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Dear Superintendent Lawsky and General Counsel Syracuse,

I'm writing you today to express my deep concerns about the "BitLicense" proposal. The current framework threatens the privacy of virtual currency users, innovators, and researchers. In particular:

1. The BitLicense is extremely broad, requiring licenses for far more than just money services.
2. It infringes on the privacy rights of individual users. Companies that obtain a BitLicense could be forced to collect identifying data on account holders and end users including full name and physical address. This information will be kept on file for 10 years in case the government seeks it. So while individual users may not need a BitLicense, their privacy will be seriously affected.
3. It forces virtual currency innovators to undergo rigorous background checks and submit fingerprints to state and federal law enforcement. This will create a barrier to entry for start ups and inventors looking to create new services.
4. The proposal as written raises First Amendment concerns.

It's premature to craft regulations for an industry that's so new and still in flux. Bitcoin and similar virtual currencies are still in their infancy, and we don't yet know what new tools and services might be created. This regulatory proposal could cut that innovation off at the knees, before we have a chance to see the potential societal benefits.

The NY DFS is letting the fear of money laundering, the vast majority of which you know full well <http://www.theguardian.com/world/2011/apr/03/us-bank-mexico-drug-gangs> is done by the "too big to fail" banks themselves in support of government "black ops," drive a massive regulatory proposal forward that would affect "the little people," just plain folks who are doing nothing wrong. NY DFS should respect the privacy of technology users, and limit its regulation to what is proportionate to the real threat at hand.

This proposal is lunacy, and I do not consent to what is really just another "command and control" privacy-violating power grab by the hands of alleged "public servants" who have most obviously abandoned all pretense of being beholden to public will.

I view this proposal to be well outside the purview of any legitimate government activity. Governments do not exist to insert themselves into literally every human interaction that ever occurs, but this seems to be the trend of increasingly unpopular governments the world over.

If enacted, this proposal will certainly add to your own unpopularity. If current trends continue governments everywhere face the total meltdown of their very legitimacy in the eyes of those whom these governments allegedly 'serve.'

Sincerely,

Cliff Jones
Horseheads, New York