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**Proponent Testimony: House Bill 368**  
**Lee Powell, CEO, DESCO Federal Credit Union**  
**House Criminal Justice Committee**

Chairman Lang, Vice Chair Plummer, Ranking Member Leland and members of the House Criminal Justice Committee, thank you for allowing me to provide written testimony in favor of House Bill 368, the Ohio Computer Crimes Act. My name is Lee Powell and I am the CEO of Desco Federal Credit Union headquartered in Portsmouth, Ohio. We were chartered in 1963 to serve the employees of the Detroit Steel Corporation. With the closing of Detroit Steel, we converted to a community charter and now serve more than 25,000 members with 100 employees. Membership eligibility includes those who live, work, worship or attend school in Scioto and Lawrence Counties in Ohio; Boyd and Greenup Counties in Kentucky; and Cabell and Wayne Counties in West Virginia.

As a member-owned organization, Desco takes great pride in ensuring our members private and personal information is protected. Several years ago, unfortunately, we faced a situation where a former employee attempted to hack into our core system for the purpose of stealing member information. The individual was not successful, and no significant harm was caused. When I brought the case to our local FBI agent, I was told it did not merit federal attention. Our then county prosecutor explained monetary damages to the credit union would need to be proven to obtain conviction under Ohio law.

Frustrated, I contacted the Ohio Credit Union League, our state trade association, asking what could be done to strengthen the Ohio Criminal Code to combat cyber-crimes. Through their work with Cyber-Ohio, an initiative started by Governor DeWine, they shared with me model legislation from the state of Washington that could be the basis for legislation in Ohio. Working with the League, Scioto County Prosecutor Shane Tieman, and others, we approached Representative Baldrige and asked for his consideration in sponsoring legislation. We are thankful for his leadership in introducing House Bill 368 and working with interested parties to get us to this point.

I am in support of House Bill 368 because it will help deter criminal activity by making it a third-degree felony for a person to knowingly alter data traveling between two computer systems or introduce malware (i.e. a virus) into a secure network. Further, a person cannot knowingly gain access to a computer, computer system, or computer network without authorization for the purpose of executing a scheme to defraud, deceive, or extort. If a person gains unauthorized entry to a computer or computer system for the purpose of disclosing or copying personal data, that person would face up to a third-degree felony.

The legislation does protect “white hat” hackers who are paid to test the strength of a secure network. It also allows those negatively impacted by a cyber-crime to bring civil action against the convicted person within two years of the violation or discovery of the damages, helping to offset the costs associated with a cyber-attack.

In summary, House Bill 368 benefits businesses and consumers by modernizing and enhancing the law to punish those who knowingly, and with intent, use their computer skills to cause societal harm. On behalf of Desco Federal Credit Union and its members, thank you for allowing me to provide written testimony and I look forward to working with you to see this bill move through the legislative process.