Thank you, Mr. Chairman.

And thank you both for your testimony.

As a member of the conference committee, I’m looking forward to

voting for the strongest set of sanctions. I see Ahmadinejad, who’s

largely dismissive of Resolution 1929, and in part I think it’s be-

cause we roar like a lion and bite like a puppy. We need to change

that dynamic, in my mind.

No matter what sanctions regime we have, there’s really a real

question of enforcement. A law is only good if it is enforced. I look

at the U.N. resolution, and the financial sections in the resolution

appear to be weak. For example, only one new bank was added to

the list of sanction entities. Even here, in the United States, the

sanctions announced last week added only one bank to the list of

those sanctioned.

Nineteen twenty-nine specifically notes the need to exercise vigilance

over transactions involving the Central Bank of Iran. So, I’d

like to ask you, was this based on evidence that the Central Bank

has been involved in facilitating Iran’s illicit nuclear program and

its support for terrorism? And does the Treasury Department intend

to designate the Central Bank of Iran as a supporter of Iran’s

proliferation activities?

I understand about the interaction with the

Central Bank. The question is, Does the Treasury Department

intend to designate the Central Bank of Iran as a supporter of

Iran’s proliferation activities?

All right.

Now, let me ask Mr. Burns—enforcement. On July the 9th of

2008, you testified before the House Foreign Affairs Committee

that the State Department was investigating Norway’s Statoil for

a possible violation of Iran’s sanctions act. For the record, that

company was fined $10 million by the Securities and Exchange

Commission and the Justice Department for violating the Foreign

Corrupt Practices Act by bribing Iranian Government officials in

order to receive a contract. What was the result of that investigation

from the State Department?

I respect that, except that we haven’t sanctioned

anybody.

You know, we can’t keep doing the review and the review and

the review. We come to the problematic cases, and then we go

through the problematic cases, and now you’re telling me that

there’s a group of problematic cases that are still problematic because

they seem to be still engaged in Iran. DOE has information

about companies doing business in violation of the Iran sanctions.

I don’t understand how it is that the SEC can make these determinations,

that the DOE has these determinations, but we don’t

seem to come to a conclusion at State Department for sanctions.

Which makes me wonder whether we really have the desire to implement

the law and enforce it. No wonder Ahmadinejad goes, ‘‘Ho

hum,’’ to the resolutions; they mean nothing.

Well, does the failure of the State Department

result from a lack of manpower? Or, simply that you’re not

choosing to make a final determination for some political or diplomatic

reason?

Well, I hope we have a cop on the beat, not

asleep at the switch.