



September 12, 2018

The Honorable Jeb Hensarling  
Chairman, House Financial Services Committee  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Maxine Waters  
Ranking Member, House Financial Services Committee  
U.S. House of Representatives  
Washington, D.C. 20515

Chairman Hensarling and Ranking Member Waters:

The Bank Policy Institute (BPI) is pleased to write in support of H.R. 6743, the Consumer Information Notification Requirement Act. BPI is a nonpartisan public policy, research and advocacy group, representing the nation's leading banks. Our members include universal banks, regional banks and the major foreign banks doing business in the United States. Collectively, they employ nearly 2 million Americans, make 72% of all loans and nearly half of the nation's small business loans and serve as an engine for financial innovation and economic growth.

We believe H.R. 6743 represents an important step towards enacting a comprehensive national standard for data security and breach notification. In the future, we encourage Congress to consider legislation that would apply a national standard beyond the financial services sector to create a consistent framework to protect consumer data.

Current data security and breach notification standards are fragmented across state and local jurisdictions that provide varying levels of consumer protection. Consumer choice will decrease if banks are required to gather, house, and manage data from each state differently, based on conflicting laws. This regulatory patchwork creates disincentives for banks to expand the states in which they offer services (thus leaving consumers fewer choices than they would otherwise have). Consumers would be best served if a single, high standard for data security and data breach notification were in place. In remediating data breaches, valuable time can be lost as a bank is required to determine exactly what data was accessed and how, and whether that level of intrusion triggers as many as fifty state laws. It makes little policy sense for a bank to notify some customers of a data breach but not others, based on their state of residence.

Banks have a strong interest in preventing data breaches as they are responsible for making consumers whole for any losses resulting from a breach of that bank. H.R. 6743 would put in place uniform consumer notification standards across all Gramm-Leach-Bliley Act (GLBA) regulatory agencies and would preempt state and local data protection and consumer notification standards with respect to financial institutions subject to the GLBA.

We are pleased to support this bill and stand ready to assist your efforts to improve data security and notification standards. We look forward to working with you on this important endeavor.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony Cimino". The signature is fluid and cursive, with the first name "Anthony" written in a larger, more prominent script than the last name "Cimino".

Anthony Cimino  
Senior Vice President, Government Affairs

cc: HFSC Legislative Assistants