

## Community banks ask for revisions to cybersecurity regulations

By NICK NIEDZWIADK

ALBANY — Cybersecurity experts and representatives of community banks pushed back Monday against regulations they say put undue stress on small financial institutions without enough security value.

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**“There’s a requirement to report unsuccessful attempts, which occur at the rate of thousands a day industry-wide. This is impractical, and it is of questionable forensic value.”**

*- Robert Treuber, executive vice president of the New York State Land Title Association*

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Gov. Andrew Cuomo in September announced rules proposed by the Department of Financial Services to establish cyber-security protocols that include reporting all cyberattack attempts and implementing a chief information security officer to oversee cybersecurity plans.

Testifying before members of the Assembly Banking Committee, Laura Mazzara, a senior vice president at Pioneer Bank, said community banks would feel the cost of the regulation more than larger banks.

“We feel there is a bit of a one-size-fits-all approach, and were concerned it may not take into consideration the operating environment as it pertains bank to bank,” she said.

Mazzara also said she was concerned about creating additional state compliance regulations on top of existing federal rules. “We would like to see some cohesiveness,” she said.

James Bopp, speaking on behalf of the New York Mortgage Bankers Association, questioned why the state was taking up such a regulation after high-profile hacks of Yahoo and others.

“If national security is at stake, we need a national response to this war,” he said. “What we don’t need is a regulation that places burden on financial institutions to defend our nation.”

Assemblyman David Weprin, a Democrat from Queens, defended the state regulations, citing the uncertainty inherent in a new presidential administration.

“Who knows what’s going to happen in Washington and how long it’s going to take,” he said.

Robert Treuber, executive vice president of the New York State Land Title Association, was among the speakers to take issue with the amount of reporting required in the proposed regulations.

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The hearing was part of the 45-day public comment period after the proposed regulations were first published in the state register on Sept. 28.

**Please Note:** The information contained in this tear sheet is excerpted from Politico (12/19/16). Subscribers can access the complete article at: <https://www.politicopro.com/states/new-york/albany/story/2016/12/community-banks-ask-for-revisions-to-cyber-security-regulations-108198>