

Thank you, Senator Bayh and Senator Shelby. I greatly appreciate the opportunity to appear before you and your distinguished Committee this morning as you take up what Defense Secretary Gates recently characterized as the greatest threat to global security today: the pursuit of a nuclear weapons capability by the Islamic Republic of Iran.

I am deeply grateful to the Chairman of the Banking Committee, my good friend and colleague Chris Dodd, for calling today's hearing. Under Chairman Dodd's leadership, the Banking Committee has played a critically important role in the response to Iran's nuclear ambitions—most notably, in the sanctions bill your Committee overwhelmingly endorsed one year ago.

I also would like to applaud you, Senator Bayh, for chairing this hearing, and for your distinguished and strong leadership on this issue. It has been my privilege to work closely with Senator Bayh this year as we, together with Senator Jon Kyl, put forward S. 908, the Iran Refined Petroleum Sanctions Act.

As of this morning, no less than 71 members of the Senate have joined together as cosponsors of S. 908. This includes both some of our most liberal and some of our

most conservative colleagues—Senators who do not see eye-to-eye on many issues. And that is precisely the point.

In uniting behind S. 908, our bipartisan coalition sends an unambiguous message of unity, strength, and resolve to Iran and the rest of the world, that, whatever other differences may divide us, they are not as important as what unites us—our shared determination as Americans to do whatever is necessary to prevent Iran from getting nuclear weapons.

Today's hearing could not take place at a more critical moment. Last week, the Senate unanimously adopted an amendment to the NDAA that Senator Bayh and I put forward, together with Senator Kyl and Senator McCain, and thereby for the first time endorsed an explicit timetable for imposing sanctions against Iran.

Specifically, our amendment urges President Obama to adopt tough new sanctions against the Central Bank of Iran in the event that the Iranians fail to respond to his historic outreach by the time of the G-20 summit in Pittsburgh on September 24, 2009, or if they fail to suspend all enrichment and reprocessing activities within 60 days of that summit.

I have been a supporter of the President's effort to engage the Iranians in direct diplomacy over the past six months. Thanks to this outreach, it should now be clear to the world that the obstacle to the peaceful resolution of Iran's nuclear program is not in Washington, but in Tehran.

Unfortunately, however, it has also become increasingly clear that Iran's current leaders are unlikely to engage in a serious negotiation with the international community over their nuclear program until they are under existential pressure to do so. In this way, crippling sanctions are not only consistent with diplomacy; they are critical to any hope of its success. It is precisely by putting in place the toughest possible sanctions, as quickly as possible, that we stand the best chance of persuading Iran's leaders to make the compromises and concessions that the peaceful resolution of this crisis will require.

In fact, this is exactly the formula that President Obama himself endorsed a year ago when he argued that the key to preventing Iran's nuclear breakout is, and I quote, "aggressive diplomacy combined with tough sanctions."

Given the September deadline endorsed by the Senate last week, I respectfully hope that your Committee will act expeditiously to provide the President with

every authority he needs to impose crippling sanctions this fall—starting with S. 908.

The logic of S. 908 is simple. During last year's presidential campaign, President Obama repeatedly pointed to Iran's reliance on imports of refined petroleum products as a point of leverage in our nuclear diplomacy. As Senator Bayh and I subsequently discovered, however, the President's authority to target the handful of companies involved in this trade is at best ambiguous. The Congress can end this ambiguity by passing S. 908. Doing so will not tie the President's hands; rather, it will hand him a new and powerful weapon in our diplomacy toward Iran.

The coming months will be critical in determining whether we stop Iran from acquiring nuclear weapons. As I know all of the members of this Committee are aware, time is not on our side. Whatever else we may debate or discuss about Iran, there is one reality we cannot afford to lose sight of: every minute of every day, right now as we speak, thousands of centrifuges in Iran are continuing to spin. Hundreds more are being installed every month. More and more fissile material is being stockpiled. Already, Iran has enough low enriched uranium to form the core of one nuclear weapon. Soon, it will have much more.

Simply put, every day that we wait, the Iranian regime is advancing closer to its goal—and the odds that we can persuade them to turn back from the brink, through peaceful means, diminish.

I thank the Committee for its time and consideration, and again express my gratitude for your strong leadership on this critical issue.