

**OPENING REMARKS OF THE HONORABLE RUBÉN HINOJOSA
HOUSE FINANCIAL SERVICES COMMITTEE
“THE 9/11 COMMISSION REPORT: IDENTIFYING AND PREVENTING
TERRORIST FINANCING”
AUGUST 20, 2004**

Chairman Oxley and Ranking Member Frank, you are holding an extremely important and essential hearing today on the bipartisan 9/11 Commission report. This report, if implemented, will completely revamp certain Congressional Committees as well as intelligence agencies and hopefully help identify and prevent terrorist financing.

Today, we are addressing one of the most important sections of the 9/11 Commission Report - the recommendation that Congress combine terrorist travel intelligence, operations, and law enforcement in a strategy to identify terrorist financing and have the U.S. government, particularly the Department of Treasury, focus more on following the terrorist money trail, instead of just freezing terrorist assets. Preventing terrorist financing, finding terrorist travel facilitators, and constraining terrorist mobility are definitely the goals the Executive Branch and Congress should seek to achieve.

Before I go on, I want to say something about my visit to the World Towers following 9/11: The sight of the decimated towers. The sight of some people still walking around in a daze several days after the disaster trying to find a sound footing again after their lives had been turned upside down. The sights and sounds of the rescue workers and those attempting to put out all the remaining fires and remove the rubble. The strange odor combined of burning metal, gas and plastic. I will never forget these sights, sounds and smells when I first visited ground zero. They will forever be embedded in my mind to remind me that I, Congress and the Executive Branch must insure that the Treasury Department's approach to ending terrorist financing is the most effective one. This is a very important issue of national security. It is a matter of protecting my constituents from harm. This is a matter of protecting my two young daughters and my wife here in Washington from harm as well as my family and friends in Texas. This issue is now a personal one that each and every American must face each and every day.

I question why Treasury has continued to solely freeze alleged terrorist assets, many times without the cooperation of their overseas counterparts, in an attempt to thwart terrorist attacks. It would seem that common sense would dictate following the money trail to find the terrorists and eliminate the threat. The 9/11 Commission Report recommends this strategy, and the FBI and other agencies have used a similar strategy in the past to track down criminals. The USA PATRIOT Act gave Treasury and other federal agencies incredible powers too numerous to mention to track terrorist financing. Why has it taken them so long to consider the common sense “follow the money trail” approach that several other agencies have employed in the past? Had they employed this approach, Treasury might have helped find the terrorists, thus preventing them from funneling funds through any mainstream financial system or through financial systems as informal as payment systems such as *Hawalas*.

Mr. Chairman, I want to thank you again for holding this extremely important hearing. I hope that, as we implement the recommendations of the 9/11 Commission report, we do not create legislation as awkward, and at times counterproductive, as the USA PATRIOT Act.

I yield back the remainder of my time.