Mr. President, I offer an amendment to this

intelligence reform bill because I think it is consistent with the

mission of that bill. There has been a lot of work and a lot of debate

about the bill, and I personally am supporting it, but I offer an

amendment to do something we very much intend to have happen, and that

is to shut down the source of revenue for terrorist organizations.

The 9/11 Commission report talks about the critical issue of

terrorist financing because as President Bush has said, money is the

lifeblood of terrorist operations.

Amazingly, some of our very own corporations help provide revenue

indirectly to terrorists by doing business with state sponsors of

terrorism. My amendment would close the loophole in the law that allows

this to happen, thereby cutting off a major source of revenue for

terrorists.

As the 9/11 Commission stated:

We took pains to check with the Parliamentarian about the

germaneness, the relevance of our amendment, and it was confirmed that

this would be relevant.

We need to starve the terrorists at the source and that is why our

sanctions program in law is so critical, but now we know a loophole in

the law exists that enables companies to do business with Iran, which

openly boasts about its support for Hamas and Islamic jihad.

Iran also funded the 1983 terror attack in Beirut that killed 241

U.S. Marines; 241 of our finest young people killed by Iranian terror,

and yet we are permitting U.S. corporations to provide revenue flows to

the Iranian Government. We have to put a stop to it as quickly as we

can.

How do companies get around terrorist sanction laws? It is a fairly

simple process. They simply establish a foreign subsidiary and run

their Iranian operations. It is demonstrated on this chart which says

that U.S. corporations have subsidiaries all over the place and that is

common in our economic and business structure. Once a foreign

subsidiary is created, then people can do business with Iran or other

rogue nations, people who are determined to kill our citizens, can do

business with them and provide services--intentionally, I do not

believe--but nevertheless to people like Hamas and Hezbollah. It is a

terrible thing to recognize that American companies can be providing

sustenance to countries that support terrorism actively.

Our American sanctions law prohibits American companies from doing

business with Iran, but the law does not mention an American company's

foreign subsidiaries. As long as a loophole like this is in place, our

terrorist sanction laws are considerably diminished in their force.

After brutally murdering 241 of our young marines in their sleep in

Beirut in 1983, an Iranian-backed terrorist killed two American women

whom we show in these photos. Look at these young faces. They are

people at the dawn of life. Sara Duker was a constituent of mine, a 22-

year-old from the town of Teaneck, NJ. She was a summa cum laude

graduate of Barnard College. Sara was killed with her fiancé when the

bus she was riding in in Jerusalem in 1996 was blown up by Hamas. An

American court confirmed that Iran was responsible and assets were

seized to try and provide compensation to the families.

Hamas receives its funding and support from the Iranian Government

and that is why this attempt to sequester assets was done.

Last year, Abigail Litle, a 14-year-old Christian missionary

originally from New Hampshire, was riding home from school in Haifa,

Israel, when her bus exploded as a result of a suicide bomb. That

attack killed 15 people and was directly linked to terrorists funded by

Syria and Iran.

I was in Iran with several other Senators and we talked to the

President of the country about supporting terrorism. He denied any

suggestion that they might be operating out of his country, but the

Israelis last week apparently took an action to eliminate the head of

one of the terrorist organizations who was clearly functioning there.

We have to worry about these countries and we cannot give them any

latitude, any encouragement to continue with their killing ways. We

also have to worry about providing revenue to Iran because of its well-

known desire to build a nuclear bomb and other weapons of mass

destruction.

The 9/11 Commission concluded:

Certainly, ``maximum'' includes providing funding for some of these

firms. So allowing U.S. companies to provide revenue to rogue WMD

programs is clearly not a maximum effort.

Some people think this is an isolated problem, but it is not.

According to a report by the Center for Security Policy, there are

large numbers of companies doing business with Iran and other sponsors

of terror.

Iran sponsors terrorism, period. The terror they help fund has killed

hundreds of Americans. Iran is seeking to develop nuclear weapons and

yet U.S. companies are using a loophole in the law in order to do

business with the Iranian Government. It is wrong. It is not illegal

yet, but this amendment would change it. I am sure when my colleagues

examine what we are talking about, they will consider joining us, I

hope, enthusiastically.

It is inexcusable for American companies to engage in any business

that provides revenue, any business practice that provides revenues to

terrorism. We have to stop it. We have a chance to do that with this

amendment. I remind our distinguished colleague, the chairperson of the

committee, that she supported this amendment before and I hope she will

once again support the amendment and let all of us close the terror

funding loophole.

I yield the floor.