

February 15, 2021

Senator Jerry Klein
Chairman
Industry, Business and Labor Committee
North Dakota State Senate
Bismarck, ND 58505

Re: Senate Bill 2333

Dear Chairman Klein, Vice Chairman Larsen, and Members of the Committee,

On behalf of the Electronic Transactions Association (“ETA”), I write to express our opposition to S.B. 2333 and urge the committee not to advance this or any legislation that seeks to regulate business-to-business agreements and/or threatens the security of the payments ecosystem on application distribution platforms.

ETA is the leading trade association for the payments industry, representing over 500 companies that offer electronic transaction processing products and services. ETA’s members include all parts of the electronic payments ecosystem including financial institutions, acquiring banks, merchant service providers and processors, and payment card networks. ETA member companies are creating innovative offerings in financial services, revolutionizing the way commerce is conducted with safe, convenient, secure, and rewarding payment solutions.

Fraud detection and the protection and security of consumer data is of paramount importance to ETA. We strongly support privacy frameworks that allow companies to implement innovative tools to protect consumer privacy and data while fighting fraud. S.B. 2333 runs counter to these principles as it would jeopardize the ability of private businesses to effectively employ the security features on the platforms that they developed, including finding and eliminating risks, such as malware, as well as managing safe and secure payment activities.

Now is not the time to enact any legislation that could weaken consumer confidence in the networks and platforms of private businesses. Nor is it the time for governmental overreach into the operating agreements, business models, and data security protections of private companies. Legislative proposals that require platforms to allow for the circumvention of these protections would harm consumers and the businesses who built, manage, and keep them secured.

We urge you to oppose S.B. 2333 and any bill that would undermine the crucial security features of the app ecosystem.

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We appreciate you taking the time to consider these important issues. If you have any questions or wish to discuss any issues, please contact me or ETA Senior Vice President, Scott Talbott at Stalbott@electran.org.

Respectfully,



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