

friendly" has been battered around the Chamber like none other. But when it comes right down to it, being family friendly can only mean one thing: a vote for the balanced budget amendment.

Without passing a balanced budget amendment, American families lose out on lower interest rates, faster job growth and much needed relief from a debt amounting to more than 80 percent and a lifetime of taxes.

Keep in mind that in 1994, the Federal Government spent \$203 billion in interest on the national debt. That is more than it spent on education, job training, public works and children's nutrition programs combined.

Mr. Speaker, what could be more family friendly than relieving your children and their children of having to pay inflated taxes for years to come?

Pass the balanced budget amendment.

MEDICARE AND MEDICAID

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

Mr. CUMMINGS. Mr. Speaker, we will soon consider a 1997 fiscal year budget resolution that slashes Medicare and Medicaid funding. The American people have given us a clear mandate. They have overwhelmingly told us time and time again to protect our neediest citizens, the disabled, the poor, our children and the elderly.

My colleagues on the other side of the aisle have a different vision. Their priorities are jumbled, their budget reflects a flawed economic theory and confusion.

Two weeks ago I vote for a budget that reflected my district's and the country's priorities. I chose to vote for a 6-year balanced budget that proposed to increase the investments in education, job training, infrastructure, and at the same time protecting Medicare, Medicaid and not demolish it.

The recent report issued by the Medicare trustees that forecasts Medicare insolvency does not tell us anything new. We know that Medicare needs mending. Let us take the opportunity to roll up our sleeves and get to work. I sincerely hope that the speaker is sincere when he said he wants to work in a bipartisan way with the President to save Medicare for our parents and grandparents.

SUPPORT FOR H.R. 2579

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

Mr. OXLEY. Mr. Speaker, I rise this morning to express my support for H.R. 2579, legislation to promote international travel and tourism in the United States. This measure privatizes the functions of the U.S. Travel and Tourism Administration, an agency

which costs taxpayers \$16.7 million in 1995. The Congress correctly decided to zero out the USTTA. However, there is a role for a federally chartered, privately funded organization to promote travel to the United States.

I am an original cosponsor of the bill, and our Subcommittee on Commerce, Trade, and Hazardous Materials, which I chair, recently marked it up, where it was approved by voice vote. It will be taken up by the full Committee on Commerce in the very near future.

Travel and tourism is the Nation's leading export industry. As one example, in 1993, foreign visitors spent \$443 million in my home State of Ohio, which ranked 18th among the States.

Mr. Speaker, I want to pay particular tribute to our friend, the gentleman from Wisconsin, TOBY ROTH, who has led this effort on behalf of the travel and tourism industry and all Americans for this critical legislation. I am proud to be a cosponsor of this bill and look forward to the markup in the full Committee on Commerce.

THE STRAIGHT FACE TEST ON MEDICARE AND MEDICAID

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the words are flying again on Medicare and Medicaid. Here we go. It must be an election year. What do you think?

Look, the American people are pretty smart about this issue. When the leadership on the other side, one of them said he was proud he never voted for it, another one said he hoped it would wither on the vine, another leader on that side said that they were trying to make cuts like no one had ever seen before, but now all of a sudden, as we get near to the election year, everybody is trying to rewrite history and suddenly say, no, we have come to save it, come to save it, somehow that does not pass the straight face test.

Last year we had an attempt to try and put Medicare on the right path so that the report that we are going to be getting would not be coming, had we done that. Yet the other side rejected it because they did not want to do that. They wanted to cut Medicare and put it into tax cuts for the people who need tax cuts the least, the ones who have the most get more. I do not understand that. I do not understand that at all.

So we are at a point of do we mend it or do we mash it. The mashers are trying to say they want to mend. We want so say, it is time to deal with it straightforwardly.

WARNING SIGNALS ON MEDICARE

(Mr. UPTON asked and was given permission to address the House for 1 minute.)

Mr. UPTON. Mr. Speaker, I take the well today to remind my colleagues that you and I were not here in the

House when the warning signals were up about the S&L debacle back in the early 1980's. Those scoundrels from Texas and California, Florida and Illinois took the taxpayers for \$150 billion, and it was wrong. Congress should have acted in the early 1980's, and they did not.

Mr. Speaker, we have a great program that seniors in this country love called Medicare. The warning signals were out there a year ago that it was going to go belly up by the year 2002. This body did nothing. We tried to get bipartisan cooperation and nothing happened.

Today a report is coming out saying that it is a year worse. Instead of going belly up in 2002, it is going to go belly up in 2001, \$90 billion worse than it was last year. Three cabinet members are going to sign that report as they did last year.

Yet we read in the CQ facts record for Monday, Laura Tyson says that the trust fund is solvent. Bills will be paid and the administration's plan would assure solvency for a decade.

Let us walk the walk instead of talk the talk. It is going bankrupt. We need to do something about it.

ANNUAL REPORT ON STATE OF SMALL BUSINESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. HEFLEY) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Small Business:

To the Congress of the United States:

I am pleased to transmit to you my annual report on the state of small business, and to report that small businesses are doing exceptionally well. In the year covered by this report, a record 807,000 new firms reported initial employment. Firms in industries dominated by small businesses created almost 60 percent of the nearly 3.3 million new jobs. Business failures and bankruptcies declined at some of the sharpest rates in a decade.

Small businesses have both contributed to and benefited from the recent strength of the economy. The deficit reduction plan I initiated in 1993 has cut the budget deficit in half. The economy has created 8.5 million new jobs since January 1993—almost all of them in the private sector. The combined rate of unemployment and inflation is at its lowest level in more than 25 years.

A major success story has been in the women-owned business sector. Women are creating new businesses and new jobs at double the national rate. Today, women own one-third of all businesses in the United States. Clearly, there is no stopping this fast-growing segment of the economy.

Last June I met in Washington with nearly 2,000 small business owners—

participants in the national White House Conference on Small Business. They took precious time away from their businesses to tell us about their problems and their ideas for resolving them, turning over a list of 60 recommendations for Government action. Their ideas are reflected in many of the recent initiatives of my Administration.

Improving Access to Capital

One of the keys to a healthy small business sector is access to adequate start-up and working capital. The Small Business Lending Enhancement Act of 1995, which I signed last October, helped to increase access to capital through the Small Business Administration's (SBA) section 7(a) loan guarantee program. Last year, the SBA provided nearly \$11 billion in long-term credit and other financial assistance to more than 67,000 small businesses, bringing SBA's total loan portfolio to \$26 billion. The number of 7(a) guaranteed loans has increased dramatically, up 52 percent from fiscal year 1994 to fiscal year 1995—and that's with a smaller budget and fewer employees at the SBA. Moreover, during the same period, the number of 7(a) guaranteed loans to women-owned businesses grew by 86 percent; loans to minority-owned businesses increased by 53 percent; and loans to businesses owned by U.S. veterans grew by 43 percent.

Other initiatives are under way. My Administration has been working with banks and banking regulators to remove impediments to small business lending by financial institutions. The Riegle Community Development and Regulatory Improvement Act of 1994 amended the banking and securities laws to promote the growth of a secondary market for small business loans. And my Administration is looking to reduce small business securities filing and disclosure burdens. In June 1995, the Securities and Exchange Commission proposed regulations that would further this small business goal.

Easing the Tax Burden

The Federal Government should reward rather than discourage entrepreneurs who take risks and create jobs. To that end, we have worked to simplify the tax code and make it more equitable for small firms.

In April 1995, I signed legislation to increase to 30 percent the share of health insurance premiums that self-employed individuals can deduct on their tax returns beginning this tax year—and we're working to increase that amount.

Small firms are less likely than their larger counterparts to be able to provide retirement plans. While 75 percent of workers in businesses with more than 1,000 employees have pension plans, only 24 percent of workers in businesses with fewer than 100 employees have them. I have proposed a new pension plan targeted to the needs of small businesses—the National Employee Savings Trust (NEST). The

NEST would provide benefits similar to those of a 401(k) pension plan and would be simple to create and operate.

My Administration has endorsed other improvements that make existing pension plans safer and more beneficial for business owners and employees alike. For example, we have proposed to eliminate the "family aggregation" restrictions on pensions for family members, so that spouses or children who work in the same or related businesses can earn their own retirement benefits.

Our 1993 economic plan made 90 percent of small businesses eligible for tax relief. It established a targeted tax preference for capital gains, reduced the record-keeping requirements for the meals and entertainment deduction, and raised the small business expensing limit for equipment by 75 percent, to \$17,500. We have proposed to increase further the value of equipment that can be directly expensed to \$25,000.

My Administration is also taking steps to ensure that tax regulations are as simple and understandable as possible. For example, administrative guidance has been published to provide tax relief to S corporations and partnerships, simplify depreciation computations, and ease inventory capitalization for small businesses.

We are pursuing tax form simplification through our Simplified Tax and Wage Reporting System (STAWRS). This joint effort among Federal and State agencies will simplify, unify, and streamline tax reporting so that taxpayers will eventually be able to file their State and Federal tax and wage returns at one location, electronically. All these efforts will bring tax reporting into the modern age while reducing the paperwork burden for small business.

Shrinking the Regulatory and Paperwork Burden

Regulation and paperwork continue to be a key concern of America's small business owners, and I am proud of the progress my Administration has made in addressing this concern. For example, the SBA is streamlining all its regulations and converting them to plain English. An application form for the most common SBA loans used to be an inch thick and take 5 to 6 weeks to approve. We've reduced the form to one page and cut turn-around time to 3 days.

I've said it before: the era of big Government is over. We have been working hard to give the American people a Government that works better and costs less. We are eliminating 16,000 pages of unnecessary regulations and streamlining 31,000 more—shifting decision-making out of Washington and back to States and local communities. In addition, we are directing Federal agencies, where possible, to cut by half the frequency of reports the public is required to provide to the Government.

More broadly, much of our National Performance Review effort to reinvent Government has been pointed specifi-

cally at helping small business. The U.S. Business Advisor, which provides Internet access to information from all Federal agencies, and the U.S. General Store for Small Business, which offers business owners one location for dealing with the Federal government, illustrate our commitment to reinventing how Government serves the small business community.

In March 1995, I announced a new approach to lessening the regulatory burden on small firms. Under this commonsense approach, small businesses can now avoid paying penalties for violations if they correct the problem within an appropriate period of time. And for those violations that may take longer to correct, a small business may get up to 100 percent of its fine waived if that same money is used to correct the violation.

I'm proud to have succeeded in putting more teeth in the Regulatory Flexibility Act (RFA). Under the 1980 Act, Federal Government agencies must analyze their proposed regulations for their effects on small firms—and revise them if they will create an unfair burden. In the past, however, because the agencies' analyses could not be reviewed in the courts, small businesses had no meaningful recourse if an agency made a poor decision. On March 29, I signed into law the Small Business Regulatory Enforcement Fairness Act of 1996, which allows for judicial review of Federal agency RFA analyses. The Act also emphasizes compliance assistance and requires agencies to provide small businesses with simple and clear guidelines to assist them in complying with the regulations that affect them.

As small business owners have told us, they care about environmental protection and occupational safety; after all, they drink the same water, breathe the same air, and share the same workplace hazards as everyone else. My Administration has challenged small businesses and regulatory agencies to find cheaper, more efficient ways than government regulation to meet the high environmental and workplace standards Americans want.

Opening Markets and Expanding Trade

Every year the Federal Government spends \$200 billion on goods and services, and small businesses receive a substantial share of that market. I am committed to expanding further the opportunities for small businesses to win Federal contracts. I found for the Federal Acquisition Streamlining Act of 1994 and the Federal Acquisition Reform Act of 1996, which have simplified the procurement process and made it easier for small firms to do business with the Federal Government.

The 1994 law also created a new Government-wide electronic commerce system, FACNET, which will eventually permit electronic submission of bids and proposals. I encourage small businesses to take advantage of these new procurement procedures to provide more goods and services to the Government.

In addition to the Federal marketplace, foreign markets offer significant opportunities for small business owners to compete and win. While the North American Free Trade Agreement (NAFTA) and the General Agreement on Tariffs and Trade (GATT) are opening markets abroad, my Administration's National Export Strategy has made it easier here at home for small businesses to export. Among other things, we've opened 14 U.S. Export Assistance Centers to provide one-stop access to export information, marketing assistance, and finance.

Technology and Innovation

Technological innovation by small firms is a major reason for America's leadership in the world economy. Through the Small Business Innovation Research and Small Business Technology Transfer programs, the Federal Government taps into the brain power of small businesses to meet its own research needs. In the process, these programs help spur technological innovation to foster new businesses and jobs.

The Small Business Innovation Research (SBIR) program alone has nearly doubled awards to small businesses during my Administration—up from \$508 million in 1992 to more than \$900 million in 1995. And the quality of SBIR research proposals has kept pace with the program's expansion.

We've also dramatically expanded the Manufacturing Extension Partnership to help America's 380,000 smaller manufacturers become more competitive in world markets. Sixty locally managed manufacturing extension centers—up from seven in 1993—are delivering much-needed services to this important small business sector.

As this report documents, changes are coming at lightning speed. Small business owners recognize that they will need all the technological skill and "connectivity" they can muster just to keep up. Through manufacturing extension centers, FACNET, the U.S. Business Advisor, and other information networks, we can help make available the information small businesses need to start up and succeed.

The Human Factor

If the heart of our entrepreneurial economy is small business, then the heart of small business is its people—small business owners and their employees. We need to work with small businesses to strengthen and support this dynamic human resource.

We've seen what business growth can do for communities, and we hope to encourage more business formation in empowerment zones and enterprise communities: legislation before the Congress would provide more tax incentives and waivers of some regulatory requirements in these areas. SBA's one-stop capital shops specifically target empowerment zones and enterprise communities.

As I mentioned earlier, we're taking steps to modify the tax code in ways that will make it easier for small busi-

nesses to offer health care and retirement plans to their employees. We also want to make sure that workers and their families can keep their health insurance even when they change jobs. I have urged the Congress to enact the Kassebaum-Kennedy bill, which would make health insurance coverage more "portable" for our Nation's workers.

We want to make better use of our work force training dollars by consolidating and streamlining many of our Federal work force training programs. Under our proposal, States and localities would have more flexibility to administer these programs in the way that will do the most good for our workers and small business owners.

I'm pleased that young entrepreneurs were represented at the White House Conference on Small Business and that the conference looked to our economic future by endorsing more mentorships and workplace educational opportunities for young people. These private-sector-led efforts form an essential part of the work-based learning program I envisioned when I signed into law the School-to-Work Opportunities Act of 1994.

It takes a great deal of courage to start something new, to carve a reality out of a dream, often with few resources, sometimes in adverse surroundings, and in an economy that demands much of its participants. That is why we celebrate and listen to America's small business owners and why we will continue to look for ways to nurture and support this powerful economic engine—the small business sector.

WILLIAM J. CLINTON.

THE WHITE HOUSE, June 5, 1996.

□ 1030

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. UPTON. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: The Committee on Agriculture, the Committee on Banking and Financial Services, the Committee on Government Reform and Oversight, the Committee on the Judiciary, the Committee on Resources, and the Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore (Mr. HEFLEY). Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 3540, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 445 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 445

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 1(b) of rule X or clause 7 of rule XXI are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered by title rather than by paragraph. Each title shall be considered as read. Points of order against provisions in the bill for failure to comply with clause 2, 5(b), or 6 of rule XXI are waived except as follows: beginning with "Provided" on page 9, line 12, through "Appropriations" on line 18; and beginning with "Provided" on page 13, line 20, through "relocation" on page 14, line 5. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes. After the reading of the final lines of the bill, a motion that the Committee of the Whole rise and report the bill to the House with such amendments as may have been adopted shall, if offered by the majority leader or a designee, have precedence over a motion to amend. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.