

Mr. MORAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORAN. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOB CREATION

Mr. MORAN. Mr. President, I am here on the floor today to share a few thoughts on a topic that has a daily impact upon the lives of Americans. It is the topic we have had front and center now for a long time—job creation. Whether a mom or dad can find a job directly impacts their ability to put food on their family's table, pay their mortgage, save for their children's education, and prepare for their own retirement.

In August our economy failed to create any jobs. In September our economy created about 100,000 jobs, but that is not fast enough to get us out of our economic slump. The fact is that 14 million Americans are still out of work, and about 42 percent of those unemployed have been looking for a job for more than 6 months. We know those facts.

Over the last few weeks, I have asked Kansans what their thoughts are about this circumstance, and we find many Kansans, as are others in America, discouraged, looking for work, unable to find a job. They want to know why our businesses are not creating those jobs and making them available for them.

I recently had the opportunity to sit down with Kansans who own businesses in Overland Park—a suburb of Kansas City—and in Hutchinson—a community just outside Wichita—to talk about the economy and their outlook for our economic future.

Throughout our conversations, it became clear the main reason businesses are not hiring is because of economic uncertainty. In fact, a survey conducted by the U.S. Chamber of Commerce indicated more than half of small business executives cited economic uncertainty as the greatest obstacle to hiring more employees.

From a business owner's perspective, I can understand why they are reluctant; if they do not know how much they will have to pay in taxes or to comply with additional regulations a year from now or how much health care costs will be for any new employee, why would they hire a new employee now or invest in their business? Any successful business owner will tell us they have to take risks to get ahead, but they will also tell us they have to balance those risks against their expected costs or they will run their business into the ground.

One chief executive put it this way:

What are the rules of the game going to be in the long term? What our retailers would like to have is consistency and predict-

ability. We can handle decisions we don't agree with, but that's easier than not knowing what the decision is going to be.

Another executive of a small business put it very plainly:

Among the other presidents and CEOs I interact with, the only consensus of opinion is none of us has any idea where things are going. In my observation, the uncertainty we are experiencing is caused almost entirely out of Washington and other governments around the world.

The reality is the private sector has been the engine of job creation in our country throughout history. So we should do everything we can to encourage business to create jobs. In fact, small businesses represent 99.7 percent of all employer firms and employ half of all private sector employees, according to the Small Business Administration. In the last two decades, they have generated 65 percent of the new jobs created in our country.

One of the greatest opportunities we have to improve someone's life is to create an environment where jobs can be created, so employers can feel confident about investing in their companies, and they can put people to work.

Today, I wish to outline a new approach, one that is based on a proven track record of success—the success of the American entrepreneur. Soon I will be introducing legislation called the Startup Act to help jump-start our economy through the creation and growth of new businesses.

The American dream is based on the principle that anyone can achieve success, given the freedom and opportunity to make a better life for themselves and their families. America has long been known as the land of opportunity, where individuals risk all they have to live out their dreams. Many Fortune 500 companies, such as Ford, Apple, and General Electric, got their start with a handful of folks, an individual, a great idea, and a lot of hard work. Many of our businesses started in garages across our country. So we should continue to encourage this spirit of entrepreneurship in our Nation.

In Kansas City, there is a foundation dedicated to the promotion of entrepreneurship called the Kauffman Foundation. Their research shows that between 1980 and 2005, companies less than 5 years old accounted for nearly all the new job growth in the United States. In fact, new firms create about 3 million jobs each year. For 45 years, the Kauffman Foundation has worked to strengthen opportunities for entrepreneurs in this country, so when a person comes up with a good idea, they can pursue it and turn it into reality.

Many of their good ideas are reflected in the legislation I will soon be introducing and are based upon Kauffman's extensive research and analysis.

The foundation of the Startup Act is based on five progrowth principles: removing barriers to growth, attracting business investment, bringing more research from the laboratory to the mar-

ketplace, attracting and retaining entrepreneurial talent, and encouraging progrowth State and local policies.

First, the Startup Act will remove barriers to growth by streamlining Federal regulations. Rather than hiring new employees, businesses are spending money on complying with unreasonable regulations, sometimes regulations not based upon sound science. New businesses face an especially heavy burden in complying with the multitude of local, State, and Federal rules governing their business.

According to the SBA, firms with fewer than 20 employees spend 36 percent more per employee than larger firms to comply with Federal regulations. Very small firms spend 4½ times as much per employee to comply with environmental regulations and 3 times more per employee on tax compliance than the largest corporations.

When I met with those business leaders in Kansas City recently, one of them told me he was required to replace all the light bulbs in his factory because of an EPA regulation. But his factory has skylights and was already well lit. He did not need new lighting, but the government told him he did, and this unnecessary regulation cost him tens of thousands of dollars. This is just one example of how cumbersome and how costly regulations have become. That money could have and should have been, in my view, better spent on helping that business grow.

The Startup Act will overhaul the Federal regulatory process for all regulations that have an impact on the economy of \$100 million or more. By requiring these rules to undergo a cost-benefit analysis every 10 years, the benefit and burden on businesses and consumers will become much more clear. This will ease the burden on businesses so they can focus on growing their business and hiring more workers.

Second, the Startup Act will help companies attract investment so they can get off the ground and grow more quickly. One of the greatest challenges for startups is having access to the necessary capital to grow their business.

Investors' capital gains are currently taxed at 15 percent. Last year, the Small Business Jobs Act passed by Congress temporarily exempted taxes on capital gains from the sale of certain small business stock held for at least 5 years. The Startup Act will make this exemption permanent so investors have an incentive to partner with entrepreneurs and help provide financial stability for the first few years of that business's beginning.

Third, the Startup Act will make it easier to take research from the laboratory and apply it in the marketplace. Some of our brightest and most creative individuals study at American universities. Each day, faculty members and graduate students make new discoveries and develop new ideas. The possibilities of research are endless. In

fact, university research led to groundbreaking discoveries such as the polio vaccine, antibiotics, black-and-white television, barcodes, and, more recently, e-mail and Google.

To help bring more cutting-edge research to the marketplace, my bill creates an incentive for universities to reform their technology policies and practices. The Startup Act requires the top Federal R&D grant-making agencies to give preference to universities that have a proven track record of success in discovering commercial applications for their research.

Fourth, this legislation will enable new businesses to attract and retain highly trained workers, including those who immigrate to our country.

Our country was founded on immigrants who have long contributed to the strength of our economy by starting businesses and creating jobs. In fact, a 2007 study found that more than one-quarter of technology and engineering companies started in our country, from 1995 to 2002, had at least one key founder who was born overseas. These companies produced \$52 billion in sales and employed 450,000 workers in 2005 alone.

Research shows that 53 percent of immigrant founders of U.S.-based technology and engineering companies completed their highest degree at an American, a U.S. university. Unfortunately, many foreign-born immigrants leave the States after they complete their studies and return to their home countries to start businesses because they have a hard time securing a visa to stay in the United States.

It does not make much sense to make such an investment in these students and then not give them the opportunity to apply what they have learned by starting a company in the United States that will generate jobs for other Americans. We should be doing all we can to attract and retain highly skilled and entrepreneurial folks so they can work in the field where they have studied and contribute to our economy.

The Startup Act will help retain this talent in two ways.

First, it creates a new visa, called a STEM visa, for any immigrant who graduates with a master's or Ph.D. in science, technology, engineering or math. This will give those graduates the opportunity to stay for up to 1 year beyond their graduation date to find a job and put to work the high-tech skills they learned and that our economy so desperately needs.

Second, the bill creates another visa, called an entrepreneur's visa, for immigrants who register a business and employ at least one nonfamily member within 1 year of obtaining that visa. Once they have satisfied those requirements, the entrepreneur would be allowed to remain here for an additional 3 years if they employ additional employees and further grow their business.

The goal of both these visas is to encourage innovation among highly

skilled entrepreneurs and to help grow our country.

Finally, the Startup Act will encourage progrowth State and local policies.

While Federal policies certainly impact the formation and growth of new businesses, State and local policies also play an important role in their creation and growth. In order to identify the States which are the most entrepreneur-friendly, this legislation will create the "State Startup Business Report" to analyze State laws and policies. The report will encourage healthy competition and lead to the development and expansion of progrowth policies.

In conclusion, our first priority in Congress should be to create an environment that encourages companies to grow and create jobs. We know our economy cannot continue on the path it is on. In a recent Chamber of Commerce study, 64 percent of small business executives said they do not expect to add to their payroll in the next year, and another 12 percent said they plan to cut jobs.

The Startup Act would encourage American entrepreneurs to do what they do best: dream big and pursue their dreams. The American economy can and will recover when we give American entrepreneurs the tools they need to succeed.

By removing those barriers to growth for new companies, attracting business investment, bringing more research from the laboratory to the marketplace, retaining talented entrepreneurs and skilled employees, and encouraging progrowth policies, we will spur growth in the marketplace and assist in putting people back to work.

The ongoing debate about how to create jobs needs to turn from rhetoric to reality. Nothing in this legislation is designed to be highly partisan. It is designed to make certain Republicans and Democrats can come together with a plan that will make a difference.

It is time for Congress to put policies in place that give job creators more confidence and certainty in the marketplace. If we fail to act as we should, if we continue to ignore the economic problems facing our country, if we let partisanship and bickering get in our way, we will reduce the opportunities the next generation of Americans have to pursue the American dream. It is our greatest responsibility as citizens of our country to make sure the next generation of Americans can live in a country with freedom and liberty and have the opportunity to dream their dreams and see them fulfilled.

I yield back and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WHITEHOUSE). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is now closed.

AUTHORIZING APPOINTMENT OF ESCORT COMMITTEE

Mr. LEAHY. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate to join a like committee on the part of the House of Representatives to escort His Excellency Lee Myung-bak, President of the Republic of Korea, into the House Chamber for the joint meeting at 4 p.m., Thursday, October 13, 2011.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF ALISON NATHAN TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK

NOMINATION OF SUSAN OWENS HICKEY TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF ARKANSAS

NOMINATION OF KATHERINE B. FORREST TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nominations which the clerk will report.

The bill clerk read the nominations of Alison Nathan, of New York, to be United States District Judge for the Southern District of New York; Susan Owens Hickey, of Arkansas, to be United States District Judge for the Western District of Arkansas; and Katherine B. Forrest, of New York, to be United States District Judge for the Southern District of New York.

The PRESIDING OFFICER. Under the previous order, there will be 2 hours for debate with respect to those nominations, with the time equally divided in the usual form.

Mr. LEAHY. Mr. President, I ask unanimous consent that—it is now 10 minutes past 12—the 2 hours be deemed as having begun at 12 so the first vote will be at 2 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. With the time equally divided as under the normal agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.