

Congressman Felix J. Grucci, Jr.
PATRIOT Act Implementation Hearing
Opening Statement
September 19, 2002

Thank you Mr. Chairman.

First of all I would like to thank Chairman Oxley for holding this critical hearing so that we can continue to monitor the progress of the PATRIOT Act legislation that we worked so hard to pass last year. I would also like to thank our witnesses, Mr. Mueller, Mr. Dam and Mr. Larson for taking the time out of their busy schedules to be with us today.

When we first came together as a committee last year our goal was to pass legislation, The Financial Anti-Terrorism Act of 2001, that would enhance the ability of law enforcement agencies to identify and detect terrorist related transactions and attack the financing infrastructure of these organizations. We also aimed to enhance cooperation between the government and private institutions in their abilities to detect and disrupt terrorist funding; as well as prevent terrorists from accessing the U.S. financial system through foreign countries and institutions. This important measure, eventually became part of the PATRIOT Act.

I am curious to learn more about the secure website that the Treasury is currently pilot-testing to allow financial institutions to file Suspicious Activity Reports (SAR's) and Currency Transaction Reports (CTR's) electronically, via

real-time, to expedite the reporting process and make information more readily available to law enforcement.

I am also interested in learning about identity fraud and proposals and regulations to better identify legitimate identities. It is my understanding that the September 11th hijackers had opened various bank accounts under multiple identities.

I hope to learn from our witnesses, if this legislation has served its purpose and if the proposed regulations and pilot programs, which came as a result of the PATRIOT Act are effective to date. I would also like to know if we need to be doing more, in terms of enacting additional legislation to assist you in your day to day activities to protect our nation and to prevent further terrorist activity.

Last of all, in light of recent activity with Iraq and the United Nations, I would like to know if our witnesses believe that foreign countries have been cooperating with U.S. officials to the fullest extent, in order to dismantle the funding mechanisms of worldwide terror networks.

Once again, thank you for appearing today. I look forward to working closely with all of you.

Thank you.