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Comments on Proposed Virtual Currency Regulatory Framework

Submitted by Atlantic City Bitcoin

The Proposed Virtual Currency Regulatory Framework is a result of political grandstanding by Benjamin M. Lawskey. Mr. Lawskey has repeatedly misstated the authority of his Office by claiming that part of their mission is to prevent terrorism. In fact the mission of the office is consumer issues and federal agencies, such as FINCEN, have the mission of dealing with terrorist issues. In order to create more publicity Mr. Lawskey proposed a new set of rules rather than simply applying existing rules and regulations that are applicable to all financial institutions.

Bitcoin exchanges have generated a number of complaints because they have been operated by irresponsible people. These businesses have lost (or have claimed to lose) large sums of users funds and have generated a large number of complaints. All of these businesses were violating well known laws and regulations already on the books but those regulations were not enforced and complaints were not acted upon. Adding another set of regulations when there are no resouces to enforce them are pointless and the only purpose is to further the political career of Mr. Lawskey by creating publicity over the process. NY DFS employees have now been diverted from their jobs to engage in a pointless process meant to further the career of Mr. Lawskey.

Conclusion: The proposed rules should be scrapped and the DFS should focus on applying existing rules to virtual currency businesses. Further, Mr. Lawskey should be investigated by the NY IG for the misuse of funds, misrepresenting his office's mission, and Official Misconduct.

Thank You

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Owner, Atlantic City Bitcoin

