

use offshore money laundromats to evade the international network of transparent commerce.

Financial anti-terrorism legislation is an essential, indispensable piece of our overall anti-terrorism efforts. In the words of Secretary O'Neill, we must ensure that the terrorists' moral bankruptcy must be matched by an empty wallet.

Mr. Speaker, I strongly support the passage of this bill. Financial anti-terrorism legislation, including strong money laundering provisions, must be included in any ultimate anti-terrorism package passed by this Congress.

Mr. PAUL. Mr. Speaker, the so-called Financial Anti-Terrorism Act of 2001 (H.R. 3004) has more to do with the ongoing war against financial privacy than with the war against international terrorism. Of course, the Federal government should take all necessary and constitutional actions to enhance the ability of law enforcement to locate and seize funds flowing to known terrorists and their front groups. For example, America should consider signing more mutual legal assistance treaties with its allies so we can more easily locate the assets of terrorists and other criminals.

Unfortunately, instead of focusing on reasonable measures aimed at enhancing the ability to reach assets used to support terrorism, H.R. 3004 is a laundry list of dangerous, unconstitutional power grabs. Many of these proposals have already been rejected by the American people when presented as necessary to "fight the war on drugs" or "crackdown on white-collar crime." For example, this bill facilitates efforts to bully low tax jurisdictions into raising taxes to levels approved by the tax-loving, global bureaucrats of the Organization for Economic Cooperation and Development!

Among the most obnoxious provisions of this bill: codifying the unconstitutional authority of the Financial Crimes Enforcement Network (FinCEN) to snoop into the private financial dealings of American citizens; and expanding the "suspicious activity reports" mandate to broker-dealers, even though history has shown that these reports fail to significantly aid apprehending criminals. These measures will actually distract from the battle against terrorism by encouraging law enforcement authorities to waste time snooping through the financial records of innocent Americans who simply happen to demonstrate an "unusual" pattern in their financial dealings.

In conclusion, Mr. Speaker, I urge my colleagues to reject this package of unconstitutional expansions of the financial police state, most of which will prove ultimately ineffective in the war against terrorism. Instead, I hope Congress will work to fashion a measure aimed at giving the government a greater ability to locate and seize the assets of terrorists while respecting the constitutional rights of American citizens.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the bill before us today, H.R. 3004, the "Financial Anti-Terrorism Act of 2001" will continue the work that we undertook last week in the Judiciary Committee addressing the growing threats of terrorism on U.S. soil.

In an historic effort of bi-partisanship, my Judiciary Committee colleagues and I passed our anti-terrorism bill by a 36-0 vote. Similarly, the bill before us today passed the House Financial Services Committee on a bi-partisan vote of 62-1. These numbers demonstrate to

America and to the world the unanimity of our resolve to rid society of terror, and reiterate the overwhelming timeliness for such legislation.

The problems of money laundering have always been great, but these problems are exacerbated where international terrorist networks fund their evil enterprises by masking the origin and purpose of the money. It has been suggested that the terrorist hijackers behind the September 11 attacks had a deep knowledge of the U.S. Bank Secrecy Act, record keeping duties of financial institutions, and that at least one of the leaders conducted transactions that evinced a deep understanding of obscure and complex U.S. banking regulations. This knowledge is likely to have helped expedite these horrific acts, which clearly transcend traditional notions of money laundering.

Make no mistake about it: this is big business. It has been estimated that money laundering accounts for between \$600 billion and \$1.5 trillion a year. Given the fact that the recent attacks on the World Trade Center, the Pentagon, and the crash in Somerset County Pennsylvania have been estimated to have cost only about \$.5 million, a relatively insignificant amount given the direct and collateral damage caused by the attacks, it is clear that our current money laundering laws are insufficient to deal with the current threats raised by our new war on terrorism.

With that in mind I believe that we should thank Senate Majority Leader TOM DASCHLE for insisting that money laundering language be included in the final anti-terrorism package, and we should also thank the staffs of the Financial Services and Judiciary Committees who worked late into the evening last night in search of an agreement that would bring this important legislation to the floor.

H.R. 3004 moves us in the right direction in fighting this new battle. It includes specific provisions to detect terrorist funding by increasing safeguards at banks, borders, and businesses, and gives authorities the tools that they need to effectively combat financial terrorism and related crimes. It provides for increased investigatory abilities to infiltrate terrorist cells and infrastructure, irrespective of whether such cells utilize normal financial institutions such as banks, or whether they use more clandestine underground "hawala" financial systems.

The bill establishes a partnership between private industry and government in order to decimate terrorist funding, and to this end, it provides additional tracking authority and increased cooperation between U.S. and foreign national to monitor terrorist funds kept in offshore accounts.

The bill also limits the potential for mistakes in targeting terrorists by directing the Treasury Secretary to develop regulations that require financial institutions to verify the identity of customers before opening accounts.

The bill also expands jurisdiction of the Customs Service in order to search, without a warrant, outbound U.S. mail for bulk cash or other contraband, and criminalizes smuggle currency in excess of \$10,000, and stiffens penalties for knowing falsification of transactional information in financial institutions.

Finally, additional provisions prohibit the use of credit cards, wire transfers or checks from U.S. banks to pay for illegal gambling on the Internet where so much money laundering currently takes place. In all, this bill gives law en-

forcement the tools needed to fight this new and formidable enemy of terrorism.

The need for this legislation is great. Let us pass it today and send a powerful signal to the world that terrorism, in any form, will not be tolerated in our free society. I urge my colleagues to support it.

Mr. OXLEY. Mr. Speaker, could I inquire whether the gentleman from New York has further speakers?

Mr. LAFALCE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OXLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 3004, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. OXLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 412, nays 1, not voting 17, as follows:

[Roll No. 390]

YEAS—412

Abercrombie	Capuano	English
Ackerman	Cardin	Eshoo
Aderholt	Carson (IN)	Etheridge
Akin	Carson (OK)	Evans
Allen	Castle	Everett
Andrews	Chabot	Farr
Armey	Chambliss	Ferguson
Baca	Clay	Flinter
Bachus	Clayton	Flake
Baird	Clement	Fletcher
Baker	Clyburn	Foley
Baldacci	Coble	Forbes
Baldwin	Collins	Ford
Ballenger	Combest	Fossella
Barcia	Condit	Frank
Barr	Cooksey	Frelinghuysen
Barrett	Costello	Frost
Bartlett	Cox	Gallegly
Barton	Coyne	Ganske
Becerra	Cramer	Gekas
Bentsen	Crane	Gephardt
Bereuter	Crenshaw	Gibbons
Berkley	Crowley	Gilchrest
Berman	Culberson	Gillmor
Berry	Cummings	Gilman
Biggert	Cunningham	Gonzalez
Bilirakis	Davis (CA)	Goode
Blagojevich	Davis (FL)	Goodlatte
Blumener	Davis (IL)	Gordon
Blunt	Davis, Jo Ann	Goss
Boehlert	Davis, Tom	Graham
Boehner	Deal	Granger
Bonilla	DeFazio	Graves
Bonior	DeGette	Green (TX)
Bono	Delahunt	Green (WI)
Borski	DeLauro	Greenwood
Boswell	DeLay	Grucci
Boucher	DeMint	Gutierrez
Boyd	Deutsch	Gutknecht
Brady (PA)	Diaz-Balart	Hall (OH)
Brady (TX)	Dicks	Hall (TX)
Brown (FL)	Dingell	Hansen
Brown (OH)	Doggett	Harman
Brown (SC)	Doolley	Hart
Bryant	Doolittle	Hastings (FL)
Burr	Doyle	Hastings (WA)
Buyer	Dreier	Hayes
Callahan	Duncan	Hayworth
Calvert	Dunn	Hefley
Camp	Edwards	Heger
Cannon	Ehlers	Hill
Cantor	Ehrlich	Hilleary
Capito	Emerson	Hilliard
Capps	Engel	Hinche