



GOVERNMENT / LEGISLATION

The Power of One



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She was an elected delegate to the WHCSB from West Hollywood, California, and was appointed as the Region IX Implementation Chair for Human Capital.

For want of a nail, the shoe was lost. For want of a shoe, the horse was lost. For want of a horse, the rider was lost. For want of a rider, the battle was lost.

We often forget that an individual can make a difference. An individual can write a passionate and convincing letter or champion a cause near to her heart and make a difference. One woman, Rachel Carson, wrote a book, *Silent Spring*, that changed for-

ever the way we look at our environment. One woman got angry about drunk driving and changed legislation throughout this country about driving drunk.

A year ago in June, 1,800 individual small business owners gathered in Washington, D.C. as delegates to the 1995 White House Conference on Small Business (WHCSB). They set forth a series of 60 recommendations to Congress and the President for ways to improve the business climate for small businesses nationwide. These recommendations cover every area of business from capital formation to technology. Now is the time for each of us to start making sure the nails are in the shoes of those recommendations.

More than once elected representatives have admitted that they view every letter received to represent at least 100 other people with the same opinion who just did not take the time to write. Now is our opportunity to make sure that our voices are heard and insist that Congress takes some positive actions to improve the small-business climate in this country.

Here are some of the top recommendations, their current status and some ideas where your individual nails (letters, faxes and phone calls) can be of use. At the beginning of the WHCSB the delegates had proposed more than 400 recommendations that were merged, edited, negotiated and finally voted upon to achieve the final 60 recommendations. The numbers here indicate the working recommendation number used for the issue.

Capital Formation

Small Corporate Offering Registration (#24) H.R.3005,

the Securities Amendments of 1996, was designed to reduce the regulatory requirements for small businesses who wish to finance operations through the sale of stock. It promised to reduce redundancies and inefficiencies that developed from differing regulatory systems dealing with the sale of securities at both the federal and state level. It appears that this bill will not make it through the current session of Congress but the implementation team will continue to work on it next year. The SBA, through its Office of Advocacy, also has been very active in developing an equity financing package to be used on the Internet. Call Congress to support both the bill and the SBA effort.

Community Development

Home Office Tax Deduction (#34) Included as part of the original Budget Reconciliation

number of issues, one of which already has been instituted in the recently approved EPA Budget. The energy conservation and efficiency program, Green Lights, has been fully funded. The implementation team will continue to work towards the various other issues in the coming year.

Human Capital

This is one of the most comprehensive issue areas covering health care reform, job training, affirmative action preservation, labor law reform, pension reform, and social security privatization. This year the implementation team has been focusing on health care and pension reform.

Health Care Reform (#87)
The House has passed H.R. 3103 and the Senate has passed S.B. 1028 (100-0) and the issue is now in conference committee. The President has pledged to sign the Senate version of the bill

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Act of 1996 but deleted from the final form. The President supports reform but this issue is caught up in the various ongoing budget negotiations.

Environmental Policy

Sound science, risk assessment, health and cost/benefit analysis applied to all regulations (#51)
This recommendation covers a

which includes Insurance Purchase Pooling, Individual Portability of Insurance Policies and an increase of Insurance Deductibility to 80% by 2006. Write/Call your Representative and Senators to encourage the conference committee to produce a compromise bill substantively like S.B. 1028 and support it when it reaches the floor.

Pension Reform (#91) The President announced a comprehensive reform proposal on April 11th to expand pension portability and a new, simple pension plan for small businesses. This plan substantively covers the entire recommendation from the WHCSB. Congress is still at the hearing level but needs to be encouraged to accelerate this process and enact appropriate legislation.

Social Security Privatization (#324) This issue is gradually coming to prominence as the pending insolvency of the Social Security Trust Fund becomes imminent. The implementation team plans to increase pressure on Congress for major reform next year, following conclusion of Health Care Reform.

International Trade

Export Financing (#129) The Small Business Administration Corrections Legislation, S.B. 1603, and the Small Business Working Capital Enhancement Act, H.R.2933, are both designed to restore the Small Business Administration's Export Working Capital Program loan guarantee amount to 90% from the current 75% level. Call your Senators and Representative to support their respective bills.

Procurement

Increased opportunities for all small businesses to participate equitably in federal procurement (#360) Passed into Law! The Federal Acquisition Reform Act of 1996 is currently being implemented by the Executive Branch. The SBA is working with the OFPP to make sure the new regulations assure small businesses access to contract opportunities.

Regulation and Paperwork

Regulatory reform and judicial review of federal regulations (#183, 188 & 194) Signed into law by the President on March 29, 1996! Law requires federal agencies to develop policies

which emphasize regulatory compliance rather than punishment, establishes a small-business enforcement ombudsman and ten regional Small Business Regulatory Fairness Boards. The law also requires agencies to publish compliance guides in plain

language and establishes small-business advocacy review panels to involve small businesses during the early stages of regulatory development.

Taxation

The tax team has one of the biggest tasks and a large number of the recommendations to implement, here are two of the top issues.

Clarification of the tax definition of independent contractors (#224) The implementation team has been working closely with Congress and the Executive Branch to accomplish redefinitions this year. They have testified on behalf of small businesses on June 4th and June 20th before the Oversight Subcommittee of the House Ways and Means Committee. They now have more than 200 cosponsors for H.R.1972 and are working with the Senate on S.B.1610. Write/Call your Representative to cosponsor H.R.1972 and S.B.1610.

Estate tax reform (#218) While this issue covers a number of areas and the Budget Reconciliation Bill addressed

many of these areas, Congress is in a bit of a stalemate due to a few controversial issues. The Implementation team has worked with Congress to put together H.R. 3448, The Small Business Job Protection Act, that includes all of the issues that have biparti-

Technology

Protection of Intellectual and Patent Property Rights through the development of an international information infrastructure, (#265) H.R. 359 and H.R. 3460 are currently pending in the House. The technology chairs are urging a compromise between the interests of small business while moving U.S. law toward worldwide, inexpensive intellectual property protection. The team does not support H.R. 1732 or 1733 which are contrary to small-business interests. Call your regional technology chair for more information.

Expansion of Small Business Innovative Research (SBIR) and Small Business Technology Transfer Research Programs

(STTR) (#406) The Executive Branch has dramatically expanded the Manufacturing Extension Partnership which assists 380,000 small manufacturing firms. Congress must reauthorize the STTR program this year. Write/Call your Representative.

Out of 60 recommendations, three were included in support of Affirmative Action in various issue areas. It is interesting to note that women comprised less than 1/3 of the total, yet 1,800 small business owners used three precious recommendations to urge support of Affirmative Action. While the President has repeatedly affirmed his support, there are large factions in Congress who are actively working to eliminate all Affirmative Action.

TIP: How to find the text of a Bill and it's current status on the Internet.

There is a very easy way to get the text of bills and other information about Congress. The Library of Congress has a home page called "Thomas," named after Thomas Jefferson the great bibliophile. The address is <http://thomas.loc.gov/> where you can select Text of Bills and search for any Bill by number, author or other key features. Make sure you have lots of paper in the printer as some of these bills are quite lengthy.

If you would like a copy of all 60 WHCSB recommendations or want to become more involved in the implementation process, contact the SBA at 202-401-9600 and they will put you in touch with your regional implementation chair or the Regional Issue Implementation Chair for your area of interest.

Check out the new WHCSB web page at <http://www.whcsb.org>. It is a work in progress but already includes the full text of all 60 recommendations. ^{ew}

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