

whether he was making calls that people understood or even calls that people were critical of, Carl was always the same.

Carl's wife, Linda, has stood by him all these years. They have been married 49 years. Now she is getting him home. For those of us who know Carl, sometimes we think that will be good or bad, but Linda has had Carl for that many years, and she is wonderful.

On one special note, Mr. Speaker, Carl's public service transcends, but it is what the man does in private that means a lot. When I was in Iraq in 2008, separated from my family at Christmas, one night I got a text from my wife. When my family was celebrating Christmas without me, Carl showed up on my front doorstep with Christmas presents for my children.

Carl Rogers, you will be missed sorely in the Georgia Legislature, but I still count you as one of my dearest friends.

#### RECENT TRAGEDIES ARE TIED TOGETHER

(Mr. LOWENTHAL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWENTHAL. Mr. Speaker, Dallas, Texas; Falcon Heights, Minnesota; Baton Rouge, Louisiana—these are not individual incidents occurring in a vacuum outside the orbits of each other. These tragedies are tied together by the threads of anger and fear. They filled me with horror, with sadness, and grief.

I know that we as a nation cannot allow ourselves to grow numb to this. Each of these deaths, each of these innocent lives lost, should cause each of us great sorrow and pain. They should pain us not just for the simple loss of human life, but also for the realization that their deaths—and the more than 90 people who die from gunfire each day in this Nation—are the painful signs that something is profoundly wrong in our society.

Let us begin the healing and let us unite by passing no fly, no buy and universal background checks. As the President has said, "We are better than this."

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

#### U.S. TERRITORIES INVESTOR PROTECTION ACT OF 2016

Mr. HURT of Virginia. Mr. Speaker, I move to suspend the rules and pass the

bill (H.R. 5322) to amend the Investment Company Act of 1940 to terminate an exemption for companies located in Puerto Rico, the Virgin Islands, and any other possession of the United States.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5322

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "U.S. Territories Investor Protection Act of 2016".

#### SEC. 2. TERMINATION OF EXEMPTION.

(a) IN GENERAL.—Section 6(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)) is amended by striking paragraph (1).

(b) EFFECTIVE DATE AND SAFE HARBOR.—

(1) EFFECTIVE DATE.—Except as provided in paragraph (2), the amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) SAFE HARBOR.—With respect to a company that is exempt under section 6(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)(1)) on the day before the date of the enactment of this Act, the amendment made by subsection (a) shall take effect on the date that is three years after the date of the enactment of this Act.

(3) EXTENSION OF SAFE HARBOR.—The Securities and Exchange Commission, by rule and regulation upon its own motion, or by order upon application, may conditionally or unconditionally, under section 6(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(c)), further delay the effective date for a company described in paragraph (2) for a maximum of three years following the initial three-year period if, before the end of the initial three-year period, the Commission determines that such a rule, regulation, motion, or order is necessary or appropriate in the public interest and for the protection of investors.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. HURT) and the gentleman from New York (Ms. VELÁZQUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia.

#### GENERAL LEAVE

Mr. HURT of Virginia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HURT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5322, the U.S. Territories Investor Protection Act, and thank the gentleman from New York (Ms. VELÁZQUEZ) for her leadership on this issue.

This measure would amend the Investment Company Act of 1940 to terminate an exemption for investment companies located in Puerto Rico, the Virgin Islands, and any other possession of the United States. Under cur-

rent law, such companies are exempt from registration under the Investment Company Act if their shares are sold exclusively to residents of the territory in which they are located.

This bill is about leveling the playing field, and it ensures that investment companies in Puerto Rico, Guam, and elsewhere are subject to the same rules as their mainland counterparts. Moreover, when the Investment Company Act was enacted, it was difficult and cost prohibitive for the SEC to travel to, inspect, and provide oversight for these companies. Now modern technologies allow the SEC to seamlessly gather information, and it is time that we update this law.

When this measure was considered during the recent Committee on Financial Services markup, it received unanimous support, passing out of the committee by a vote of 59-0. Mr. Speaker, I ask that my colleagues support this bill.

I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

The Investment Company Act of 1940 governs investment companies such as mutual funds, closed-end funds, unit investment trusts, and exchange-traded funds. Its purpose is to protect investors in such funds and to provide for impartial oversight of these companies.

Among other things, the 1940 act regulates the type of activities that such companies can undertake and establishes standards for their conduct. In doing so, it describes investment companies' functions and their structure; regulates various transactions among affiliated persons; limits the amount of leverage they can undertake; outlines accounting, recordkeeping, and auditing requirements of funds; and describes how securities may be redeemed and repurchased. These matters sound technical, but they provide fundamental protections for investors in U.S. investment companies.

Due to a historical artifact, however, all funds that are located and organized in and sold only to residents of U.S. territories are exempted from the 1940 act. The reason for such an exemption was that, at the time the act was being considered in 1940, the U.S. territories were deemed to be too distant from Washington, D.C., thus making travel to them cost prohibitive. Obviously, the cost of air travel is no longer cost prohibitive and not a reason to exempt territories from the 1940 act.

As a result of this exemption, investment companies located in U.S. territories can sell products to the residents and not be subject to the oversight, disclosure, and conflict-of-interest requirements that such companies located in the mainland U.S. are subject to.

□ 1415

The outcome is that those located in the U.S. territories have been subject