

Support for SB 1551-A, House Business & Labor Committee
February 24, 2018

The Northwest Credit Union Association represents the 59 state and federally-chartered credit unions in Oregon, with 2 million Oregonians as members. Credit unions are not-for-profit financial cooperatives, organized to meet the financial needs of their members. As member-owned cooperatives, Oregon credit unions take their responsibility to protect member information extremely seriously, and diligently work to comply with state and federal regulations.

The Northwest Credit Union Association supports state and federal legislation to address the significant and growing problems associated with data security breaches that compromise the confidentiality of financial and personal information of credit unions and their members. We strongly support a notification regime requiring *timely notice* to impacted consumers, law enforcement and applicable regulators.

Although most consumers have probably only heard about a few breaches, hundreds of security breaches occur each day, exposing millions of data records. Consumers will be protected from fraudulent charges on their cards due to a breach, and the cost is generally picked up by the financial institution. Financial institutions are limited by law in disclosing many of the circumstances of a data breach. In addition, financial institutions protect consumers when a merchant data breach occurs by informing members and customers and reissuing new credit and debit cards believed to have been compromised.

Equifax, one of the big three U.S. credit bureaus announced on Sept. 2017, that a data breach at the company may have exposed 143 million American consumers' sensitive personal information. According to Equifax, the breach lasted from mid-May through July. The hackers accessed people's names, Social Security numbers, birth dates, addresses and, in some instances, driver's license numbers.

Senate Bill 1551-A is the product of that work group that we were pleased to be able to participate. The final bill provides free-of-charge placement, removal, and temporary lifts of credit account freezes. A priority for Oregon's credit unions is the provision if an entity suffers a breach and loses personal information, the notice of that breach must be given to the consumer within 45 days. This will help get consumer information on a breach in a timely manner.

We are pleased to support the final bill. Ensuring consumers' personal financial information is protected is one of Oregon credit union industry's top priorities.

Contact: Pam Leavitt, Leavitt.nwadvocacy@gmail.com, 503-887-2336

Idaho Office
2770 S Vista Ave
Boise, ID 83705

Oregon Office
13221 SW 68th Pkwy, Suite 400
Tigard, OR 97223

Washington Office
18000 International Blvd, Suite 350
SeaTac, WA 98188