

Cybersecurity and Financial Protection

Problem:

Small businesses rely on information technology more than ever, yet the very tools that make small businesses competitive have also put them in the crosshairs of cyber attackers. The security of our online data and finances is a huge concern for America's small businesses, both in terms of being targeted by a cyber attack as well as the potential for unnecessary regulatory burdens that could accompany efforts to stem online attacks.

- 96 percent of small-business owners are concerned about being targeted by cyber attacks, and 35 percent indicated that they had been the victim of a cyber attack.
- 52 percent of small businesses, which had been the victim of a cyber attack incurred a service interruption, 36 percent had information falsely sent from their domains or email addresses, 5 percent had sensitive information and data stolen, and for 4 percent the attack enabled hackers to access the business banking accounts
- Cyber attacks cost small businesses an average of \$5120.
- Business checking accounts are not protected when it comes to online hacking the way consumer accounts are, but a majority (77 percent) of small-business owners are not aware of it, even though 99 percent of owners think it is important to ensure that their information and computer systems are adequately protected.

Solution:

Congress needs to move forward on establishing streamlined guidelines and protocols to ensure the protection and security of online data and financials but avoid a knee-jerk reaction that would place a disproportionate burden on America's smallest firms.

- Legislation to enhance America's cybersecurity should provide clear, simple steps for companies to follow when their data is breached and must balance the need for greater information sharing with privacy rights.
- Any federal discussion on cybersecurity or development of a private-public partnership or advisory board must include representatives of small business.
- Extend consumer banking protections to the banking accounts held by small businesses.