

I offer my condolences to the families and loved ones of those who died during the attacks as well as my sympathy and commitment to those who are sick as a result. We must remain vigilant in the face of terrorism, and, Madam Speaker, we must always remember the events that occurred on that tragic day 7 years ago.

ALLOWING TAIWAN TO PARTICIPATE IN UNITED NATIONS ACTIVITIES

HON. SCOTT GARRETT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 2008

Mr. GARRETT of New Jersey. Madam Speaker, when the United Nations General Assembly met earlier today, the Secretariat considered a request by several of Taiwan's diplomatic allies. These countries asked the United Nations to allow the Republic of China (Taiwan) and its 23 million citizens to have meaningful participation in the activities of the specialized agencies of the United Nations.

By excluding 23 million people from participation in UN-sponsored activities, the UN is effectively treating the people of Taiwan as less than equals when compared to citizens of other countries. The people of Taiwan enjoy the benefits of living in a country that has free elections, yet it is certainly unfair for them to be denied access to agencies such as the International Civil Aviation Organization.

In this global economy, no country and no people are an island. Information travels fast, epidemics spread equally fast. For instance, without membership in the World Health Organization, Taiwan is an overlooked area in the global epidemic surveillance network. Continued exclusion will only harm the international community.

Furthermore, Taiwan has the world's tenth largest shipping capacity, but it has no access to the meetings of the International Maritime Organization and can't acquire first-hand information. There are many other instances of the impracticalities of banning Taiwan's membership in the international society.

I am disappointed that the People's Republic of China again blocked Taiwan's request. Taiwan President Ma Ying-jeou has taken a number of steps to improve the relationship with Beijing, including permission of direct weekend charter flights between the mainland and the island. It is time for the People's Republic to reciprocate by granting Taiwan the ability to join certain UN agencies.

HONORING KAREN MANNING, MSN, RN, CNA, CRRN PRESIDENT OF THE ASSOCIATION OF REHABILITATION NURSES

HON. NIKI TSONGAS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 2008

Ms. TSONGAS. Madam Speaker, today I pay tribute to Karen Manning, MSN, RN, CNA, CRRN, of Salem State College and president of the Association of Rehabilitation Nurses (ARN), a constituent from my congressional

district. Ms. Manning will soon complete her year as the 2007–2008 national president of the ARN, a professional organization representing professional nurses who work to enhance the quality of life for those who are affected by physical disabilities or chronic illnesses. During her tenure as president at ARN, Ms. Manning has been a strong leader and advocate for rehabilitation nurses, as well as the patients ARN serves everyday.

Since 1974, ARN has been the leading source for the latest rehabilitation information, resources, professional development and career opportunities for rehabilitation nursing professionals. ARN members are nurses, with a broad range of clinical experience, dedicated to helping individuals affected by chronic illness or a physical disability adapt to their disabilities, achieve their greatest potential, and work toward productive, independent lives.

Presently, ARN comprises a nationwide network of more than 5,500 rehabilitation nurses who practice in many settings, including hospitals, rehabilitation facilities, home health agencies, subacute and long-term care facilities, and private companies.

A resident of Tewksbury, Massachusetts, Ms. Manning has earned her Bachelors of Science in Nursing from the University of Massachusetts Boston and her Masters of Science in Nursing, with a concentration in nursing management, from the University of Massachusetts Lowell in 1994. Ms. Manning is currently pursuing her Doctorate degree in Education from Nova Southeastern University.

In addition to Ms. Manning's academic achievements, she has also authored chapters in both the Rehabilitation Nursing Core Curriculum and Safe Patient Handling and Movement in Rehabilitation—published in 2007 and 2008, respectively. She has presented numerous times on topics relating to current trends in rehabilitation, the future of nursing, and the future role of rehabilitation nurses.

Madam Speaker, I hope my colleagues will join me today in recognizing the outgoing president of the Association of Rehabilitation Nurses, Karen Manning, MSN, RN, CNA, CRRN, for her dedication and exemplary work in the field of rehabilitation nursing. We thank you Ms. Manning for your ongoing service to the healthcare profession.

CONGRATULATIONS TO THE CITIZENS TELEPHONE COMPANY AND LAFAYETTE COUNTY C-1 SCHOOL DISTRICT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 2008

Mr. SKELTON. Madam Speaker, let me take this opportunity to congratulate the Lafayette County C-1 School District on receiving a \$37,000 grant and to commend the Citizens Telephone Company for their most generous contribution.

To celebrate the company's 100th anniversary of their first dial tone in Higginsville, MO., the Citizens Telephone Company awarded the Lafayette County C-1 School District a \$37,000 check. This grant enables the school district to start offering new classes to Higginsville students that were not available before. Also, the grant establishes a "Distance

Learning" Program. This allows students to communicate with teachers remotely, from different locations. Citizens Telephone Company has graciously provided monitors, cameras, and other devices to make this technology come to fruition. Now, students and teachers in the district can actually see and interact with each other from different locations.

Madam Speaker, I urge all Members of the House to join me in congratulating the school district and in commending the Citizens Telephone Company on its generosity.

SUNSET MEMORIAL

HON. TRENT FRANKS

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 2008

Mr. FRANKS of Arizona. Madam Speaker, I stand once again before this House with yet another Sunset Memorial.

It is September 18, 2008 in the land of the free and the home of the brave, and before the sunset today in America, almost 4,000 more defenseless unborn children were killed by abortion on demand. That's just today, Madam Speaker. That's more than the number of innocent lives lost on September 11 in this country, only it happens every day.

It has now been exactly 13,023 days since the tragedy called Roe v. Wade was first handed down. Since then, the very foundation of this Nation has been stained by the blood of almost 50 million of its own children. Some of them, Madam Speaker, cried and screamed as they died, but because it was amniotic fluid passing over the vocal cords instead of air, we couldn't hear them.

All of them had at least four things in common. First, they were each just little babies who had done nothing wrong to anyone, and each one of them died a nameless and lonely death. And each one of their mothers, whether she realizes it or not, will never be quite the same. And all the gifts that these children might have brought to humanity are now lost forever. Yet even in the glare of such tragedy, this generation still clings to a blind, invincible ignorance while history repeats itself and our own silent genocide mercilessly annihilates the most helpless of all victims, those yet unborn.

Madam Speaker, perhaps it's time for those of us in this Chamber to remind ourselves of why we are really all here. Thomas Jefferson said, "The care of human life and its happiness and not its destruction is the chief and only object of good government." The phrase in the 14th Amendment capsulizes our entire Constitution. It says, "No State shall deprive any person of life, liberty or property without due process of law." Madam Speaker, protecting the lives of our innocent citizens and their constitutional rights is why we are all here.

The bedrock foundation of this Republic is the clarion declaration of the self-evident truth that all human beings are created equal and endowed by their Creator with the unalienable rights of life, liberty and the pursuit of happiness. Every conflict and battle our Nation has ever faced can be traced to our commitment to this core, self-evident truth.

It has made us the beacon of hope for the entire world. Madam Speaker, it is who we are.

And yet today another day has passed, and we in this body have failed again to honor that foundational commitment. We have failed our sworn oath and our God-given responsibility as we broke faith with nearly 4,000 more innocent American babies who died today without the protection we should have given them.

So Madam Speaker, let me conclude this Sunset Memorial in the hope that perhaps someone new who heard it tonight will finally embrace the truth that abortion really does kill little babies; that it hurts mothers in ways that we can never express; and that 13,023 days spent killing nearly 50 million unborn children in America is enough; and that it is time that we stood up together again, and remembered that we are the same America that rejected human slavery and marched into Europe to arrest the Nazi Holocaust; and we are still courageous and compassionate enough to find a better way for mothers and their unborn babies than abortion on demand.

Madam Speaker, as we consider the plight of unborn America tonight, may we each remind ourselves that our own days in this sunshine of life are also numbered and that all too soon each one of us will walk from these Chambers for the very last time.

And if it should be that this Congress is allowed to convene on yet another day to come, may that be the day when we finally hear the cries of innocent unborn children. May that be the day when we find the humanity, the courage, and the will to embrace together our human and our constitutional duty to protect these, the least of our tiny, little American brothers and sisters from this murderous scourge upon our Nation called abortion on demand.

It is September 18, 2008, 13,023 days since Roe versus Wade first stained the foundation of this Nation with the blood of its own children; this in the land of the free and the home of the brave.

INTRODUCTION OF REINSURANCE TAX LEGISLATION

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 2008

Mr. NEAL of Massachusetts. Madam Speaker, today I am pleased to come before the House to introduce legislation ending the advantage of offshore reinsurance entities over American companies. In the past, I have offered a number of bills to limit offshore tax avoidance and have even previously offered bipartisan legislation on the issue of foreign reinsurance specifically. I am here today to try a different approach to tackle the problem of excessive reinsurance to related foreign entities and I hope my colleagues will join me in this timely effort.

Now, some may question why it would be timely to offer this legislation considering that one of the largest U.S. insurance companies was just bailed out by the Fed. I think it is precisely the time to shore up the U.S. market. Already, the speculation has begun as to what parts of AIG will be sold off. A leading insurance industry research entity, Dowling & Partners, posed the question yesterday: "Will the offshore tax issue be highlighted once again, with much of AIG's business potentially mov-

ing to competitors offshore?" With the advantage of a no- or low-tax jurisdiction from which to operate, you can bet that foreign competitors are already eyeing purchases of the AIG business.

There is no doubt that there is a legitimate role for reinsurance. It is a fundamental business technique for risk management and is to be fostered. But just as Congress and Treasury have attempted to measure what is legitimate in sharing debt and earnings between affiliates, there have been attempts to appropriately characterize reinsurance between related entities. Unfortunately, as recent data shows, those attempts have been unsuccessful.

Since 1996, the amount of reinsurance sent to offshore affiliates has grown dramatically, from a total of \$4 billion ceded in 1996 to \$34 billion in 2007, including \$19 billion alone to Bermuda affiliates. These insurance profits are shuttled out of the U.S. and then the investment income on those profits is also sheltered from U.S. taxes. It is easy to see why foreign reinsurers, with such a tax benefit, enjoy a significant market advantage.

Now we are beginning to see a new problem: the offshore affiliates are writing direct insurance here in the U.S. We have seen in the last decade a doubling in the growth of market share of direct premiums written by groups domiciled outside the U.S., from 5.1 percent to 10.9 percent, representing \$54 billion in direct premiums written in 2006. Again, Bermuda-based companies represent the bulk of this growth, rising from 0.1 percent to 4 percent. And it should be noted that during this time, the percentage of premiums ceded to affiliates of non-U.S. based companies has grown from 13 percent to 67 percent. Bermuda is not the only jurisdiction favorable for reinsurance, and in fact earlier this year, one company moved from the Cayman Islands to Switzerland citing "the security of a network of tax treaties," among other benefits.

Congress first recognized the problem of excessive reinsurance in 1984 and provided specific authority to Treasury under Section 845 of the tax code to reallocate items and make adjustments in reinsurance transactions in order to prevent tax avoidance or evasion. In 2003, the Treasury Department testified before Congress that the existing mechanisms were not sufficient. In 2004, Congress amended this provision to expand the authority of Treasury to not only reallocate among the parties to a reinsurance agreement but also to recharacterize items within or related to the agreement. Congress specifically cited the concern that these reinsurance transactions were being used inappropriately among U.S. and foreign related parties for tax evasion. Despite this grant of expanded authority, Treasury has still been unable to stem the tide moving offshore.

Recently, a coalition of U.S.-based insurance and reinsurance companies has been formed to express their concerns to Congress. With more than 150,000 employees and a trillion dollars in assets here in the U.S., I believe it is a message of concern that we should heed.

That is why I am filing legislation today to disallow deductions for excess reinsurance premiums with respect to U.S. risks paid to affiliated insurance companies that are not subject to U.S. tax. The excess amount will be determined by reference to an industry fraction, by line of business, which will measure

the average amount of reinsurance sent to unrelated parties. The legislation provides Treasury the authority to carry out or prevent the avoidance of the provisions of this bill.

My colleagues may be thinking that this sounds similar to another provision in the code, and they would be right. The tax code currently tries to limit the amount of earnings stripping—that is, sending U.S. profits offshore through inflated interest deductions—by disallowing the interest deduction over a certain threshold. In the reinsurance context, U.S. affiliates of foreign based reinsurance entities may be sending offshore excessive amounts of reinsurance to strip those premiums out of the purview of the U.S. tax system. My bill limits the deduction for those premiums to the extent the reinsurance to a related party exceeds the industry average.

I hope that in the coming weeks, my colleagues and experts in the industry will carefully review this new proposal and provide constructive commentary on it. A fuller technical explanation of the bill will be posted on my website, which will provide some background on the industry as well as a technical description of the bill. Madame Speaker, I appreciate the opportunity to address the House on this important matter and I assure my colleagues that I will continue my efforts to combat offshore tax avoidance, regardless of what industry is impacted.

HONORING DOUGLAS KAPNICK

HON. TIMOTHY WALBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 2008

Mr. WALBERG. Madam Speaker, I rise today to honor Douglas Kapnick of Adrian, MI on the celebration of his retirement from Kapnick Insurance Group. For 43 years he has successfully operated the company and has contributed to various organizations within the area in an effort to give back to the community.

Upon graduating from the University of Michigan in 1965 with a Business Administration degree, Douglas Kapnick joined his father's insurance business, Kapnick and Company. From the beginning, he focused on expanding the agency beyond home and auto insurance and worked to extend its reach into Adrian's neighboring areas. In 1974 he bought the 15-person operation from his father, Elmer Kapnick, and in 1975, he was elected to serve as its president. As chairperson and chief executive officer, he succeeded in growing the business into one of the most respected insurance agencies in the Midwest.

In July 2001, the company doubled its benefits operation through the purchase of Harbors Benefits Services located in Ann Arbor, MI, and in 2005, it changed its name to Kapnick Insurance Group. The company has gained recognition as an innovative, well managed company with a reputation for providing quality service and creative solutions to its clients. The company's success can be traced to Douglas' inspiring leadership and ability to bring out the best in each employee. Carrying on the family tradition, Douglas Kapnick's two sons, Jim and Mike Kapnick, bought the company from him in 2006. On September 5, 2008, Douglas spent his last official day in the office.