

December 8, 2009

To: Members of the House of Representatives

Re: H.R. 2221, the Data Accountability and Trust Act

The undersigned financial services organizations are writing in opposition to the Data Accountability and Trust Act (H.R. 2221), which is scheduled for consideration on the House floor this week under Suspension of the Rules.

Our members support uniform national data protection and consumer notification standards for individuals whose personal information has been put at risk by a breach of security. However, we continue to have serious concerns about H.R. 2221. In particular, H.R. 2221 establishes an entirely new set of rules for dealing with data security and applies them to a broad range of business entities, including financial institutions that are already subject to the data security requirements of the Gramm-Leach-Bliley Act (GLBA) and other federal and state laws. We are concerned that this legislation will lead to uneven protection for consumers, and unnecessary and overlapping requirements for the financial services industry.

We very much appreciate the fact that Commerce Subcommittee Chairman Bobby Rush (D-IL), Subcommittee Ranking Member George Radanovich (R-CA), and other Members of the Energy and Commerce Committee have made it very clear that there is no intent to impose duplicative regulation on financial services entities that are already required to comply with federal and state data protection and consumer notice requirements. However, in our view the bill's failure to explicitly recognize that financial institutions are currently subject to stringent GLBA and state data protection and consumer notification standards is a major flaw that still needs to be addressed.

Thank you for considering our views on H.R. 2221.

Sincerely,

American Bankers Association
American Council of Life Insurers
American Insurance Association
Consumer Bankers Association
Independent Community Bankers of America
Securities Industry and Financial Markets Association
The Financial Services Roundtable