



May 11, 2009

The Honorable Michael W. Morrissey
The Honorable Theodore C. Speliotis
Co-Chairmen, Joint Consumer Protection & Professional Licensure Committee
State House, Rooms 413D (Morrissey) and 43 (Speliotis)
Boston, MA 02133

RE: SB 173 Support

Dear Chairmen Morrissey and Speliotis:

The Securities Industry and Financial Markets Association (SIFMA)¹ is writing to express its strong support for SB 173 as currently drafted. SIFMA understands the importance of safeguarding individuals' personal information. It is clearly in everyone's interest to protect such information against misuse and abuse. SIFMA, however, is concerned with the possible implications of each state developing its own preferred method of protecting consumers. This would leave many national and regional businesses struggling to comply with a patchwork quilt of disparate and potentially conflicting information security rules without providing measurable additional benefits to consumers.

SIFMA believes that SB 173 strikes the appropriate balance. It properly gives the Department of Consumer Affairs and Business Regulation the authority to adopt information security regulations and apply them to persons who are not otherwise required to provide such protections. Those persons who are already "required to comply with federal laws, rules, regulations, guidance, or guidelines safeguarding personal information [are] deemed to be in compliance." This expands the universe of protected consumers without creating additional compliance issues, duplication problems or potential conflicts of law.

SIFMA appreciates the opportunity to provide input on this legislation. Please do not hesitate to contact me at 212-313-1331 or our lobbyists Roger Donaghue and Tara O'Donnell at 617-598-6730 should you have any questions.

Sincerely,

Kim Chamberlain
Managing Director & Counsel
State Government Affairs

¹ The Securities Industry and Financial Markets Association brings together the shared interests of more than 600 securities firms, banks and asset managers. SIFMA's mission is to promote policies and practices that work to expand and perfect markets, foster the development of new products and services and create efficiencies for member firms, while preserving and enhancing the public's trust and confidence in the markets and the industry. SIFMA works to represent its members' interests locally and globally. It has offices in New York, Washington D.C., and London and its associated firm, the Asia Securities Industry and Financial Markets Association, is based in Hong Kong.