



March 25, 2015

The Honorable Michael Burgess, MD  
United States House of Representatives  
2241 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Marsha Blackburn  
United States House of Representatives  
2266 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable David Loebsack  
United States House of Representatives  
1527 Longworth House Office Building  
Washington, DC 20515-1502

The Honorable Peter Welch  
United States House of Representatives  
2303 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Burgess, Representative Blackburn, Representative Loebsack, and Representative Welch:

On behalf of its members, BSA | The Software Alliance<sup>1</sup> (BSA) is pleased to support your draft Data Security and Breach Notification Act (H.R. \_\_\_\_). BSA members strongly support enacting a national data security and data breach notification law, because it is important that we maintain trust and confidence in digital commerce. BSA commends you for your leadership to address the important issues of data security and data breach notification.

A data breach can pose significant risk to consumers and can erode public trust in the online world. BSA members are committed to ensuring that customers whose data has been stolen are notified in a prompt and effective manner so that they can mitigate damage to their personal and financial wellbeing. We believe your bill makes a number of important and useful contributions to improving the security of personal data.

While the effects of a data breach are rarely, if ever, restrained to one state or jurisdiction, entities holding sensitive information are currently subject to a burdensome patchwork of conflicting state data breach notification laws. Thus, we are pleased that H.R. \_\_\_\_ would provide a much needed national standard for data breach notification. A consistent standard allows our member companies to focus their efforts and resources on improving security, and providing timely notification to customers affected by a breach, rather than on compliance with a diverse set of laws. We also appreciate that the bill enables victims of a data breach to assess the scope of a potential breach and make necessary steps to secure information systems in advance of notification requirements. Requiring companies to notify potentially affected individuals before assessing the scope of a breach and taking steps to mitigate its effects can create further significant security vulnerabilities.

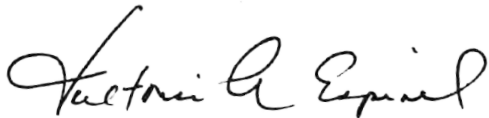
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<sup>1</sup> BSA's members include: Adobe, Altium, ANSYS, Apple, Autodesk, Bentley Systems, CA Technologies, CNC/Mastercam, Dell, IBM, Intuit, Microsoft, Minitab, Oracle, salesforce.com, Siemens PLM Software, Symantec, Tekla, The MathWorks, and Trend Micro.

Although BSA supports H.R. \_\_\_\_, our members would also like to work with the Committee to improve the bill. For instance, we request the removal of 'economic loss or economic harm' as a trigger for breach notification, which we believe adds uncertainty to the bill, and is adequately covered by 'financial fraud'. Further, we request greater clarification for notification requirements for third parties to remedy vulnerabilities. Finally, we're concerned at the high level of potential penalties for failure to comply with the statute. While we agree that companies should make best efforts to notify customers of a breach of their personal information, it is important to recognize that entities suffering a data breach are also victims of an intentional crime.

H.R. \_\_\_\_ is a positive step in ensuring organizations have better guidance in the event of a breach of their systems. We look forward to further working on this bill as it moves through the legislative process.

Sincerely,

A handwritten signature in black ink, reading "Victoria A. Espinel". The signature is written in a cursive, flowing style.

Victoria Espinel  
President and CEO