

Banking and Finance Law Daily Wrap Up, FEDERAL RESERVE SYSTEM —McHenry introduces legislation to require cybersecurity reports by Fed, (Sept. 25, 2019)

Banking and Finance Law Daily Wrap Up

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The legislation introduced in the Senate would require the Fed to issue reports on cybersecurity regarding the functions of the Federal Reserve System.

Representative Patrick McHenry (R-NC) has introduced legislation aimed at ensuring that the Federal Reserve Board prioritizes cybersecurity and modernization to combat threats of cyberattacks to the U.S. financial system. The Cybersecurity and Financial System Resilience Act of 2019 ([H.R. 4458](#)) would require the Fed to provide an annual report and briefings to the House Financial Services Committee and Senate Banking Committee regarding the Fed's cybersecurity efforts.

"We need to ensure the Fed is working with financial institutions, regulators, third party service providers, and government partners to ensure that all parties are appropriately prioritizing and safeguarding American's most sensitive information and our financial system," McHenry [said](#). "My bill ensures Congress is read-in on the Fed's cybersecurity countermeasures, and its oversight functions of financial institutions, to help us better protect consumers from the threats of tomorrow."

The legislation, if enacted, would require the Fed's annual report to specifically include a detailed explanation of the Fed's policies and procedures to prevent the following:

- efforts to deny access to or degrade, disrupt, or destroy an information and communications technology system or network, or exfiltrate information from the system or network without authorization;
- destructive malware attacks;
- the denial of service activities; and
- any other efforts that the Fed determines may threaten the functions of the Federal Reserve System by undermining cybersecurity.

The report would also be required to include a detailed explanation of the Fed's activities undertaken to ensure the effective implementation of these policies and procedures.

LegislativeActivity: CyberPrivacyFeed FederalReserveSystem FinancialStability LegislativeRegulatoryActivity
IdentityTheft Privacy