

# United States Senate

WASHINGTON, DC 20510

December 30, 2013

The Honorable Tim Johnson  
Chairman  
Senate Committee on Banking, Housing, and  
Urban Affairs  
Washington, DC 20510

The Honorable Mike Crapo  
Ranking Member  
Senate Committee on Banking, Housing, and  
Urban Affairs  
Washington, DC 20510

Dear Chairman Johnson and Ranking Member Crapo:

We write to request that the Senate Committee on Banking, Housing, and Urban Affairs hold a hearing as soon as reasonably possible regarding consumer financial data security.

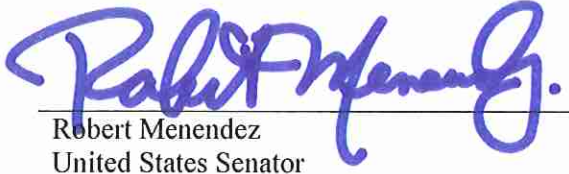
As you know, earlier this month, Target Corporation announced a data breach that affected roughly 40 million customer credit and debit card accounts – one of the largest such corporate security breaches in history. Thieves reportedly gained access to information including cardholders' names, card information, and security PIN codes, potentially exposing millions of consumers to the risk of fraud, identity theft, and other hardships during the peak of the holiday shopping season. Breaches such as this also expose businesses, banks, and card companies to losses from fraudulent charges or withdrawals using stolen information.

With our economy and financial sector becoming increasingly information-based and data-reliant, consumers depend on the companies and financial service providers with whom they do business to protect their sensitive information. As companies collect, store, and process ever-greater quantities of consumer data, they—and our regulators—must become even more vigilant against breaches and improper use.

We believe it would be valuable for the Committee to examine whether market participants are taking all appropriate actions to safeguard consumer data and protect against fraud, identity theft, and other harmful consequences, and whether we need stronger industry-wide cybersecurity standards. Some industry experts, for example, have called for faster and more uniform adoption of technologies such as EMV “smart” chips to improve credit and debit card transactional security, among other proposals. We also believe it would be helpful for the Committee to hear from our financial regulators as to whether they have the necessary tools, information, and authority to ensure that financial companies and service providers are doing enough to protect consumer data, and, in the event that a breach does occur, to minimize the harm to affected parties and take appropriate enforcement actions.

When it comes to data security, consumers' interests must come first. We appreciate your attention to this important matter and look forward to working with you to address it.

Sincerely,



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Robert Menendez  
United States Senator



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Mark Warner  
United States Senator



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Charles Schumer  
United States Senator