

## ACTIVE FINANCING BILL

**HON. DAVE CAMP**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. CAMP of Michigan. Madam Speaker, I am pleased to join Representative RICHARD NEAL and introduce legislation to make permanent the Subpart F exception for active financial services income. Under current law, the provision will expire next year.

I have long been an advocate for this legislation. While Congress has extended Subpart F for active financial services income on an ad hoc basis, such inconsistency does not make for good tax planning or tax policy. Besides ensuring consistency, Congress must develop policies that help businesses invest and keep jobs here in the United States. Allowing tax benefits to expire is a direct tax hike on employers, and it is a direct assault on every American job.

This legislation ensures that U.S. financial services firms can continue to defer U.S. tax on their earnings from their foreign active financial services operations until such earnings are paid as dividends back home. No other developed country in the world imposes current tax on financial services income earned outside their country. If the U.S. is to remain competitive in the global marketplace, the Federal Government must not put our companies at a tax disadvantage. Without the legislation we are proposing, American financial services companies will lose out on business to foreign firms. When American companies lose customers, American jobs are lost.

Overseas operations are important to American companies' domestic success. For example, if North American profits dip, these companies can use their global profits to offset losses. And, as I mentioned before, domestic jobs are gained when a business has more customers to sell to. Domestic jobs support overseas operations, increased product exports, and product development.

Failure to make permanent this current law provision would be a critical mistake for the U.S. economy. If U.S. financial services companies have to pay current U.S. tax on the active financial services income they generate overseas, they will have higher costs than their foreign-owned competitors. Their customers will turn to non-U.S.-owned firms. Given the thousands of U.S. jobs at stake, I do not believe our tax policy should allow this to happen.

I urge my colleagues to support this important bill.

## INTRODUCTION OF ACTIVE FINANCING BILL

**HON. RICHARD E. NEAL**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. NEAL of Massachusetts. Madam Speaker, today I am pleased to join my friend and Committee colleague Representative DAVE CAMP in introducing legislation to make permanent the Subpart F provision for active financial services income. It is time to end the temporary extensions of this important incentive

and finally make this a permanent part of the tax code. In the Senate today, Chairman BAUCUS and Senator HATCH will also be filing identical legislation.

The U.S. financial services industry employs workers all across the U.S. The continued health and vitality of this industry depends on the level of success of these U.S. companies in the global market. However, one important incentive expires at the end of next year, which allows these companies to defer U.S. tax on the active business financial services income earned by foreign subsidiaries of U.S. financial services companies. Other active U.S. businesses enjoy this deferral for active business operations, so it just makes sense that financial services companies should as well. The deferred tax would be triggered when that income is sent back as a dividend to the U.S. parent.

While the U.S. financial services industry is a global leader, the market is fiercely competitive with every company searching for some advantage over another. If U.S. financial services companies are unable to compete in global markets, foreign firms will fill the void. In that case, the thousands of jobs necessary to support a global financial services operation will be lost to foreign companies.

Current law includes stringent safeguards to ensure that the income eligible for deferral of U.S. tax is real business income and is earned by local operations serving local markets. Importantly, a qualifying business cannot be one that is based in a tax haven to serve other markets. To qualify, a company must be actively engaged in a financial services trade or business and must predominantly serve customers in the country in which it is located. These common-sense requirements ensure that this exception works as intended.

Deferral for active financial services income has been the law for most of the history of the corporate income tax. However, since 1997, it has only been a temporary provision in the code and extended many times. It is time for Congress to once again make this exception a permanent part of the code providing the stability our U.S. financial services industry needs to remain the global leader. I urge you to join us in this effort.

## TO RAISE THE DIALOGUE WHILE ENSURING COMPETITION AMONG THE FEDERAL STUDENT LOAN PROGRAMS

**HON. JON C. PORTER**

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. PORTER. Madam Speaker, the Student Aid Reward Act (STAR) was drafted to provide additional funds for students to meet the ever rising costs of a higher education. Let me first note that I understand that there is a difference of opinion as to the calculation of the savings from this legislation and I hope we can reach an agreement on how to assess the real and actual costs of both programs before its enactment. As always, I believe it is important that all legislation needs to occur through the regular Committee process where all sides have the opportunity to participate. It is important to know that I strongly support diversity and competition within the Federal student

loan system. Competition within the student loan system includes not only competition among Federal Family Education Loan Program (FFELP) providers, but also competition between the two Federal student loan programs. Each of these programs should be run in a manner that provides the best products and services to students, while being good stewards of taxpayer funds. I hope that strong tradition continues and believe this bill will act as a catalyst for open and productive dialogue with the ultimate goal of ensuring students are provided the financial aid package that will meet their financial and customer service needs.

The simple fact is that education is the single most important factor when it comes to equalizing opportunity and ensuring all students are able to achieve a better future. A well educated society is paramount to our global competitiveness and security here at home. Because education is so critical, I believe we have a duty to ensure it is available to all our citizens and we have an obligation to ensure we make thoughtful, careful and well informed decisions as the stewards of these critical financial aid programs.

## A TRIBUTE TO MARGARITA CAMPOS

**HON. ADAM B. SCHIFF**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. SCHIFF. Madam Speaker, I rise today to honor Ms. Margarita Campos, of Burbank, California. Each year in March, in recognition of Women's History Month, we pay special tribute to the contributions and sacrifices made by our Nation's women.

Born to Cuban parents, Margarita has been a resident of Burbank, California for over forty years. Margarita received her Associate of Arts degree in Liberal Arts from Los Angeles Mission College and earned her Bachelor of Arts Degree in Business Law from the University of West Los Angeles.

Since 2001, Margarita has been the elected Burbank City Clerk and is responsible for maintaining all official city records including: keeping a complete and accurate record of all City Council, Redevelopment Agency, and related proceedings, maintaining the Burbank City Charter and Municipal Code, and conducting all municipal elections. Prior to her term as City Clerk, Margarita served as the City of Burbank Community Assistance Coordinator and the Secretary to the Mayor.

Margarita is involved with various professional organizations. She is a member of the International Institute of Municipal Clerks, the Association of Records Managers, and the City Clerks Association of California.

In her spare time, Margarita dedicates herself to volunteering with organizations that directly benefit the Burbank community. She is a member of the League of Women Voters, a nonpartisan political organization that advocates for the improvement of government systems and aspires to impact public policies through citizen education and advocacy. Margarita served as the First Vice-President for the Zonta Club of the Burbank Area, a worldwide organization comprised of a diverse membership working together to advance the

global status of women through service and advocacy.

Margarita enjoys spending time with her family. She is a loving wife to husband Vince and proud mother to two children, Natasha and Vince.

Ms. Campos' devotion to her career and her long-time commitment to the prosperity of our community serves as a true inspiration to us all. I ask all Members of Congress to join me today in honoring an extraordinary woman of California's 29th Congressional District.

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RECOGNIZING INTERNATIONAL  
WOMEN'S DAY

**HON. CHARLES B. RANGEL**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. RANGEL. Madam Speaker. I rise today to recognize International Women's Day and to enter into the RECORD an article by Edith M. Lederer appearing today in the Washington Post, entitled "U.N. Seeks End to Violence Against Girls."

Throughout the world, violence against women appears to be acceptable. According to a 1997 World Health Organization study, in her lifetime, one in five women will be a victim of rape or an attempted rape. A separate 2003 report has shown that 147 women are raped every day in South Africa. According to the same study, in the U.S. a woman is raped every 90 seconds.

Darfur presents one of the most extreme examples of violence against women in the world. Currently, rape is used systematically against women in this region of Sudan. While it is impossible to know exactly how many women have been victims of sexual violence since the armed conflict began; however, it is believed that thousands of women have been raped, many multiple times. The devastating effects of rape are ever lasting. Victims are pariahs in their families and their communities. Women, in the Sudan, and in many places throughout the world cannot file complaints against their attackers because no one cares or takes the time to listen.

Sexual violence against women is not limited to the Sudan. Since the conflict in Côte d'Ivoire began in 2002, thousands of women and girls have become victims of widespread, systematic rape committed by combatant forces or their civilian allies. Many women have been sexually tortured, gang-raped or abducted and reduced to sexual slavery by combatants. These women have little recourse or access to health care, counseling or other support services.

The single most important factor that allows violence against women to persist, whether in times of peace or war, is the fact that those who attack and rape women know that they can get away with it. I support International Women's Day and its efforts to bring much needed attention to this critical issue.

[From the Associated Press, Mar. 8, 2007]

U.N. SEEKS END TO VIOLENCE AGAINST GIRLS  
(By Edith M. Lederer)

UNITED NATIONS.—On the eve of International Women's Day, the U.N. Security Council called Wednesday for an end to the "pervasive violence" against girls and women during armed conflicts and demanded that the perpetrators be punished.

The council reiterated "its utmost condemnation" of the killing, maiming, sexual abuse, abduction and trafficking of girls and women and called on all warring parties to protect them, especially from rape and other forms of sexual violence.

In a presidential statement read at a formal meeting, the council emphasized the responsibility of all 192 U.N. member states "to put an end to impunity and to prosecute those responsible for genocide, crimes against humanity, and war crimes including those relating to sexual and other violence against women and girls."

The theme of International Women's Day on Thursday and the two-week meeting of the Commission on the Status of Women that ends Friday is discrimination and violence against girls—and ending the impunity for perpetrators.

Rachel Mayanja, the special adviser to Secretary-General Ban Ki-moon on gender issues and the advancement of women, told a news conference that girls and women are subjected to violence every day in every country—and the violence "transcends politics, culture and religion, race, class, income and age.

"In order to eliminate violence against women and girls, we must take swift and concerted action to eradicate all forms of discrimination against them, and ensure women's equality with men," she said.

Noeleen Heyzer, executive director of the U.N. Development Fund for Women, said the U.N. Trust Fund to End Violence Against Women has granted more than \$13 million to more than 230 initiatives in more than 100 countries over the last 10 years and demonstrated "that ending violence against women is possible."

"It is a pandemic that can be stopped . . . given the necessary political will and resources," she said.

Heyzer said currently 89 countries have legislative provisions on domestic violence, 104 countries have made marital rape a crime, 90 countries have provisions against sexual harassment, and 93 states prohibit trafficking of women and men.

The number of countries adopting legislation against violence is growing, she said, but implementation of the laws "is often insufficient."

Heyzer urged "a real increase in resources if we are to end impunity," including nearly tripling the trust fund's annual budget from the current \$3.5 million to \$10 million.

In Wednesday's statement, the Security Council also urged the secretary-general to appoint more women as top envoys in U.N. peacekeeping and peace-building missions, in decision-making positions in U.N. field operations, and especially among military observers, civilian police, human rights and humanitarian staff.

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PERSONAL EXPLANATION

**HON. JIM COOPER**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. COOPER. Madam Speaker, I was absent on Monday, March 12 for personal reasons. Had I been present for votes, I would have voted "yea" on each of the three votes taken: H.R. 85, H. Res. 136, and H. Res. 89.

FIRST CLASS NAVY DIVER TIMOTHY ALEXANDER, THE NAVY SEA SYSTEMS SAILOR OF THE YEAR

**HON. JOHN A. BOEHNER**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. BOEHNER. Madam Speaker, I am extremely proud to rise today in honor of First Class Navy Diver Timothy Alexander of Middletown, Ohio. On March 9, 2007 First Class Navy Diver Alexander was awarded the Navy Sea Systems Command Sailor of the Year Award.

The Sailor of the Year Award program began 29 years ago in order to recognize the top enlisted sailors in the United States Navy. The program provides recognition to outstanding sailors through numerous presentations, awards, and meritorious advancement to the next pay grade. Sailors are judged on their performance for the past twelve months; performance over the course of their career to date; and off-duty education, civic involvement and awards earned. Additionally, a selection board of four Command Master Chiefs question the finalists concerning Navy policies, ethics, guiding principles, and leadership. Following this long process, First Class Navy Diver Alexander was chosen as the Navy Sea Systems Command Sailor of the Year.

First Class Navy Diver Alexander enlisted in the United States Navy on June 12, 1991. Since his date of enlistment, Mr. Alexander has proudly served our Nation and protected our interests throughout the world. In June of 1992, he was a vital member of the salvage team that prevented the USS *Ingersoll* from sinking in the Straits of Malacca. In November of 1999, as an experimental diver, he volunteered for numerous experimental dives and was the lead technician on a groundbreaking chemical re-breather, which has been instrumental to seal operators' safety and mission success. In January of 2002 he completed several classified missions in support of Operations Iraqi Freedom and Enduring Freedom. These are only a few examples of many brave actions taken by Mr. Alexander throughout his long and accomplished naval career.

First Class Diver Tim Alexander is a testament to the great commitment and courage of all volunteer military. He has worked hard to further his education and training, and his efforts have been rewarded in being named the Navy Sea Systems Command Sailor of the Year. I consider it an honor to represent him in Congress.

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HONORING MONSIGNOR JOHN  
BRENKLE, HELAINE KATZ, AND  
MARIANNA DEWITT SCHMIDT

**HON. MIKE THOMPSON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 13, 2007*

Mr. THOMPSON of California. Madam Speaker, I rise today to recognize three residents of St. Helena, CA. who were vital to the foundation and success of our Boys and Girls Club of my hometown. These three made vast contributions of time and energy to get the