

Statement of Chairwoman Sue Kelly
Subcommittee on Oversight and Investigations
“The Hamas Asset Freeze and
Other Government Efforts to Stop Terrorist Financing”
September 24, 2003

This morning we will continue the Subcommittee’s investigation in to terrorist financing. We last met in March to review a number of important enforcement cases against terrorist groups threatening our way of life. Today, we will review recent developments in the ongoing war against terrorist groups, focusing on Hamas – the Palestinian organization responsible for many heinous acts of terror.

Hamas has threatened the State of Israel and taken credit for atrocious attacks that have killed hundreds of innocent civilians – including Americans and other individuals from countries around the world. Equally disturbing, the group has been able to finance this terror through complex and sophisticated schemes that include significant assistance from international charities. People reaching deep in to their hearts and pockets to ease the suffering of individuals less fortunate should know they are helping their fellow citizens, and not contributing to the massacre of innocent men, women and children. It’s time to stop these intolerable actions, and today we will explore the landscape of issues surrounding these efforts.

The United States government has set an example for the world by clamping down on these groups and seizing their financial lifeblood with the help of new tough federal laws, including the USA Patriot Act. Shortly after September 11, 2001, law enforcement took down the Holy Land Foundation – a leading Hamas support group. Key officials from Holy Land and an associated computer company have since been indicted for their support of Hamas activities and are scheduled to go on trial next year. This is a significant victory for law enforcement, but Hamas continues to lurk in the international community, and we must not rest in our pursuit of terrorists and their financing. We must be resilient in our quest to protect the American people by tracking down and draining Hamas funding.

On August 22, the President displayed steadfast leadership with an announcement to freeze the assets of key Hamas leaders and specific international charities supporting the group. This decision demonstrates the Administration’s commitment to the war against terror, and it sends a clear message to the world that organizations linked to this heinous group will not be tolerated.

To drain the funding of terrorists, there must be a coordinated effort of countries throughout the world. America expects nothing less than the highest level of cooperation from financial institutions, international entities and foreign governments across the globe.

Today, we will hear testimony from the Treasury and State Departments to learn how other countries are supporting us in this important step to rid the world of terror. I would like to commend the Administration for appearing here today to shed some light on these issues. The American people, families of victims and innocent civilians need, and deserve, to know whether countries that have made big promises to stop terrorists are backing up their promises with action.

I am pleased that the European Union (EU) has followed President Bush's leadership and recently agreed to freeze the assets of the political wing of Hamas – a major victory for the freedom and security of citizens across the world. But the world has yet to hear a solid declaration of support from the EU for stopping deceitful charities, and they must at least match the President for any freeze on Hamas to be effective. I'm hopeful that the international community will continue to work with us on these efforts to track down illicit money, and help save lives.

To date, it is promising that our government has experienced many victories with our international partners in the war on terrorist financing. The United States has seized or frozen nearly \$200 million in terrorist-related assets and designated 315 individuals and organizations as terrorists, or part of terrorist support networks. These successes have led Steven Emerson – a premier expert on the terrorist groups who has testified before this Subcommittee – to assert that, quote, “the United States, U.S. law enforcement, the Department of Justice and other agencies have done a phenomenal job” in fighting terrorism.

I believe these and other major victories are attributable to the outstanding leadership shown by our President and this Administration, including departments represented here today. I would specifically like to highlight the work of one of our witnesses, David Aufhauser, the General Counsel of the Treasury Department. Mr. Aufhauser is the chair of the U.S. government's coordinating committee on terrorism financing and a leader in implementing the USA Patriot Act. Many Americans are unaware of the countless hours of policy discussions here, and negotiations with foreign governments overseas, that Mr. Aufhauser has led to jumpstart the global war on terrorism and protect us from future attacks. Mr. Aufhauser is leaving the Treasury Department, and on behalf of the Subcommittee, sir, I thank you for your outstanding service to your country. We wish you all the best. And I look forward to hearing your views on status of the war and any additional measures we should consider.

Joining Mr. Aufhauser are important witnesses from the State Department, the Department of Homeland Security and the FBI to discuss interagency coordination, important investigations, and their cooperation with financial institutions that have led to these successes.

The people in the country whom we are charged to protect do not care about bureaucratic ups or downs. They care about results, about stopping the evil ones from committing acts of mass murder. Thus far, the agencies in front of us today have been successful in doing that.

I would like to thank you for your appearance here today and look forward to hearing about your efforts to protect the American people.