



COMMITTEE ON HOMELAND SECURITY

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Subcommittee Hearing Statement of Chairman Bennie G. Thompson (D-MS)

Terrorism and Digital Financing: How Technology is Changing the Threat

July 22, 2021

We are here today to talk about the use of modern financial technologies for terrorist fundraising and financing. The mantra “follow the money” has been one of the most effective ways of investigating and stopping criminal and terrorist activity. But since this Committee was formed after 9/11, we have seen the rise of new platforms like Paypal and GoFundMe and entirely new types of money developed in the form of cryptocurrencies. These financial technologies and the digital marketplaces that make use of them have revolutionized the American economy and global markets.

Unfortunately, they have complicated law enforcement and intelligence community efforts to detect and prohibit terrorist financing. As Treasury Secretary Janet Yellen told the Senate Finance Committee, cryptocurrencies – quote – “can be used to finance terrorism, facilitate money laundering, and support malign activities that threaten U.S. national security interests. . . .”

Following the money is undoubtedly a different task than it was at the outset of the War on Terror. Yet, it remains a crucial guidepost in our efforts to root out terrorists and strengthen national security. We must ensure that our intelligence and law enforcement agencies have the tools and capabilities to keep pace with technological changes and new terrorist financing practices.

I was pleased to support Rep. Kathleen Rice’s bill, the Homeland Security Assessment of Terrorists’ Use of Virtual Currencies Act, which required the Department of Homeland Security to produce a threat assessment of terrorists’ use of virtual currency. And I look forward to hearing how this assessment has informed the Department’s efforts to combat such activity.

I am pleased that Chairwoman Slotkin is leading on this critical issue by holding today’s hearing. I look forward to a productive conversation on this topic and to working with DHS, its components, and interagency partners to ensure they have the resources they need.

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