

**OPENING STATEMENT OF THE HONORABLE RUBÉN HINOJOSA
HOUSE FINANCIAL SERVICES COMMITTEE
“PROTECTING OUR FINANCIAL INFRASTRUCTURE:
PREPARATION AND VIGILANCE”
SEPTEMBER 8, 2004**

Chairman Oxley and Ranking Member Frank,

Thank you for holding this very important hearing today.

The United States needs to remain prepared for any and all terrorist attacks following the horror that we endured on 9/11.

We need to remain vigilant to ensure that similar attacks never happen again on U.S. soil.

As I noted during the Committee’s hearing on the 9/11 Commission Report during the August recess, we here in the United States need to focus on increasing the security of our own documentation, such as driver's licenses, passports and visas in order to prevent such terrorists from entering the United States again.

9/11 Commission Vice Chairman Lee Hamilton agreed that we need to increase the security of our own documentation, and such measures should include requiring biometric information and security features such as fingerprints, digitalized photos, holograms, and serial numbers, on these types of documents and increasing the technology with which financial institutions can verify IDs.

Prior to 9/11, the only United States consulate that required biometric information from individuals seeking entry into the United States was the U.S. consulate in Mexico. Such biometric data, and more, is now included as part of the twelve security features Mexico added to the matrícula consular ID card in 2002. As the Washington Times noted some time ago, the updated matrícula consular ID card as of 2002 is more secure than many U.S. documents.

Perhaps we should emulate the security features incorporated into the card as we create a new, more secure system of documentation in the United States.

The United States was very lucky that the 9/11 terrorist attacks did not completely halt the free flow of the U.S. capital markets for very long.

Granted, the New York Stock Exchange and others closed down for a time, and certain Federal Reserve Bank airplanes were unable to fly for a time due to the flight restrictions following the terrorist attacks.

These Federal Reserve flights are an integral part of the payment clearinghouse system in the United States.

I was very impressed by the ability of the New York Stock Exchange to adapt quickly to the terrorist situation and to accommodate the trades of so many exchanges on its own system in the days following 9/11.

Since 9/11, the NYSE, other exchanges, brokerage houses, and other entities have put into place systems to ensure that the capital markets will continue to operate at alternate sites if terrorists attack again.

Furthermore, I am pleased that Congress passed the "Check 21" legislation. That legislation facilitates electronic check imaging and authorizes the use of "substitute checks," a paper reproduction of the original check.

Today, I hope to learn from today's witnesses what measures they are taking to protect our financial infrastructure, to ensure business continuity as well as to determine if Congress needs to take additional action to protect our financial infrastructure from terrorists.

Mr. Chairman, I yield back the balance of my time.