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*'Know Your Customer' dealt serious blow Banking Committee approves version of Paul-Campbell Amendment*

WASHINGTON, DC -- In a victory for banking customers and the privacy rights of American citizens, the Committee on Banking and Financial Services on Thursday afternoon approved a version of an amendment to stop the "Know Your Customer" regulations. "This is a true victory for our side, those who cherish liberty," said Rep. Paul after the unanimous voice vote. "While we should not recklessly assume the regulators will give up their hopes of 'Know Your Customer'-style invasions on privacy, they have been dealt a serious blow." During the committee's work on HR10, the financial modernization legislation, Rep. Paul and Rep. Tom Campbell (R, Calif.), introduced an amendment that would have stopped "Know Your Customer" and removed the ability of regulators to ever make such rules in the future. That exact wording was rejected, but an amendment to the amendment was offered by Rep. Bob Barr (R, Ga.), making it apply only to the currently proposed "Know Your Customer" regulations. The revised version of the Paul-Campbell Amendment passed by a voice vote. "We cannot assume the regulators will give up, but we now have the banking committee on record opposing these privacy grabs," said Rep. Paul. "It is necessary to repeal the authority of regulators to implement these regulations, which is why I will continue to press for passage of my three measures dealing with financial privacy." Rep. Paul was the first Member of Congress to speak out against these regulations, as well as the first to introduce legislation aimed at stopping "Know Your Customer" and removing the power of regulators to propagate such measures in the future. Rep. Paul has introduced the Know Your Customer Sunset Act (HR516), the FinCen Public Accountability Act (HR517), and the Bank Secrecy Act Sunset Act (HR518). "The American public, bankers and customers, has spoken loud and clear on this issue -- they do not want big-government snooping in their bank accounts," said Rep. Paul, referring to the more than 135,000 opposition comments made to the FDIC, one of four agencies proposing the rules. "These regulations would have thrown the Fourth and Fifth Amendments to the wind, and the American people simply will not stand for that." Dr. Paul thanked the numerous individuals, organizations and groups that have stood against the intrusive anti-privacy measures.

