

The Clearing House Calls for Comprehensive Cyber Threat Information-Sharing Legislation at House Financial Services Subcommittee Hearing

TCH's Chief Risk Officer testifies at hearing on protecting critical financial services infrastructure

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Washington, DC – May 19, 2015 – Today, The Clearing House's (TCH) Chief Risk Officer Russell Fitzgibbons [stressed](#) the importance of continued improvement in collaboration between the private sector and the government in combating cyberattacks and emphasized the need for comprehensive cyber threat information-sharing legislation at a House Financial Services subcommittee hearing on protecting critical financial services infrastructure. Mr. Fitzgibbons oversees enterprise risk management, information security, and business continuity at The Clearing House, and also serves as the current Chair of the Financial Services Sector Coordinating Council for Critical Infrastructure Protection and Homeland Security (FSSCC).

“Cyber threats to banking infrastructure have become more frequent and more sophisticated in recent years,” said Mr. Fitzgibbons in his testimony. “The criminal organizations and other groups launching these threats are constantly innovating, and we need to be at least as agile as they are in defending ourselves.”

The Clearing House provides payment, clearing, and settlement services to its owner banks and other financial institutions, clearing and settling nearly \$2 trillion daily. TCH operates the Clearing House Interbank Payments System (CHIPS) and is a leading participant in the Automated Clearing House network (ACH). TCH is the only private-sector ACH operator in the country, processing approximately 50% of all commercial ACH volume in the United States through its networks. CHIPS is the largest private-sector U.S.-dollar funds transfer system in the world, clearing and settling an average of \$1.5 trillion in payments—both domestic and cross-border—daily.

TCH also seeks to leverage its core capabilities to enable innovation across the sector. TCH regularly works with our owner banks and others to develop next

generation payment systems—with the same safety and soundness principles that have always underpinned our core systems. For example, TCH is currently working to deploy a tokenization platform to enhance the security of credit and debit card transactions, including those made online, and developing a real-time payment system. Because of the volume and importance of the financial transactions enabled by The Clearing House’s systems, robust protection of those systems from cyber threats is essential.

Mr. Fitzgibbons continued, “Congress has a role to play in promoting greater and more effective cybersecurity. Information-sharing efforts have greatly improved in recent years and already make an important contribution to the financial sector’s cybersecurity. But concerns about various forms of liability exposure resulting from information-sharing continue to make information-sharing less vigorous than it should be and thus weaken our sector’s cybersecurity capabilities... Action by Congress to pass comprehensive cyber threat information-sharing legislation with protections against liability for companies that collect and share in accordance with the law is essential.”

About The Clearing House Established in 1853, The Clearing House is the oldest banking association and payments company in the United States. It is owned by the world’s largest commercial banks, which collectively hold more than half of all U.S. deposits and which employ over one million people in the United States, and more than two million people worldwide. The Clearing House Association L.L.C. is a nonpartisan advocacy organization that represents the interests of its owner banks by promoting and developing policies to support a safe, sound and competitive banking system that serves customers and communities. Its affiliate, The Clearing House Payments Company L.L.C., which is regulated as a systemically important financial market utility, owns and operates payments technology infrastructure that provides safe and efficient payment, clearing and settlement services to financial institutions, and leads innovation and thought leadership activities for the next generation of payments. It clears almost \$2 trillion each day, representing nearly half of all automated clearing-house, funds transfer and check-image payments made in the United States. See The Clearing House’s web page at www.theclearinghouse.org.