

House Committee on Investments and Financial Services

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Cybersecurity

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U.S. Government Position on Tackling Cyber Threats

- **Cyber threats are too large** for any one government agency or company to address.
 - private and public partnerships are needed.
- **We hear this same message from:**
 - James Comey, the current FBI Director
 - Robert Muller, the former FBI Director
 - Michael S. Rogers, the current NSA Director
 - Keith Alexander, the former NSA Director
 - Jeh Johnson, the current DHS Secretary
 - Janet Napolitano, the former DHS Secretary
 - John Brennan, the current Director of the CIA

Partnership on Cybersecurity

- Information Sharing and Analysis Centers (ISAC) are industry specific forums for sharing threat information and solutions related to cyber threats.
- FS-ISAC is the largest and most advanced ISAC in the world. It is a partnership of the financial services industry. A non-profit, industry owned organization.

Partnerships of Texas Banks

- In 2010, Commissioner Cooper created the Texas Bankers Electronic Crimes Task Force (ECTF).
- The ECTF includes members of bank trade associations, approximately two dozen banks, and the U.S. Secret Service.
- Working with ECTF Texas banks, the U.S. Secret Service launched “Operation Texas Money Mule,” a global undercover operation.

Partnerships of Texas Banks

- The task force developed Corporate Account Takeover (CATO) Best Practices, which were nationally distributed by the U.S. Secret Service, FS-ISAC, and the Conference of State Bank Supervisors (CSBS).
- CATO Best Practices have been adopted by banks nationally to help protect small businesses, consumers, and banks.

Executive Leadership of Cybersecurity (ELOC)

- In late 2013, Commissioner Cooper reconvened the Texas Bankers ECTF with numerous presidents and executive officers of banks and trade associations.
- The reconvened task force provided input for what became the Executive Leadership of Cybersecurity (ELOC) initiative.

Executive Leadership of Cybersecurity

- Working with the CSBS, the ELOC initiative was launched nationally in December 2014 in Austin, Texas
- The U.S. Treasury Department supports the initiative and Deputy Treasury Secretary Sarah Bloom Raskin was the keynote speaker.
- FS-ISAC President Bill Nelson spoke at the national launch.
- FS-ISAC supports the initiative .

Executive Leadership of Cybersecurity

- In 2015, ELOC events were held in approximately 20 states and presented to over 2,000 bankers. Events continue to be scheduled in 2016 in other states.
- ELOC is the single most important transformational element to secure the banking industry from cyber threats.

Federal Cyber Regulations & Guidance

- Before cybersecurity, there was information security.
- Information security has been a part of bank examinations since the 1970s.
- In 1999, the Gramm-Leach Bliley Act (GLBA) established comprehensive bank regulatory standards for information security.
- Numerous regulations and guidance letters have been issued over the years.

Federal Cyber Regulations & Activities

- Since 2006, states have had a voting position on the Federal Financial Institution Examination Council (FFIEC).
- In 2013, the FFIEC established the Cybersecurity and Critical Infrastructure Working Group (CCIWG) as a permanent structure.
- The Texas Department of Banking's Director of IT Security Examinations is one of the six voting members of the CCIWG.

Federal Cyber Regulations & Activities

- The FFIEC has held cybersecurity webinars attended by thousands of bankers.
- In June 2015, the FFIEC released a Cybersecurity Assessment Tool (CAT) to assist banks in measuring their cyber risks and preparedness.

Department Actions

- Texas state-chartered banks were directed to complete a cybersecurity risk assessment and evaluation of controls by the end of 2015.
- In 2016, the Department began evaluating Texas state-chartered banks readiness in meeting the new FFIEC “baseline” cybersecurity level.
- Early results of the Department’s review for FFIEC baseline controls show that Texas’ state-chartered banks are addressing cybersecurity risk.

Conference of State Bank Supervisors

(<http://www.csbs.org/CyberSecurity/Pages/default.aspx>)

CYBERSECURITY

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A Resource Guide for **BANK EXECUTIVES**

Executive Leadership of Cybersecurity