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The Electronic Transactions Association, founded in 1990, is a not-for-profit organization representing entities who provide transaction services between merchants and settlement banks and others involved in the electronic transactions industry. Our purpose is to provide leadership in the industry through education, advocacy, and the exchange of information.

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President's Message

Advocacy and Progress

Be proud. Your ETA is active, engaged, and making a difference.

In July the ETA Board of Directors took significant action to move the association and the industry forward. In particular, it revised ETA's policy position on Federal data breach legislation, approved a much more proactive approach to advocating for that policy position, and committed the funds necessary to begin developing a certification program for industry professionals.

Adoption of an updated policy position regarding data security and, in particular, data breach notification, was necessary to address several issues. The majority of States have laws on their books requiring businesses to inform consumers when databases containing personal, including card, data have been hacked. These laws are often contradictory and impose different responsibilities that vary from state to state. Compliance with this patchwork of state laws is a nightmare. The smoke signals indicate that Congress may be ready to pass federal legislation on the issue.

Expanding on the excellent work of the ETA Government Relations Committee, chaired by Mary Dees Griffith, the board approved a policy position that states that any federal legislation must:

- Establish a clear triggering mechanism—one that every business understands—requiring consumer notification only when there is an actual risk of fraudulent use of compromised personal financial information;
- Set guidelines for the responsibilities of contacting affected consumers and give companies sufficient time to make any such required notifications;
- Unambiguously preempt all state laws on the subject;
- Build on the current self-regulatory efforts of the industry, such as PCIDSS; and
- Recognize the existing legal framework by providing a compliance "safe harbor" for entities subject to the Gramm-Leach-Bliley Act or the Fair Credit Reporting Act without making additional parties subject to those banking laws.

The board also decided that ETA should actively advocate for the above policy position on Capitol Hill and directed ETA staff to work with legislators to have these important principles incorporated into any data security and breach notification bills.

The board's decision to initiate an industry-wide professional certification process is huge.

Over the past year, ETA determined that certification would be the most effective means of measuring individual professional competence and promoting ethical business practices throughout the payments industry. Development of a certification program takes an intensive effort. But the Board, recognizing the need and ETA's unique position to benefit the entire electronic payments industry, committed to investing in the future by taking on this task.

A certification program involves developing and administering a test for industry professionals, passage of which will grant the individual the "Certified Payments Professional", or CPP, credential. The first step begins this fall as a task force of industry professionals defines the skills necessary to earn the CPP designation. This will lead to a test that is statistically sound (accurately covering all the knowledge and practices appropriate to the certification) and legally defensible. When the certification program is in place, it will be an important milestone for our profession and something that many in the industry have sought for years.

Another difference the ETA will make in your life is organizing the Strategic Leadership Forum in New York on October 12 - 14. I hope you will join us at this newly revamped meeting. The 2009 Forum will bring the innovative 'big ideas' to life, jump start the important conversations, and enable you to realistically evaluate business opportunities and threats. We have worked hard to make this meeting much more future-oriented and interactive than in the past, but with its strategic focus very much intact. If you are going to attend one industry meeting this fall, make it this one.

Warm regards,

Holli Targan

Holli Targan is president of ETA

and a partner at Jaffe, Raitt, Heuer & Weiss, P.C.