

EMBARGOED UNTIL DELIVERY

Remarks as Prepared for Delivery

**Opening Statement of David S. Cohen
Nominee for Under Secretary for Terrorism and Financial Crimes
United States Department of the Treasury
United States Senate Committee on Finance
April 7, 2011**

Chairman Baucus, Ranking Member Hatch, and distinguished Members of this Committee: Thank you for the opportunity to appear before you today. It is an honor to be the nominee to serve as Under Secretary for Terrorism and Financial Crimes. I want to thank President Obama for the confidence he has shown in me by nominating me, and Secretary Geithner for recommending me, to serve in this position.

I would like to introduce the members of my family who are with me here today, my father, Jordan Cohen, my wonderful wife, Suzy, and our sons, Sam and Zeke. I am enormously indebted to them for their love and support.

Having served for the past two years as the Assistant Secretary of Treasury for Terrorist Financing, I am keenly aware of the very significant responsibilities assigned to the Under Secretary for Terrorism and Financial Crimes, as well as the consequential contributions that the Under Secretary can make in advancing our Nation's security.

Illicit finance, in its many forms, is a threat to the integrity of our financial system, both domestically and internationally. Combating illicit finance not only protects our financial system from abuse by money launderers, terrorist financiers, weapons proliferators and others engaged in financial crime, but it helps to advance our most critical foreign policy and national security objectives. The many tools that the Treasury Department can deploy – ranging from anti-money laundering regulatory oversight, to outreach to counterparts overseas, to deploying targeted financial measures focused on particular individuals and entities – play an integral role in responding to many of the challenges we face. Treasury's unique capacity to understand financial flows and the operation of the financial system, analyze financial intelligence, map financial and material support networks, and take targeted, powerful actions are key to meeting these challenges.

I believe that my professional experience, particularly serving as Assistant Secretary for Terrorist Finance since May 2009, has prepared me well to undertake the responsibilities of Under Secretary.

As Assistant Secretary, I have had the opportunity to work very closely with the previous Under Secretary, participating in almost all aspects of the work of the Office of Terrorism and Financial Intelligence (TFI). This has included coordinating closely with my colleagues in each of the components of TFI – the Office of Intelligence and Analysis, the Office of Foreign Assets

Control, the Financial Crimes Enforcement Network, and the Treasury Executive Office for Asset Forfeiture.

In my capacity as Assistant Secretary, I have had the chance to work on many of the issues in TFI, but I have focused most intently on several key issues: First, our use of targeted financial sanctions, as well as outreach to the private sector and foreign governments, to increase pressure on the government of Iran for its continued refusal to live up to its international non-proliferation obligations; second, and relatedly, our efforts to financially isolate and apply pressure on the North Korea regime for its continued provocative conduct; third, our efforts to combat the financing of terrorism, especially financial support for al Qaeda, the Taliban, and other violent extremist groups in South Asia; and finally, the effort to ensure that information about the true beneficial owners of corporations is available to state and federal law enforcement and regulators pursuing money laundering and terrorist financing investigations.

Prior to serving as Assistant Secretary, I was an attorney for close to twenty years, in both private practice and in government. In private practice, I represented institutions and individuals in complex financial investigations and litigation, and counseled clients on their obligations to comply with Treasury's anti-money laundering and economic sanctions laws and regulations. From late-1999 to mid-2001, I served in the Treasury's General Counsel's office, focusing much of my attention on anti-money laundering law and policy.

If confirmed, I look forward to working closely with you, as the Treasury Department continues to implement the President's priorities for safeguarding our financial system from illicit finance. The variety and intensity of these challenges are well known to this Committee. Effectively addressing them requires great vigilance and constant innovation. I would welcome the opportunity to serve our great Nation by taking on these challenges as the leader of Treasury's critical work to fight illicit finance.

In closing, I want to thank the Committee for the attention it has given to my nomination. If confirmed, I intend to work closely with you, Mr. Chairman, the other Members of this Committee and your staff to pursue our shared objective of protecting national security and the integrity of the financial system. I am deeply committed to maintaining the very productive and close relationship that exists between this Committee and the Office that I have been nominated to lead.

Mr. Chairman, I would be pleased to respond to any questions that you or Members of the Committee may have.