



The Honorable Steve Chabot
Chairman
House Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515

The Honorable Michael McCaul
Chairman
House Committee on Homeland Security
H2-176 Ford House Office Building
Washington, DC 20515

Dear Chairman Cabot and Chairman McCaul:

On behalf of the National Small Business Association (NSBA), I commend House Small Business Committee member Rep. Richard Hanna for introducing the *Improving Small Business Cyber Security Act of 2016 (H.R. 5064)*. NSBA represents more than 65,000 small-business owners from every state and every sector of the economy and is pleased to support this legislation that will allow Small Business Development Centers (SBDCs) to assist small businesses in developing or enhancing their cybersecurity infrastructure, cyber threat awareness, and cyber training programs for employees.

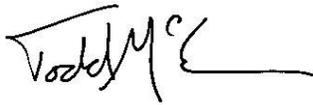
Given the increasingly commonplace occurrence of hacking and cyber-crimes, coupled with the fact that, over the past few years in a difficult economy, small-business owners are handling more of their firm's IT operations, cybersecurity is a growing concern for small businesses. Even a simple cyber-attack can effectively destroy a small company and these attacks are startlingly becoming more common among small businesses. In a recent NSBA survey, ninety four percent of small-business owners indicated that they are concerned about being targeted by cyber-attacks, and in fact 42 percent of members indicated that they had been the victim of a cyber-attack. In almost a third of those attacks on NSBA members, credit card information was stolen. In 13 percent of the attacks the entire network was compromised and in 10 percent a bank account was hacked.

Keeping in mind the infrastructural limitations of small businesses, NSBA has long called for Congress to find ways to keep them abreast of these threats by providing clear, simple steps companies can follow when their data is breached while balancing the need for greater information sharing with privacy rights. NSBA is pleased that H.R. 5064 accomplishes this by permitting the Department of Homeland Security (DHS) and other federal agencies to work together to provide assistance to small businesses through SBDCs. By directing SBDC's to provide small businesses with access to cyber security specialists to help develop security infrastructure, increase awareness, and improve training programs, small businesses will better be able to safeguard their businesses against cyber criminals and have the necessary tools to develop a comprehensive plan for tackling cyber threats.

In the last few years, cybersecurity has emerged as one of the most pressing concerns facing both the private and public sectors. Cyber criminals are becoming increasingly sophisticated in their attacks on networks and their attempts to steal personal information that can ultimately lead to severe financial distress, particularly for America's smallest employers.

NSBA supports H.R. 5064 since it seeks to ensure the protection and security of online data and financials of small businesses across the nation through a combined effort of SBDCs and existing federal agencies dealing with the small business cyber-attacks. NSBA commends you for working to bring this legislation to the House floor.

Sincerely,

A handwritten signature in black ink that reads "Todd McCracken". The signature is stylized, with the first name "Todd" written in a cursive-like font and the last name "McCracken" in a more blocky, slightly cursive font. There is a long horizontal line extending to the right from the end of the signature.

Todd McCracken
President & CEO

Cc: Rep. Richard Hanna