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March 8, 2016

The Honorable Jeff King Chair, Senate Judiciary Committee Kansas Senate

Re: Senate Bill 424, amending consumer protection laws related to identity theft and security of personal identifying information

Dear Chairman King and members of the Committee:

I write on behalf of the Consumer Data Industry Association (CDIA) to respectfully request that your committee oppose SB 424 in its current form and allow interested parties more time to reach an agreement, which I think is near.

CDIA is an international trade association, founded in 1906, of more than 130 corporate members. Its mission is to enable consumers, media, legislators and regulators to understand the benefits of the responsible use of consumer data which creates opportunities for consumers and the economy. CDIA members provide businesses with the data and analytical tools necessary to manage risk. They help ensure fair and safe transactions for consumers, facilitate competition and expand consumers' access to a market which is innovative and focused on their needs. CDIA member products are used in more than nine billion transactions each year.

SB 424, as written, is very problematic for our members. There are already comprehensive data security laws at the federal level, and there are potential conflicts between federal and state data security enforcement under SB 424.

However, we are very pleased that the Attorney General's office has recently pulled together stakeholder groups, including CDIA, to discuss creation of a federal safe harbor provision in SB 424. At the time this testimony was written, we had not finalized these discussions, but I think there is much optimism that we will be able to find a compromise.

We would ask that you not advance SB 424 in its current form and allow interested parties to complete discussions in an effort to bring you a bill which is acceptable to all. I am happy to answer any questions you may have.

Sincerely,

Eric J. Ellman

Senior Vice President, Public Policy & Legal Affairs