

**Statement by FDIC Chairman Jelena McWilliams**

**on the**

**Proposed 2020 FDIC Operating Budget**

**FDIC Board Meeting**

**December 12, 2019**

I am pleased to support the proposed budget for 2020, which will allow the FDIC to sustain and improve our operations and ensure that we can keep pace as the banking industry evolves – all while achieving a year-over-year decrease in operating costs.

The FDIC is charged with the vital mission of maintaining public confidence in, and protecting the stability of, the U.S. financial system. This budget provides the personnel and other resources needed to carry out this mission by ensuring the safety and soundness of FDIC-insured financial institutions, protecting consumers, and maintaining our readiness to resolve failing institutions, when necessary.

I should note that this budget marks the tenth consecutive year of lower annual operating budgets for the FDIC. This reflects, in large part, the continuing steady recovery of the banking industry from the financial crisis. But it also reflects the ongoing commitment of staff throughout the agency to prudently manage the FDIC's expenses. The demands on the FDIC will not always permit a flat or declining budget, but we must always prioritize prudent budgeting and execution given our responsibility to serve as good stewards of the Deposit Insurance Fund.

The budget also provides \$31 million needed to continue the modernization of the FDIC's information technology infrastructure. I am particularly pleased with the new five-year IT roadmap that will provide needed discipline across the enterprise and help focus our investments in an effective and responsive IT infrastructure.

The budget also includes \$4.6 million for FDiTech to help develop technology that will address some of the challenges confronting the banking industry and the FDIC. These funds will support up to two tech sprints in 2020 and will also provide funding for an effort to improve the efficiency and effectiveness of the FDIC's loan reviews.

I would like to thank Bret Edwards and his team, as well as the leadership of the divisions and offices, for their hard work in formulating this responsible and prudent budget, and I encourage the Board to adopt the proposal.

I am especially grateful to our finance staff for ensuring that we can institute paid parental leave for our employees, which has been a personal priority of mine. It is worth noting that the FDIC is the first FIRREA agency to have enacted paid parental leave and I am grateful to our Division of Finance for enabling us to do so in a meaningful way that will not impact our operations or our crisis management preparedness.