

In closing, I share the belief of many Georgians who find it inappropriate for the federal government to coerce citizens to provide personal information by packaging non-apportionment-related questions with the constitutionally required and legally enforceable apportionment census questions. In the future, either the information should be collected separately, or it should be made clear that no penalty will be applied to those who refuse to answer questions unrelated to apportionment. I urge my colleagues to join me in support of The Common Sense Census Enforcement Act of 2000.

A TRIBUTE TO ENTREPRENEUR OF THE YEAR YOLANDA COLLAZOS KIZER

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 2000

Mr. PASTOR. Mr. Speaker, I rise before you today to pay tribute to an outstanding fellow Arizonan, Yolanda Collazos Kizer. Yolanda is a well-respected business and community leader in Arizona and Phoenix, and someone I'm proud to call my friend.

Yolanda was recently awarded the prestigious Entrepreneur of the Year award by the Arizona Hispanic Chamber of Commerce for the year 2000. This award was established to honor extraordinary individuals that have not only been successful in the business world, but who have contributed to the community on a broader scale. The award recognizes Ms. Kizer for her influence as a role model among small business owners and in the Hispanic community.

Yolanda is the owner and president of three Phoenix-based businesses: CASA Fenix Merchandising owns and operates retail concessions at Phoenix Sky Harbor International Airport; Builder's Book Depot is a retail, mail order and electronic commerce bookstore that specializes in construction, architecture, interior design and engineering books; and Builders' Book Publishing Company produces speciality business management texts for the construction industry.

Yolanda is an active community leader and has served on a multitude of boards and commissions. Currently she sits on the Executive Committee of the City of Phoenix Sister Cities Commission and on the Governor's Diversity Council. She has professional affiliations that include memberships in the National Association of Women Business Owners, the Arizona Hispanic Chamber of Commerce, the Arizona Chamber of Commerce, the Association of Minority Owned Airport Concessions, and the American Booksellers Association. She has previously served on the City of Phoenix Commission on the Economy, First Interstate Bank Community Advisory Board, Arizona Veterans Memorial Coliseum and Exposition Center Board of Directors, and the Governor's Strategic Plan for Economic Development. She is also the former President and Board member of the Arizona Hispanic Chamber of Commerce.

Not only is Yolanda a tireless worker in the business community, she also spends many

hours giving back and facilitating the success of others. Yolanda has served as a mentor to many young women, and she is a founding member of MUJER, a Hispanic women's organization in Arizona. Yolanda has given freely of her experience and expertise by giving seminars and lectures throughout the Valley of the Sun. As a policy maker, through her various civic roles, she has made important contributions to and helped to shape today's business environment.

Mr. Speaker, as you can surmise, Yolanda Kizer is an exemplary community leader and a true role model for young entrepreneurs across the nation. Therefore, I am pleased to pay tribute to my friend Yolanda, congratulate her on this most recent accomplishment, and wish her continued success.

CONCERNING ORGAN PROCUREMENT AREA IN KENTUCKY

HON. ED WHITFIELD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 2000

Mr. WHITFIELD. Mr. Speaker, April 4, Mr. DINGELL referenced the different waiting times for liver transplants between the two Kentucky transplant centers. As you might know, both centers are in the same organ procurement area (OPA). The different waiting times are the result of the different status levels of the individuals on the waiting list. It is not a reflection of geographic unfairness. Seriousness of condition, not time on the waiting list, is the determining factor for who gets a liver transplant. As the Institute of Medicine report stated, aggregated waiting time is a poor measure of equity in the transplant field.

At the request of both Kentucky organ transplant centers, I was pleased to cosponsor H.R. 2418, the Organ Procurement and Transplantation Network Amendments Act. Let's keep important transplant decisions with the physicians and transplant centers who actually save lives. Let's keep the Washington, bureaucrats out of this issue.

END THE BERMUDA TAX DODGE

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 2000

Mr. NEAL of Massachusetts. Mr. Speaker, the Hartford Courant recent ran an editorial endorsing an effort to "end the Bermuda tax dodge." I agree with this editorial, which is why I am joining my colleague Representative NANCY JOHNSON in introducing legislation to put an end to this loophole.

During the past year, several Bermuda-based companies have either acquired a U.S. property-casualty insurer, or U.S. reinsurers have relocated to Bermuda. A major reason for these actions was to allow insurers to avoid U.S. income tax on investment income by reinsuring their U.S. owned subsidiaries' reserves to a parent located in a tax haven such as Bermuda, which has no income tax. It

works like this: the company pays a one-time 1 percent federal excise tax to reinsure offshore, and in return, the foreign reinsurer earns tax-free investment income on the transferred reserves for as long as they are held offshore. By escaping all U.S. income tax, these companies can have up to ten percent pricing advantage over U.S. taxpaying companies in the U.S. marketplace.

Mr. Speaker, such an advantage to foreign companies over U.S. owned companies is patently unfair and should be eliminated immediately. Our legislation solves the problem by imputing investment income to the U.S. subsidiary of the foreign reinsurer or business sent offshore to a tax haven. This language is intended to affect only reinsurance transactions with foreign reinsurers domiciled in tax haven countries such as Bermuda, and it only impacts business ceded between related parties.

This is not a trade issue, as some would like to make it. The purpose of insurance is to enable property-casualty companies to spread risk among several companies. The practice of reinsurance allows greater access to insurance for consumers, promotes solvency in the marketplace, and helps ensure claims are paid to customers. But this is not the true purpose of the transactions affected by this bill. In these cases, reinsurance is written between related parties—a U.S. subsidiary cedes U.S. business to its foreign based parent—simply to obtain a tax benefit. No risk has been spread in this transaction, the company is simply moving money from one pocket to another pocket within the same corporate entity. The primary purpose is to escape U.S. income tax.

Mr. Speaker, we welcome any comments or suggestions on this legislation from the Treasury Department, the Joint Committee on Taxation, any party affected by this bill, or anyone concerned that they might be. This is clearly a very technical issue, but that should not stop Congress from moving quickly to shut down this loophole. If we do not stop this practice, then other U.S. companies will be forced to relocate to Bermuda, or be bought by a Bermuda based parent, in order to stay competitive. This, in turn, will result in a significant reduction in U.S. corporate tax payments, and has implications not only for the property casualty business but also for affiliated corporations, especially life insurance companies, who could in theory benefit from this loophole.

Now is the time to take action, and hopefully Congress will act now.

STATEMENT BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON FOREIGN OPERATIONS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 2000

Mr. KUCINICH. Mr. Speaker, I recently testified before the Appropriations Subcommittee on Foreign Operations on FY 2001 Budget Request on March 30, 2000. I submit my statement for the RECORD.