

tax-exempt facility bonds—for firms within the zones.

REGULATION AND PAPERWORK

But increasing the availability of capital to small firms is only part of the battle. We also have to make sure that Government doesn't get in the way. And we're making progress in our efforts to create a smaller, smarter, less costly and more effective Government that is closer to home—closer to the small businesses and citizens it serves.

In the first round of our reinventing Government initiative—the National Performance Review—we asked Government professionals for their best ideas on how to create a better Government with less red tape. One recommendation was that Federal agency compliance with the Regulatory Flexibility Act—that requires agencies to examine proposed and existing regulations for their effects on small entities—be subject to judicial review. In other words, they said we need to put teeth in the legislation requiring Federal agencies to pay attention to small business concerns when they write regulations. That proposal has been under debate in the Congress.

Federal agencies are already considering and implementing specific ways to streamline regulations and make paperwork easier for small businesses to manage. For example, the Environmental Protection Agency (EPA) responded to small business owners and advocates who said that the agency's toxic release inventory rule was especially costly and burdensome. In November 1994, the EPA announced a final rule that will make it easier for small businesses to report small amounts of toxic releases.

And SBA has slashed the small business loan form for loans under \$100,000 from an inch-thick stack to a single page. The SBA is also piloting a new electronic loan application that will involve no paperwork, but will allow business owners to concentrate on the business at hand—building a successful operation.

When businesses are unable to succeed, no one is served by a process that entangles small business owners in an endless jumble of paperwork. Sweeping changes made to bankruptcy laws in the past year will help small businesses reorganize. Small firms with less than \$2.5 million in debt may utilize a streamlined reorganization process that is less expensive and more timely.

My Executive order on Regulatory Review provides a process for more rational regulation, and we've been listening to the concerns of small firms through a Regulatory Reform Forum for Small Business. Five sector-specific groups have made specific proposals for regulatory relief. These groups have said that a comprehensive, multi-agency strategy, with better public involvement, is probably the most cost-effective way to improve both the quality of regulations and compliance with them. The key is to make sure that

Government serves small business and the American people, not the other way around.

ELECTRONIC COMMERCE AND GOVERNMENT PROCUREMENT

The reinventing Government initiative also called for expanded use of electronic marketing and commerce, and we have made great strides in providing information about Government programs electronically. These methods will increase small business access to markets.

Another area that has been sorely in need of reform is the Government procurement process. In October 1994, I signed into law the Federal Acquisition Streamlining Act, which will change the way the Government does business. The law modifies more than 225 provisions of procurement law to reduce paperwork burdens, improve efficiency, save the taxpayers money, establish a Federal acquisition computer network, increase opportunities for women-owned and small disadvantaged businesses, and generally make Government acquisition of commercial products easier. This report documents how small businesses are doing under the old system; my hope is that opportunities for small business success will be even greater once these reforms are in effect.

HUMAN RESOURCES

Beyond encouraging an economic environment that supports small business success, opening doors to capital resources, buying more of our goods and services from small firms, and getting out of small business' way, I believe we in Government have a responsibility to ask whether we are doing enough to ensure a healthy and adequately prepared work force.

I remain committed to seeking a way to provide health insurance coverage for all Americans. As this report clearly shows, the number of uninsured Americans is too high—and it's growing. Millions of those citizens are in working families. And the sad fact is that many of those workers are in small businesses, which have seen their premiums and deductibles soar. We must make sure that self-employed people and small businesses can buy insurance at more affordable rates—whether through voluntary purchasing pools or some other mechanism.

We also ought to be able to ensure that our citizens are adequately provided for when they reach the end of their working years. Here too, small firms have been at a disadvantage. Our proposed pension legislation exempted most small plans from compliance and reporting increases.

And while our industries restructure and move from an age of heavy industry to an information age that demands new skills and new flexibility, we need to make sure that our work force has the skills and tools to compete. That is why I proposed the Middle Class Bill of Rights, which would provide a tax deduction for all education and training after high school; foster

more saving and personal responsibility by permitting people to establish an individual retirement account and withdraw from it tax-free for the cost of education, health care, first-time house buying, or the care of a parent; and offer to those laid off or working for a very low wage, a voucher worth \$2,000 a year to get the skills they need to improve their lives.

INTERNATIONAL TRADE

We also want to empower small businesses to succeed in a global economy. One of the greatest challenges in the next century will be our international competition. Ninety-six percent of all exporting firms are small firms with fewer than 500 employees, but only 10 percent of small firms export; therefore the potential for increasing small firm exports is significant. I believe the North American Free Trade Agreement and the General Agreement of Tariffs and Trade will benefit small firms interested in expanding into international markets in this hemisphere and beyond.

Lending to small exporters is being eased through reforms in the Export-Import Bank's Working Capital Guarantee Program. New one-stop export shops are moving in the right direction to assist small firms by providing access to export programs of the Department of Commerce, Export-Import Bank, and Small Business Administration all under one roof.

HEARING FROM SMALL BUSINESS

Small businesses are too important to our economy for their concerns not to be heard. That is why I have given the SBA a seat on the National Economic Council and invited the SBA Administrator in to Cabinet meetings.

Over the past 2 years, my Administration has been asking questions of small business owners and listening to the answers—seeking advice and guidance from a diverse audience of business leaders to determine the most critical problems and devise solutions that work.

This year presents a special opportunity for small business persons to make their concerns known at the White House Conference on Small Business, set to convene in Washington in June 1995. In State conferences leading up to the national conference, small business owners have been frank about their concerns. I look forward to hearing their small business action agenda.

I firmly believe that we need to keep looking to our citizens and small businesses for innovative solutions. They have shown they have the ingenuity and creative power to make our economy grow; we just need to let them do it.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 25, 1995.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minute requests.