

from a total of \$4 billion ceded in 1996 to \$33 billion in 2008, including nearly \$21 billion to Bermuda affiliates and over \$7 billion to Swiss affiliates. Use of this affiliate reinsurance provides foreign insurance groups a significant market advantage over U.S. companies in 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. In fact last 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. Last month, they wrote to the leadership of the House and Senate tax-writing committees urging passage of my bill because, as they wrote, "This loophole provides foreign-controlled insurers a significant tax advantage over their domestic competitors in attracting capital to write U.S. business."

That is why I am again filing legislation 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 by U.S. companies. The bill allows foreign groups to avoid the deduction disallowance by electing to be treated as a U.S. taxpayer with respect to the income from affiliate reinsurance. Thus, the bill merely restores a level-playing field, treating U.S. insurers and foreign-based insurers alike. 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. Madam 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.

THE GENERATING RETIREMENT OWNERSHIP THROUGH LONG-TERM HOLDING

HON. PAUL RYAN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 2009

Mr. RYAN of Wisconsin. Madam Speaker, I, along with Congressman ARTUR DAVIS and Congressman JOSEPH CROWLEY, re-introduce today the Generating Retirement Ownership Through Long-Term Holding ("GROWTH") Act of 2009. At a time when our economy is struggling to recover, this bipartisan bill would provide a valuable tool to hardworking Americans saving for retirement and other financial goals.

Mutual fund investors are overwhelmingly middle-income Americans investing for the long term. For many of these investors, mutual funds provide a low-cost, professionally managed, diversified opportunity in which they can save for their own retirement. Currently, investors who buy shares in a mutual fund and hold them for the long term find themselves taxed as they go—even though no fund shares were sold and no cash was received. This legislation allows mutual fund shareholders to keep more of their own money working for them longer by deferring capital gains taxes until they actually sell their investment. The GROWTH Act makes it easier for these individuals to meet their retirement savings goals.

Most of our Nation's mutual fund shareholders report that retirement is the primary reason why they are saving. More than 29 million Americans are saving through long-term mutual funds held in taxable accounts, either to supplement their employers' retirement plans, or because they do not have access to such plans. Seventy-six percent of mutual fund investors say that their primary financial goal is to save for retirement. At the same time, almost half—about 76.2 million of 158.1 million workers—are not offered any form of pension or retirement savings at work.

Meanwhile, the costs once in retirement are growing. For example, the Employee Benefit Research Institute estimates that, depending on their source of health insurance coverage and their comfort level with having a 50-per-

cent, 75-percent, or 90-percent chance of having enough savings to cover health insurance premiums and out-of-pocket health care expenses in retirement, men retiring at age 65 in 2019 will need between \$114,000–\$634,000, while needed savings for women range from \$164,000–\$754,000.

Mutual fund investors who automatically reinvest are doing the right thing. They are saving for the longer term, contributing to our national economy, and building up their own retirement nest egg. These Americans should be encouraged to save not punished for doing so through a tax on automatic reinvestments. The tax code needs to help, not hinder, saving for retirement. I urge my colleagues to join us in this effort and cosponsor this legislation.

RECOGNIZING THE GREATER LEANDER CHAMBER OF COMMERCE

HON. JOHN R. CARTER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 2009

Mr. CARTER. Madam Speaker, I would like to recognize the Greater Leander Chamber of Commerce for its great efforts within the community and serving as a helpful resource for the Adopt-a-Unit Program in Leander. The city of Leander participated in adopting troops from the 4th Infantry Division, Fort Hood, Texas. The Program provided soldiers and their families back home with supplies, care packages and moral support during their deployment to Iraq over the last year.

I appreciate the hard work and commitment of the Greater Leander Chamber staff and look forward to what great things it will do in the future.

It is an honor to recognize the Greater Leander Chamber of Commerce and its staff.

EARMARK DISCLOSURES

HON. TOM LATHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 2009

Mr. LATHAM. Madam Speaker, pursuant to the new House Republican standards on earmarks, I am submitting the following information.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Alice Road

Amount Provided: \$750,000

Account: FHWA TCSP—Transportation & Community & System Preservation

Recipient: Iowa Dept of Transportation

Recipient's Street Address: 800 Lincoln Way Ames, IA 50010

Description: This funding would be used for the constructing of a 6-lane arterial blvd. as part of a north-south economic development corridor.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Ames Intermodal Facility

Amount Provided: \$350,000

Account: FTA—Buses & Bus Facilities

Recipient: Ames Transit Agency

Recipient's Street Address: 1700 University Blvd. Ames, IA 50010

Description: This project would construct an intermodal transportation facility that would consolidate three essential transportation functions in Ames, IA. within a single, intermodal facility (intercity bus operations, public transit and parking law enforcement). The funds would accommodate the design phase of this project, in support of a multi-modal and "green" transportation resource. Funding would move the project forward.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Ames Transit Facility Expansion

Amount Provided: \$500,000

Account: FTA—Buses & Bus Facilities

Recipient: Ames Transit Agency

Recipient's Street Address: 1700 University Blvd. Ames, IA 50010

Description: The current bus storage facility is built for 25 vehicles; the facility now houses 70 vehicles on the same site, crowding both storage and maintenance operations. The new facility would be built on the existing site or a satellite site.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Earthworks Engineering Research Center—EERC

Amount Provided: \$500,000

Account: Transportation Planning, Research, and Development

Recipient: Iowa State University

Recipient's Street Address: 1750 Beardshear Hall Ames, IA 50011

Description: The EERC is an effort that does research in the area of geo & construction engineering approaches to U.S. civil infrastructure needs. The research initiatives are aimed at finding better ways to evaluate those technologies and techniques used in earth moving related to new and improved transportation infrastructure. This project is all the more relevant as we approach solutions to infrastructure needs.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Iowa Highway 92 Reconstruction

Amount Provided: \$750,000

Account: FHWA TCSP—Transportation & Community & System Preservation

Recipient: Iowa Dept of Transportation

Recipient's Street Address: 800 Lincoln Way Ames, IA 50010

Description: The project would consist of improvements to Iowa Highway 92 located in Warren County, Iowa. Project would begin approx. 1,000' west of Warren County Road R63 and extend east for approximately 1.3 miles to the city of Indianola. This project is necessary because the existing highway no longer meets current roadway design standards, and has areas of limited passing and sight distance. The area has an above average crash rate.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Jefferson, Iowa Streetscape

Amount Provided: \$385,000

Account: HUD EDI

Recipient: City of Jefferson

Recipient's Street Address: 220 Chestnut St. Jefferson, IA 50129

Description: This is phase I of a multi-phase streetscape initiative that includes underground wiring for signal controls, sidewalk refacing and general improvements from the back of curbs to building fences in a four-block area around the Greene County Courthouse.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Jet Engine Technology Inspection to Support Continued Airworthiness—JET

Amount Provided: \$700,000

Account: Research (FAA)

Recipient: Iowa State University

Recipient's Street Address: 1750 Beardshear Hall Ames, IA 50011

Description: The JET program at Iowa State Univ. develops advanced inspection techniques for jet engine components to enable the use of more fuel efficient engine technologies, and to ensure that new material & design approaches do not compromise safety. Aviation safety is important to the industry, particularly as new materials are driven close to margins of safety.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Marshalltown Bus Replacement

Amount Provided: \$315,000

Account: FTA—Buses & Bus Facilities

Recipient: City of Marshalltown

Recipient's Street Address: 24 N. Center St. Marshalltown, IA 50158

Description: The City of Marshalltown is seeking to replace one "low-floor" bus that is 17 years old. The funding is needed to assist in the purchase of a replacement bus for use as part of the city public transportation fleet.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: Roger Snedden Dr. Extension/Grade Separation—Phase 1

Amount Provided: \$1,000,000

Account: FHWA TCSP—Transportation & Community & System Preservation

Recipient: Iowa Dept of Transportation

Recipient's Street Address: 800 Lincoln Way Ames, IA 50010

Description: This project is oriented toward safety improvement with the reconstruction of Industrial Park Road, including the widening of this heavily traveled road, and planned construction of a railroad overpass. Funding is needed for reconstruction of Industrial Park Rd, in anticipation of overpass construction. The overpass grade separation will allow safe crossing over a busy railroad switchyard, improving safety and environmental impacts.

Bill Number: H.R. 3288—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010

Project Name: West Grand Avenue Extension

Amount Provided: \$750,000

Account: FHWA TCSP—Transportation & Community & System Preservation

Recipient: Iowa Dept of Transportation

Recipient's Street Address: 800 Lincoln Way Ames, IA 50010

Description: This project is comprised of three roadway segments that will be part of the transportation infrastructure in SE Dallas

County, IA. The roadway corridor improvements will provide access from I-35 to a technology park and, ultimately, connect to I-80 and the SW Beltway in Madison County, IA. The funding in the bill is for necessary planning and environmental reports.

Bill Number: H.R. 3326—Department of Defense Appropriations Act, 2010

Project Name: Portable Rapid Bacterial Warfare Detection Unit

Amount Provided: \$4,000,000

Account: Research, Development, Test and Evaluation, Defense-Wide

Recipient: Advanced Analytical Technologies, Inc.

Recipient's Street Address: 2901 South Loop Drive, Ames, IA 50010

Description: The project objective is to develop portable instrumentation that provides biological warfare identification in drinking water samples in hours or minutes instead of days. This technology provides the rapid response needed to protect our troops from exposure to harmful agents on the battlefield, and could also have homeland security applications. For example, early bird flu virus identification in remote areas could help avert a pandemic flu scenario. This technology would provide for the rapid detection of biological warfare agents both domestically and internationally.

Bill Number: H.R. 3326—Department of Defense Appropriations Act, 2010

Project Name: Shared Vision

Amount Provided: \$3,000,000

Account: Research, Development, Test and Evaluation—Army

Recipient: Mechdyne Corporation.

Recipient's Street Address: 11 East Church Street, Marshalltown IA 50158

Description: The project objective is to develop software and hardware to achieve a capability to provide all levels of military command with access to real-time, visual information about a battle space, for use in mission planning and after action review. The result will be a battlefield-ready Army Battle Command System that integrates information collected using a wide range of methods (reconnaissance imagery, direct surveillance, sensors, etc.) to create virtual representations of a given area, providing an operational picture for all mission phases. The request will provide funding needed to proceed with field-testing and evaluation of the system, the next stage of development with the U.S. Army.

Bill Number: H.R. 3326—Department of Defense Appropriations Act, 2010

Project Name: Wireless Medical Monitoring System (WiMed)

Amount Provided: \$3,000,000

Account: Research, Development, Test and Evaluation—Army

Recipient: Athena GTX

Recipient's Street Address: 3630 SW 61st Street, Suite 395

Description: The purpose of the project is to greatly improve casualty care in combat situations, where medics are unable to effectively monitor injured soldiers' conditions. Current medical triage monitors and vital signs data tracking tools are complex, heavy, and have numerous wires with bulky connections. Wounded soldiers in Iraq will see care within one hour, and in Afghanistan the time may exceed four hours. There are often extensive delays in air evacuations during fire fights and a definitive lack of medical state monitoring.

The Wireless Medical Monitoring System ensures that medical triage can be performed effectively by medics on the battlefield, and that medical information about the casualty is retained to improve treatment following evacuation. The system includes a stick-on sensor that integrates pulse oximetry, blood pressure, temperature, skin humidity, and electrocardiograms into a single unit. Information from these units is broadcast to a single monitoring screen used by the medic, using Wi-Fi technology. The U.S. Army and the National Trauma Institute are currently conducting comprehensive clinical trials across numerous Level 1 Trauma Centers using this system.

Bill Number: H.R. 3326—Department of Defense Appropriations Act, 2010

Project Name: HyperAcute Vaccine Development

Amount Provided: \$4,500,000

Account: Research, Development, Test and Evaluation—Army

Recipient: BioProtection Systems Corporation

Recipient's Street Address: 2901 S. Loop Drive, Suite 3360, Ames, IA 50010

Description: The project objective is to develop anti-viral vaccines for use against Ebola, Crimean Congo and other biological warfare agents. Although millions of dollars have been spent on Biological Defense over the past several years, only a handful of vaccines/medications have been developed to counter known threats. Unfortunately, most have proven to be weak and impractical to administer because they require multiple doses for protection or treatment. Importantly, these vaccines would not protect against genetically engineered biological weapons, which are relatively easy to produce. The vaccine technology is being developed to (1) enhance current vaccines, making them more effective and practical for use, (2) generate vaccines for known threats where a vaccine does not exist, and (3) develop a vaccine platform that could be adapted for newly developed biological agents. This request covers the third year in a three-year development plan for this vaccine technology, which was selected by the Department of Defense to satisfy existing military requirements, and has received funding through the National Institutes of Health, and the Defense Threat Reduction Agency.

Bill Number: H.R. 3326—Department of Defense Appropriations Act, 2010

Project Name: Advanced Live, Virtual, and Constructive (LVC) Training Systems

Amount Provided: \$3,500,000

Account: Research, Development, Test and Evaluation—Army

Recipient: Iowa State University
Recipient's Street Address: 1750 Beardshear Hall, Ames, IA 50011-2035

Description: The Virtual Reality Applications Center (VRAC) located at Iowa State University has a scientific team leading research in the development of advanced software prototypes that utilize immersive virtual warfighting environments, in collaboration with the U.S. Army. Keeping up with the unique demands of urban combat and ever-changing environments in counterinsurgency warfare requires flexible and adaptive training systems that can be modified rapidly and deployed effectively in the field. This project is intended to help the Department of Defense meet its training objective to ensure soldiers can improvise and adapt to emerging challenges.

Bill Number: H.R. 3326—Department of Defense Appropriations Act, 2010

Project Name: Multi-Utility Materials for Army Future Combat Systems

Amount Requested: \$1,000,000

Account: Research, Development, Test and Evaluation—Army

Recipient: Iowa State University
Recipient's Street Address: 1750 Beardshear Hall, Ames, IA 50011-2035

Description: This initiative is designed to enable Iowa State University, in partnership with Florida A&M University and the South Dakota School of Mines & Technology, to support the U.S. Army in developing and evaluating weapons and protective armor materials, with emphasis on survivability. This includes the development of new materials and non-destructive techniques to assure that the materials have the desired properties to provide the best and most reliable physical protection to the soldier.

Bill Number: H.R. 3326—Department of Defense Appropriations Act, 2010

Project Name: Low Cost GPS Receivers

Amount Provided: \$4,000,000

Account: Defense Production Act

Recipient: Rockwell Collins

Recipient's Street Address: 400 Collins Rd., Cedar Rapids, IA, 52498

Description: This initiative is funded under the "Defense Production Act," which ensures that certain products are manufactured in America—for national security reasons. The primary objective of the program is to bring production of the "substrate" used to construct military GPS microchips back to the U.S. from overseas. The funding will also further development of the next generation military GPS receiver, which will be smaller, more accurate, more secure, and cheaper to produce. Cost savings will allow the purchase of a higher number of receivers so that each squad of soldiers could have one. Due to the current shortage of military GPS units, soldiers are purchasing and using commercial handheld devices that are highly vulnerable to electronic interference, jamming, and spoofing.

INTRODUCTION OF THE "MEDICAL DEBT RELIEF ACT OF 2009"

HON. MARY JO KILROY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 2009

Ms. KILROY. Madam Speaker, today I introduce legislation, the "Medical Debt Relief Act of 2009," which would protect those hard-working Americans who play by the rules, pay or settle their medical debts, yet find their economic well-being and their credit scores adversely affected for years due to medical debt, large or small, that has gone to collection.

The "Medical Debt Relief Act of 2009" would prohibit all consumer credit agencies and creditors from using paid off or settled medical debt collection in assessing a consumer's creditworthiness.

Medical debt is unique. Americans don't choose when accidents happen or when illness strikes. Medical debt collection issues affect both insured and uninsured.

According to credit evaluators, medical debt collections are more likely to be in dispute, inconsistently reported, and of questionable

value in predicting future payment performance because it is atypical and non-predictive.

Nevertheless, medical debt that has been completely paid off or settled can significantly damage a consumer's credit score for years. As a result, consumers can be denied credit or pay higher interest rates when buying a home or obtaining a credit card.

The issue of medical debt affects millions. In fact, according to the Commonwealth Fund, medical bill problems or accrued medical debt affects roughly 72 million working-age adults in American. For 2007, 28 million working-age American adults were contacted by a collection agency for unpaid medical bills.

RECOGNIZING THE CITY OF ROUND ROCK, TX

HON. JOHN R. CARTER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 2009

Mr. CARTER. Madam Speaker, I would like to recognize the City of Round Rock and its staff for their great work within our area with the Adopt-a-Unit Program. The City of Round Rock adopted soldiers from the 4th Infantry Division, Fort Hood, Texas. The city provided troops with supplies, and support over the last year during their deployment to Iraq. Jill Goodman and Eric Whitfield were key players in the city's operation to offer support to these soldiers and their families.

I appreciate the work and dedication of the City of Round Rock staff and citizens and look forward to all that their efforts will bring in the future.

It is an honor to recognize the City of Round Rock for its great work.

TRIBUTE TO MR. JOSEPH CANNON HOUGHTELING

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 2009

Ms. ESHOO. Madam Speaker, I rise today to pay tribute to a Bay Area icon, Joseph Cannon Houghteling, who passed away at his home on June 23, 2009, in San Francisco, California, at the age of 84. He was a distinguished American, a dedicated publisher, and a devoted husband, father and grandfather.

Joe Houghteling was born in San Francisco and attended Phillips Academy in Andover, Massachusetts. He graduated from Yale in 1947 and throughout his life lived in Palo Alto, Los Gatos, Atherton and Portola Valley.

In the 1950s, 1960s, and 1970s, Joe Houghteling and his partners published a string of newspapers that included the Los Gatos Times-Observer, The Sunnyvale Standard, The Mountain View Register-Leader, The Gilroy Dispatch, and The Pleasanton Times. He was a California delegate to the Democratic Conventions in 1956, supporting Adlai Stevenson, and in 1960, supporting John F. Kennedy.

He was Northern California Treasurer of the 1960 Kennedy campaign and he actively participated in many other campaigns, including those of Governors Pat and Jerry Brown, Senator John Tunney, Senator DIANNE FEINSTEIN