

small businesses showed that 95 percent favored a constitutional amendment requiring the Federal Government to balance the budget and that 88 percent believed Congress should focus its attention primarily on deficit reduction.

The Senate listened to the American people on this issue. We worked hard, debated earnestly, made difficult decisions, and fulfilled our obligation by voting to bring the budget into balance by the year 2002. The result of that work is not only a better financial legacy for America, but the production of an economic dividend of approximately \$170 billion over the next 7 years.

When the opportunity for tax cuts arrives as a result of our control over budget deficits, Congress should view the economic dividend as a young, growing business would view a small influx of cash. It should be invested very carefully. I strongly believe that some tax relief needs to go to families with children. I also believe, however, that we should use a portion of the dividend in a way that will create jobs and stimulate investment and growth in our economy by providing tax cuts for small businesses.

Year after year small businesses generate a significant number of new jobs, even while corporate America downsizes. In fact, according to the Small Business Administration, small businesses provided 100 percent of the net new jobs from 1987 to 1992. By targeting some of the tax cuts toward small business we will not be spending the dividend but rather reinvesting it in our economy. That way, all Americans will benefit through an improved standard of living. Small businesses need cash to meet payroll, pay their day-to-day bills and to invest in capital improvements. In a recent study, small business owners identified tax burdens as their No. 1 problem. The economic dividend provides us with an opportunity to rectify the single most important concern of that portion of our economy that can contribute to America's economic growth.

When the Committee on Finance is determining what tax cuts should be enacted as a result of the budget resolution and the economic dividend, I strongly encourage the members to include on the priority list at least the following four targeted tax cuts to promote economic growth and job creation by American small business.

First, increase the small business expensing provision. Allowing a current deduction for newly purchased assets improves the cash flow of a small business. It also would encourage a small business to invest in new equipment which in turn helps manufacturing and related industries. This is a formula for maintaining and enhancing job growth.

Second, provide a 100-percent deduction for the health insurance costs of the self-employed. With the passage of H.R. 831 earlier this year, we gave the self-employed a permanent but only a

partial deduction for health insurance. Corporate employers already are able to deduct the full cost of health insurance. This disparity in treatment continues to put the entrepreneurs of America at a disadvantage—23 percent of the self-employed are uninsured today. About 4 million of the uninsured are in families headed by a self-employed worker. A 100-percent deduction will make their insurance more affordable and help these families purchase the health insurance coverage they need and deserve.

Third, estate tax relief targeted specifically for small business. Generally, this would be a tax deferral for a family owned and operated business that is passed to heirs who continue to own and operate the business. As you know, this is a vital change because some owners of a small family businesses find they cannot afford to pass the business on to their children simply because they cannot afford to pay the estate taxes. A recent survey of family businesses showed that a mere 57 percent of owners planned on keeping the business in the family; taxes were cited as one of the prime reasons for their plans to sell out. Unfortunately, our system of taxation is working against us here. Rather than promoting and stimulating business growth, the law is forcing people to make decisions to sell or close what otherwise could be a viable enterprise.

Fourth, cut the capital gains tax rate and index it for inflation. In order to unlock built up asset values. Entrepreneurs that have become successful might repeat their job-creating activities in a new company if it were not for the disincentive in the tax laws against realizing and reinvesting these gains. The effect of permitting all capital gains to be reinvested more freely would be to give our economy a boost that it otherwise would not enjoy, and much of this reinvestment likely will be directed at small business. Simply said, a reduction in the capital gains rate will expand economic activity so all Americans will be able to reap the benefit of that growth by additional jobs and an improved standard of living.

As chairman of the Committee on Small Business, I urge my colleagues to look at tax-cutting opportunities as a way to make an intelligent, long-term investment in our small business sector but will benefit the entire economy.●

HARRY ZIMMERMAN MEMORIAL AWARD TO LEONARD FLORENCE

● Mr. KERRY. Mr. Present, this is the 10th anniversary of the Mary and Harry Zimmerman Memorial Dinner to benefit the Muscular Dystrophy Association. The city of Nashville and the Service Merchandise Co. host this event and I am proud to say that this year the prestigious Harry Zimmerman Award, named for the founder of the company, is being presented to a con-

stituent of mine, Leonard Florence, for his philanthropic efforts and dedication to the cause of the mentally challenged.

Mr. Florence has served on the board of trustees of the Cardinal Cushing School and Training Center for exceptional Children of All Faiths since 1967 and has been instrumental in raising over \$10 million for the school. The Charlotte and Leonard Florence Dental Clinic and Auditorium at Tufts University Dental School and the Charlotte and Leonard Florence Courtyard in the nursery school at Temple Mishkan Tefila also testify to his generosity.

In 1993, Pope John Paul II appointed Mr. Florence a Knight of the Order of Saint Gregory the Great. This is the highest award granted by the Pope and is awarded to persons of conspicuous virtue and notable accomplishment on behalf of society regardless of their religious belief.

Leonard Florence is an outstanding citizen who has given freely of his time and talents to the Commonwealth of Massachusetts and the Nation. I congratulate him on this richly deserved award.●

NGA GROCERS CARE AWARDS

● Mr. NICKLES. Mr. President, I wish to bring to the attention of the Senate the community contribution of the American independent retail grocers and their wholesalers.

In the past years, through the celebration of National Grocers Week, the House and Senate have recognized the important role these businesses play in our economy. The week of June 11-17, 1995, commemorates the ninth year that National Grocers Week has been observed by the industry to encourage and recognize grocers' leadership in private sector initiatives. Across the Nation, community grocers, through environmental initiatives, political involvement, and charitable support, demonstrate and build on the cornerstone of this great country—the entrepreneurial spirit.

In this annual celebration, the National Grocers Association (N.G.A.) and the Nation honor outstanding independent retail and wholesale grocers, State associations and food industry manufacturers for their community leadership with N.G.A.'s Grocers Care initiatives.

Grocers Care recognizes the involvement of the entire food industry in community, civic, and environmental programs, including support for private charities, education, and the performing arts, and community efforts to shelter and feed the homeless.

GROCERS CARE AWARD NOMINEES

Representatives from companies, organizations, and associations around the United States will be honored. The honorees include:

Alabama: John M. Wilson, Super Foods Supermarkets, Luverne; Peter V. Gregerson, Jr., Gregerson's Foods, Inc., Gadsden.