

# Networked Supervision: The Evolution of State Regulation

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State financial regulators have adopted a dynamic strategy for supervision that harnesses technology and harmonizes efforts for a new approach called Networked Supervision. It is a part of the evolution of regulation, designed to not just respond to changes in the industry, but to proactively improve supervisory tools before they are needed.

Recently, Charlie Clark, director of the Washington State Department of Financial Institutions, and John Ryan, president and CEO of CSBS, sat down with Banking with Interest podcast host [Rob Blackwell](#) to talk about Networked Supervision and other issues related to state regulation.

In the interview, John Ryan said: “We owe it to the system to try to make a state option work better and not force a federal option because we see that leading to greater economic concentration, less accountability at the local level, a whole lot of things that that aren't in our mandate, mission or interest.”

Charlie Clark added: “I think for the Washington DFI, and my colleagues in other states, network supervision really holds great promise ... the thought of better harmonization among the states and multi state partnerships will just create more efficient agencies, they will also help our licensees in our various industries.”

You can listen to the full podcast above, or head over to the [Banking with Interest website](#)