agreement. Congress specifically cited the concern that these reinsurance transactions were being used inappropriately among U.S. and foreign related parties for tax evasion. Unfortunately, as recent data shows, this grant of expanded authority to Treasury has not stemmed the tide of capital moving offshore to take advantage of the tax benefit.

Since 1996, the amount of reinsurance sent to offshore affiliates has grown dramatically, from a total of $4 billion ceded in 1996 to $33 billion in 2011, including nearly $20 billion to Bermuda affiliates and over $7 billion to Swiss affiliates. Use of this affiliate reinsurance provides foreign insurance groups with a significant market advantage over U.S. companies in writing direct insurance here in the U.S. Over the same period, we have seen a doubling in the growth of market share of direct premiums written by groups domiciled outside the U.S., from 5.1 percent to 11.1 percent, representing $57 billion in direct premiums written in 2011. Again, Bermuda-based companies represent the bulk of this growth, rising from 0.1 percent to 3 percent, although it peaked at 4% before some companies moved from Bermuda to Switzerland seeking protection under the tax treaties. 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 57 percent. Bermuda is not the only jurisdiction favorable for reinsurance. In fact, one company moved from the Cayman Islands to Switzerland citing ''the security of a network of tax treaties,'' among other benefits.

A coalition of 13 of the largest U.S.-based insurance and reinsurance companies has been formed to express their concerns to Congress. They recently wrote to the House Ways and Means Committee's working groups urging passage of my proposed legislation 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. Our tax system should not favor foreign-owned groups over domestic insurers in selling insurance here at home.'' 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.

But it is not only the harm to our tax base that should concern us. According to a 2010 investigative report in the Sarasota Herald-Tribune entitled ''How Bermuda Rigs Insurance Rates in Florida,'' for which the reporter won a Pulitzer Prize, ''Two-thirds of property insurance premiums now leave Florida as unregulated payments to largely offshore reinsurers . . . without rate control or consumer oversight.'' It clearly cannot be good for us to lose regulatory control over our U.S. insurance industry.

That is why I am again filing legislation to end the Bermuda reinsurance loophole. This proposal has been developed working with the tax experts at both the Treasury Department and the staff of the Joint Committee on Taxation to address concerns that have been raised with prior versions of the bill and develop a balanced approach to address this loophole. The proposal is consistent with our trade agreements and our tax treaties.

Specifically, the proposal I am filing today uses a common-sense approach to combat earnings stripping through the use of affiliate reinsurance. It will effectively defer the deduction for premiums paid to the offshore affiliate until the insured event occurs—thereby restricting any tax benefit from shifting reserves and associated investment income overseas. This is accomplished by denying an upfront deduction for any foreign affiliate reinsurance (if the premium is not subject to U.S. tax) and then excluding from income any reinsurance recovered (as well as any ceding commission received), where the premium deduction for that reinsurance has been disallowed. This ''deduction deferral'' proposal is similar to one contained in the Administration's budget this year.

The bill allows foreign groups to avoid the deduction disallowance by electing to be subject to U.S. tax with respect to the premiums and net investment income from affiliate reinsurance of U.S. risk. Special rules are provided to allow for foreign tax credits to avoid double taxation. This ensures a level-playing field, treating U.S. insurers and foreign-based insurers alike.

The legislation provides Treasury with the authority to carry out or prevent the avoidance of the provisions of this bill.

A fuller technical explanation of the bill can be found on my website.

It is important to note that the bill I am reintroducing today does not impact third party reinsurance, which adds needed capacity to the market. Third party reinsurance is a fundamental business technique for risk management and is to be fostered. Rather, the bill is targeted solely at reinsurance among affiliates, which adds no additional capacity to the market and is often used for tax avoidance. The LECG group, a respected global expert services and consulting firm, says that this fact alone causes opponents' claims regarding potential adverse effects on capacity and pricing to be untrue.

LECG also found it highly unlikely that foreign groups would stop providing coverage in the U.S. market if they are required to compete on a level playing field with domestic competitors. But, even if they did, the rest of the market would quickly replace any capacity. In a recent Boston Globe piece, an independent S&P credit ratings analyst and reinsurance market expert reached the same conclusion, saying that any effects on capacity and pricing would be minor. The foreign companies' ''interest in the US market will not change. The US is the largest reinsurance market in the world,'' she said.

Ending this unintended tax subsidy for foreign insurance companies will stop the capital flight at the expense of American taxpayers and restore competitive balance for domestic companies. In explaining the Administration's proposal, the Treasury Department expressed similar concern over the current competitive balance, stating ''Reinsurance transactions with affiliates that are not subject to U.S. federal income tax on insurance income can result in substantial U.S. tax advantages over similar transactions with entities that are subject to tax in the United States.''

Closing this loophole does not impose a new tax. It merely ensures that foreign-owned companies pay the same tax as American companies on their earnings from doing business here in the United States. Congress never would consciously subsidize foreign-owned companies over their American competitors in order to serve the domestic market. Thus, there is no reason an unintended subsidy should be allowed to continue. I agree with the U.S. companies. ''It is time to close this loophole to protect our tax base and place and U.S. and foreign-based insurers on a level-playing field.''

Mr. 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.

CONNECTICUT'S CHILDREN—MOURNING THE YOUNG LIVES LOST TO SENSELESS VIOLENCE

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 2013

Mr. LARSON of Connecticut. Mr. Speaker, I rise today to speak out against the senseless violence that engulfs our communities and across the nation.

America's greatest strength comes from its rich diversity of culture, race, ethnicity, religion and perspectives. Separately, these are the threads that define who we are as individuals. Pull these threads together, and they create a tapestry of who we are as a nation. Let us never forget that there are two threads each of us living in this moment, no matter our background, share in common: the invisible bond of citizenship and the experience of childhood.

However, far too many children living in this nation never have the chance to know a true childhood.

In my mind, a true childhood is a time in our lives where we have enough. Enough love to know we have value, enough food to allow us to never know hunger, and enough supports in our communities to better ensure our health and safety. These are but a few of the important elements that a child needs enough of in order to better ensure a healthy and successful adulthood.

Americans from every walk of life have together mourned the loss of the innocent children who died on December 12, 2013, and rightfully so. We mourned the lives lost from the shootings in Phoenix, Aurora, Columbine and Virginia Tech. For our nation's children who are trying to grow up in our nation's urban settings, the opportunity to realize adulthood is placed in jeopardy because of gun violence on a daily basis.

In the last 12 years in Connecticut, 94 children have died from gun violence. In that same span of time, more than 924 were injured and maimed by firearms. The majority of these firearm injuries and deaths occurred in Hartford, New Haven, and Bridgeport.

The children and youth who die each day in our cities from gun violence are every bit as precious, every bit as deeply loved and missed as any child who dies anywhere else in our nation.

I stand here today on the floor of the House to ask my colleagues to join me in recognizing the 20 lives senselessly cut short by gun violence the last 18 months in the city of Hartford.

Today, here in the United States House of Representatives, we mourn the loss of:

Jimmy Narvaez-Gonzalez 07/20/2012.
Eric Perez 07/22/2012.
Benjamin Grate 07/23/2012.

Errol Campbell 08/14/2012.
Johnny Armstong 08/27/2012.
Esmerito Perez Mendez 09/24/2012.
Ramon Perez 09/24/2012.
Sonja Rivera 09/27/2012.
Omar Santana 10/05/2012.
Shane Oliver 10/20/2012.
Verall ''Anthony'' Hampton 11/11/2012.
Ricardo Arroyo 12/03/2012.
Jazzy Delgado 12/23/2012.
Sawaire Kirchindath 02/28/2013.
Kwante Feliciano 03/25/2013.
Kelly Cooper 03/25/2013.
Jimmy Q. Roberson 04/03/2013.
Kelly McCaskill Coupe 04/25/2013.
Shaman Jenkins 04/28/2013.
Javar Pretson 05/05/2013.

In the words of Senior Pastor, Stephen Camp of the Faith Congregational Church in Hartford, ''We pray for those parents and relatives who grieve still for the loss of their loved ones taken by senseless violence . . . these victims whom we remember, leave mothers and parents who search still for God's hope and God's assurance.''

May all of our actions in this Congress reflect the hope of these parents, and parents everywhere who pray that no other mother or father knows what it means to mourn a child lost to senseless violence.

PERSONAL EXPLANATION

HON. MIKE POMPEO

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 2013

Mr. POMPEO. Mr. Speaker, on May 17, I missed rollcall votes numbered 155, 156, 157, 158, 159, and 160 because I was in Kansas.

Rollcall No. 155 was a vote on the Previous Question. Had I been present I would have voted ''yes.''

Rollcall No. 156 was a vote on the rule for H.R. 1062, the SEC Regulatory and Accountability Act. Had I been present I would have voted ''yes.''

Rollcall No. 157 was a vote on an amendment to H.R. 1062 offered by Representative HURT to express the sense of Congress that rules adopted by the Public Company Accounting Oversight Board (PCAOB) comply with the same standards required of the SEC, and requires the SEC to ensure that any rules adopted by the Municipal Securities Rulemaking Board (MSRB), and other national securities associations comply with the standards set forth in the bill. Had I been present I would have voted ''yes.''

Rollcall No. 158 was a vote on an amendment to H.R. 1062 offered by Representative MALONEY to strike all text after the enacting clause and insert findings and a sense of Congress that the SEC is already required to conduct economic analysis as part of its rulemaking. Had I been present I would have voted ''no.''

Rollcall No. 159 was a vote on a motion to recommit H.R. 1062. Had I been present I would have voted ''no.''

Rollcall No. 160 was a vote on passage of H.R. 1062. Had I been present I would have voted ''yes.''

HONORING GRADUATING HIGH SCHOOL SENIORS FOR DECIDING TO SERVE THE UNITED STATES OF AMERICA AS MEMBERS OF THE ARMED FORCES

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 2013

Mr. ANDREWS. Mr. Speaker, I rise today to honor fifty-four high school seniors in Camden County for their commendable decision to enlist in the United States Armed Forces. Of these fifty-four, twenty have joined the Army: Kristina King, Leroy Jones, Thomas Harkin, Kristopher Ponce, Laura Aune, Page Scarretto, Anthony Andrews, Michael Whelan, Cordeiro Dougherty, Travis Daniels, Jose Acevedo, Marco Medina, Samuel Adames, Harley Marks, Spencer Barber, Quiomy Abelaria, Fernando Santiago, Zachariah Gill, Michael Brown, and Isaiah Johnson. Four have joined the Navy: Dioned Gonzalez-Cabral, James Lewis, Linh Tran, and Petrell Vereen. Three have joined the Air Force: Brandon Nataro, Salvatore Mannino, and Kyle Bedwell. Twenty-three have joined the Marine Corps: Joseph Rodano Jr., Richard Sheldon, Adam Dobson, Christopher Taylor, Andrew Morgan, Tristen Boggs, Kevin Dickson, Christian Dobush, David Groff, Timothy Leadley, Allen Reid, Gregory Sycz, Walter Holloway, Detaniel Jackson, Garrett Mercer, Jose Baez-Claudio, Pabel Arrizaga, David Pellot, Jesus Ortega, Justin Benejan, Eric Regensberger, Roy Ensign, and Evan Magargel. And four have joined the New Jersey National Guard: Tucker Patten, Trinidad Rodolfo, Alicea Yolanda, and Brendann Murphy. All fifty-four will also be recognized on May 21st at ''Our Community Salutes of South Jersey.''

Later this month, these young men and women will join their classmates in celebration of graduation. At a time when many of their peers are looking forward to pursuing vocational training or college degrees, they instead have chosen to dedicate themselves to military service in defense of our country. They should rest assured that the full support and resources of this chamber, and of the American people, are with them in whatever challenges may lie ahead.

It is thanks to the dedication of untold numbers of patriots like these fifty-four that we are able to meet here today, in the House of Representatives, and openly debate the best solutions to the many and diverse problems that confront our country. It is thanks to their sacrifices that the United States of America remains a beacon of hope and freedom in a fractious world.

Mr. Speaker, their decision to serve our country will not go unrecognized. I want to personally thank these fifty-four graduating seniors for the selflessness and courage that they have shown by volunteering to risk their lives in defense of others. We owe them, along with all those who serve our country, a deep debt of gratitude.

HONORING PFC CODY TOWSE

HON. JASON CHAFFETZ

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 2013

Mr. CHAFFETZ. Mr. Speaker, I rise today to honor a dedicated soldier and American hero who died tragically while aiding a fellow soldier in Afghanistan. While responding to an injury from a roadside bomb, Army medic PFC Cody Towse was killed when a second roadside bomb detonated. Three other brave soldiers also lost their lives during the incident.

Only 21 years old, PFC Towse had recently earned an Army Combat Medic Ribbon for saving another life under fire. His family was not surprised to learn he died in an act of service, treating the injuries of another. We honor his service and sacrifice to our safety and security.

Known as the ''Candy Doctor'' by Afghan children in the Kandahar region, PFC Towse had earned a reputation for spreading joy in the form of candy. When he turned 21 on May 8, he asked his family to send over more candy for him to share.

A Class of 2010 graduate of Utah's Salem High School, Towse loved to help people, choosing to become an EMT the day he turned 18. He later became a firefighter, but ultimately joined the military, where he felt he could use his training and skills to save lives. He did save lives, even at the cost of losing his own. He dreamed of one day becoming a LifeFlight medic. Towse carried on a proud and honorable tradition as he comes from a military family dating back to World War II.

We honor the tremendous personal sacrifice of PFC Towse's family. He leaves behind his parents, Jim and Jamie Towse, two brothers, 20-year-old Will and 14-year-old Christian, and a sister Callan who is 17. The Towse family has endured a terrible tragedy and made an extraordinary sacrifice on behalf of all Americans and we are forever thankful.

Today, I ask all Members of Congress to join me as we honor the life and legacy of Army PFC Andy Towse, as well as each man and woman in our Armed Services. They put themselves in harm's way and toil daily to hold back the forces of terrorism. I also ask that we recognize the sacrifice and burdens these families bear on behalf of each of us. We owe a deep debt of gratitude to the many men and women who have given their lives to preserve our freedom.

RECOGNITION OF CAMEROON'S NATIONAL DAY

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 2013

Mr. RUSH. Mr. Speaker, I rise today to recognize the Republic of Cameroon as it celebrates its National Day today, May 20th. Known by many as ''Africa in Miniature,'' Cameroon represents within its borders the whole of Africa's wondrous geographic diversity. This Central African nation, a strong ally of the United States, has made important strides both politically and economically over the past year.