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National Association of Federal Credit Unions | www.nafcu.org

September 30, 2014

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Bipartisan-Bicameral Working Group on Data Security Warranted as Extensive Data Breaches Continue to Impact Consumers across the Country

Dear Leader Reid, Leader McConnell, Speaker Boehner, and Leader Pelosi:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing our nation's federal credit unions, I write today to urge you to establish a bipartisan-bicameral Congressional working group charged with developing legislative proposals to help prevent the massive data breaches that have exposed tens of millions of consumer debit and credit cards to fraudulent activity in recent months.

Data breaches in both the private and public sectors have the ability to cause irreparable harm to consumers everywhere. At a bare minimum, these breaches cause inconvenience as those impacted must reactivate new debit and credit cards or scramble to change passwords and other account related information. However, for many other consumers the impact is much greater and can involve fraudulent account activity, working to repair credit score damage, and even identity theft.

As you are aware, there have been several Congressional hearings held in various committees in both chambers in the wake of the massive Target data breach last December. These hearings highlighted the jurisdictional maze faced by any statutory changes that could better protect the American people from data breaches. NAFCU firmly believes that the establishment of a bipartisan-bicameral Congressional working group charged with developing a list of legislative recommendations to address the data breach epidemic could bring key members from various committees together and provide the kind of forum, continuity, and momentum necessary to get something done. As the details surrounding and impact of the recent Home Depot data breach start to emerge, we believe this is an optimal time to create such a working group.

The Honorable Harry Reid, The Mitch McConnell
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As you already know from previous correspondence, our nation's credit unions meet the financial service needs of over 98 million members across the country. Credit unions are on the front lines assisting their members in the wake of ongoing data breaches and have a unique understanding of how detrimental such data breaches can be to consumers and small financial service providers. NAFCU and its member credit unions would welcome the opportunity to discuss this matter with you further. Thank you for your consideration of such a bipartisan-bicameral working group.

If my staff or I can be of assistance to you, or if you have any questions regarding this issue, please feel free to contact myself, or NAFCU's Senior Vice President of Government Affairs, Carrie Hunt, at (703) 842- 2234.

Sincerely,



B. Dan Berger
President & CEO

cc: Members of the United States Senate
Members of the United States House of Representatives