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The Honorable Roger Wicker
Chairman
Senate Commerce Committee
United States Senate
Washington, DC 20510

The Honorable Maria Cantwell
Ranking Member
Senate Commerce Committee
United States Senate
Washington, DC 20510

Dear Chairman Wicker and Ranking Member Cantwell:

On behalf of America's credit unions, I am writing regarding the Committee's hearing entitled, "Examining Legislative Proposals to Protect Consumer Data Privacy." The Credit Union National Association (CUNA) represents America's credit unions and their 115 million members.

CUNA supports the Chairman's principles in the discussion draft produced for this hearing and appreciates the Committee holding this important hearing to discuss legislative proposals intended to provide consumers with more security, transparency, choice, and control over personal information both online and offline. The Chairman's proposal contains many provisions that would greatly enhance protections for Americans by giving them ownership of their data and requiring the data to be protected from theft and misuse through enhanced data security protection.

Credit unions are deeply concerned that Americans' financial wellness is compromised by inconsistent privacy and security standards applied to businesses that possess, process or transport consumers' nonpublic personal information (NPI). We fear that non-depository institutions, such as data aggregators and other businesses that collect and sell data put Americans' financial well-being at risk by not protecting the data and by using it in ways that target marginalized communities. Furthermore, misuse of NPI makes it more difficult for credit unions to deliver necessary financial services to these communities.

As you know, credit unions and banks are subject to requirements of the Gramm-Leach-Bliley Act (GLBA), which imposes data protection requirements and regulates how credit unions and banks can use their members' and customers' NPI. Credit unions and banks cannot share NPI to nonaffiliated third parties unless they provide a notice and members/customers can opt-out. Credit unions and banks must also provide annual privacy notices and disclose what NPI is shared with third parties. The consumer protections in GLBA help to ensure that NPI held at credit unions and banks is protected from theft and misuse and that consumers are well informed of how it is used for necessary business purposes.

The discussion draft would apply privacy and data security rules to businesses that collect or sell significant NPI. The discussion draft also preserves the well-developed GLBA protections already in place. With the preemption of state laws, the provisions in the discussion draft would create a national standard that would ensure robust and consistent privacy and data protection for all Americans. CUNA supports privacy and data security laws that provide for uniform privacy and data security protections for all American, whether it be from a law that preserves GLBA or from a completely new all-sector approach.

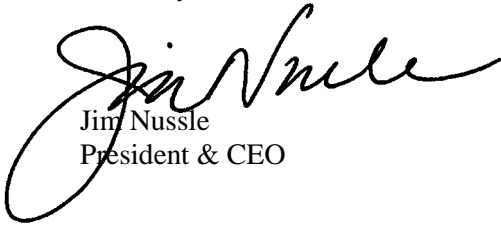
CUNA's guiding principles for privacy and data security legislation require that new legislation:

- Apply data privacy and data security standards to everyone — all business, institutions and organizations — and hold each link in the transaction journey accountable;
- Create equal expectations and protections by harmonizing inconsistencies through new legislation that protects sensitive information based on the type of information rather than the type of entity that possess it;
- Create a national standard that is the ceiling for requirements;
- Base protections on strong standards that protect data; and
- Safeguard consumer protections by providing mechanisms to address the harms that result from privacy violations and security violations, including data breaches.

The discussion draft addresses these principles and is good starting point for comprehensive privacy and data security legislation from this Committee.

We look forward to working with the Committee on privacy legislation that will protect Americans' personal information. On behalf of America's credit unions and their 115 million members, thank you for your consideration of our views and for holding this important hearing.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle". The signature is fluid and cursive, with a large loop at the end.

Jim Nussle
President & CEO