

**OPENING STATEMENT OF THE HONORABLE RUBÉN HINOJOSA
HOUSE FINANCIAL SERVICES COMMITTEE
SUBCOMMITTEE ON CAPITAL MARKETS
“G.I. FINANCES: PROTECTING THOSE WHO PROTECT US”
SEPTEMBER 9, 2004**

Chairman Oxley and Ranking Member Frank,

Thank you for holding this very important and timely hearing today.

As we all learned this week, 1,000 U.S. men and women have lost their lives during Operation Iraqi Freedom, and each, including several from the Rio Grande Valley, should be remembered for their courage and valor in defending our nation and the principles for which it stands.

More than 70 percent of the dead are soldiers in the Army, and more than 20 percent are marines. More than half were in the lowest-paid enlisted ranks.

On average, the service members who died were about 26. The youngest was 18; the oldest, 59. About half were married, according to the death roll, which does not include a handful yet to be identified by the Defense Department and three civilians who worked for the military.

Part-time soldiers, the guardsmen and reservists who once expected to tend to floods and hurricanes, were called to Iraq on a scale not seen through five decades of war.

Increasingly, Iraq is becoming the conflict of the National Guard, and in growing numbers this spring and early summer, these part-time soldiers died there. Ten times as many of them died from April to July of this year as had in the war's first two months.

This past weekend, the Valley lost another of its soldiers while bravely serving his country during Operation Iraqi Freedom. On September 6, 2004, United States Army National Guardsman Tomás Garces died in Iraq. Garces died when his convoy was attacked by enemy forces using an improvised explosive device. Garces was assigned to the National Guard's 1836th Transportation Company from Fort Bliss, Texas. His family resides in Weslaco, Texas in my district.

At just 19 years of age, Tomás' loyalty to the cause of freedom was steadfast and clear. A 2003 graduate of Weslaco High School, Tomás was a champion wrestler, and took his lessons from the mat with him to the Guard.

In July, he had been recommended for a Bronze Star for his actions during an ambush.

These brave troops in our nation's military are working every day to guarantee the safety, security and freedom for Americans and Iraqis, and Tomás was no exception. My thoughts and prayers are with his parents, Rafael and Sonia, his brothers and sister, and his entire family at this difficult time.

Garces is the 10th soldier from the Valley to die in the line of duty in Iraq since the conflict began.

Over fifty percent of the U.S. military is comprised of minorities, including Hispanics, who sometimes have not completed high school and/or do not have the wherewithal to attend community colleges or universities. Consequently, they turn to the military for a better life.

These individuals tend not to be well-versed in financial services issues. Some of them do not even have bank accounts. Unfortunately, this is not very uncommon in the United States in general as financial literacy in this country is abysmal.

While I must condemn any company or industry that preys upon these brave individuals who risk their lives for our country and our Democracy, I realize that sometimes the negative actions and sales are done by a few bad apples and do not represent the industry as a whole. Life insurance and mutual funds, when appropriately crafted and appropriately marketed to our military, are just that....very appropriate.

But when someone goes after a financially unsophisticated, courageous youth headed into battle with a product that will not benefit his family if he does not return from his tour of duty alive, I have to draw the line.

Mr. Chairman, I hope today's hearing will shed light on the inappropriate sales of contractual mutual funds to our military personnel, and I would hope that all of you would pray for the family of National Guardsman Tomás Garces.

I yield back the balance of my time.