumer financial data and competitive technologies;
- Streamline the regulatory environment to foster innovation and avoid fragmentation;
- Modernize regulations for an array of financial products and activities; and

- Facilitate “regulatory sandboxes” to promote innovation.

Today’s report is the fourth and final in a series of reports released under E.O. 13772. Previous reports included [Banks and Credit Unions](#) , [Capital Markets](#) , [Asset Management and Insurance](#) .

[View the full report.](#) 

[View the fact sheet.](#)

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