

My goal, which I believe is shared with many of my colleagues on both sides of the aisle, is to modernize the Food and Drug Administration. This is to be distinguished from terminating or eliminating the FDA, which I have also been accused of, and I want to make it clear that I believe there is a legitimate need for the FDA. However, it is imperative that this Congress lead the charge to bring the FDA into the 21st century. The current FDA approval process is slow and unpredictable, while at the same time costing the United States jobs, technology, and most importantly—lives.

We held numerous hearings in the 104th Congress in my subcommittee and others detailing the need to change the manner in which our domestic device industry is regulated. In the 104th Congress I introduced H.R. 3201 to reform the medical device industry. With the help of many of my Democrat colleagues, especially BILL RICHARDSON and ANNA ESHOO, we were able to get 162 cosponsors on H.R. 3201, both Republican and Democrat. This strongly indicates that there is support for FDA reform. I intend to continue refining H.R. 3201 in hopes of obtaining more support. Under the leadership of JIM GREENWOOD, and with the great deal of help from RICHARD BURR and SCOTT KLUG, our FDA reform team was able to make amazing strides and I fully intend to maintain this momentum.

I will be introducing the Medical Device Modernization Act of 1997 shortly, which will insure the safety and effectiveness of medical devices, assure a predictable approval process for our companies and insure that U.S. patients are receiving the best available medical technology in the world. I will be asking for your cosponsorship and support of this bill.

Again it is imperative that we pass reform for the medical device industry. Small business is the nerve center of this county's current economic growth. Sixty-five percent of the companies in the medical device industry have less than 20 employees and 98 percent of medical device firms have less than 500 employees. These are the companies involved in high technology which is fueling economic expansion, these are the companies hiring your constituents, these are the companies doing the research and development that can lead to saving your constituent's lives. These small companies have been more vocal on FDA modernization in the last 2 years and I applaud them in their efforts.

We spent a great deal of time laying the groundwork for reform in the 104th Congress for FDA reform by educating Members, conducting oversight hearings, and working with various segments of the industry. It is now time for the 105th Congress to implement the solution. I look forward to working with House Commerce Committee Chairman BLILEY, subcommittee Chairman BILIRAKIS, Congressman DINGELL, and Senate Majority Leader LOTT in arriving at an acceptable solution to all.

THE ENTERPRISE CAPITAL
FORMATION ACT OF 1997

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 9, 1997

Mr. MATSUI. Mr. Speaker, I am pleased to join my House colleagues and fellow members

of the Ways and Means Committee, Congressman PHIL ENGLISH, and Congressman JIM MCCRERY in a bipartisan effort to promote economic growth and job creation through targeted capital gains incentives. This legislation is designed to be complimentary to a broad-based capital gains proposal similar to that passed by the House in the 104th Congress.

I have worked for many years to enact legislation which provides critical incentives for high-risk, high-growth firms. In 1993, I was able to work with Senator BUMPERS to enact the Enterprise Capital Formation Act of 1993. This new, bipartisan proposal is built upon that 1993 legislation and will greatly improve its effectiveness by:

Shortening the holding period for qualified stock from 5 years to 3 years.

Increasing the size of companies whose stock is eligible for the exclusion from \$50 million to \$100 million.

Revising certain limitations to make the provision more attractive to investors.

Biotech and high-technology companies are particularly dependent upon direct equity investments to fund research and to grow. A targeted capital gains incentive is crucial for encouraging investors, including venture capital investors, to purchase the stock of these companies, thus putting their capital at risk with a long-term speculative investment. These small venture-backed companies provide high-skilled jobs, grow very quickly to create more jobs and are aggressive exporters. Venture capital-backed firms have a much higher rate of growth than Fortune 500 firms. From 1990 to 1994, venture firms grew at an annual rate of 20 percent while Fortune 500 firms are powerful engines for job creation. In their first year, these firms typically have 18 employees, by their sixth year they have over 200. Finally, these firms perform 2 times the amount of research and development compared to nonventure-backed firms.

Now more than ever, small companies need better access to investment capital in order to grow into productive enterprises. The risks associated with small firms has often been too great for venture capitalist. By giving a capital gains cut for investment in small, startup firms, the higher risks are offset by additional financial benefit to the investor.

A POINT OF LIGHT FOR ALL
AMERICANS: THE BROOKLYN
CHINESE-AMERICAN ASSOCIA-
TION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 9, 1997

Mr. OWENS. Mr. Speaker, I rise to honor the Brooklyn Chinese-American Association [BCA] during their Ninth Anniversary Celebration. The members of this organization have tirelessly dedicated themselves to addressing the growing needs of the Asian immigrant population in Brooklyn and to providing residents of this community accessible bilingual and multicultural services. BCA is a great Point-of-Light whose contributions to the community must not go unappreciated or unnoticed.

On January 19, 1988, BCA was formally established in response to the expanding Asian-

American community in the Sunset Park, Borough Park, Bay Ridge, Bensonhurst, and Sheepshead Bay neighborhoods in Brooklyn. At its inception, the association received no funding and nearly single-handedly, Mr. Paul P. Mak, the president and CEO of BCA, worked on a voluntary basis to initiate and provide a bilingual social service program for the Asian immigrant community.

With 9 years of hard work, intense exploration and struggle, BCA has grown from a one-person service project to the borough's most comprehensive bilingual, multi-human service and community development organization. Currently, BCA delivers services at various centers in Brooklyn such as the Main Community Services Center; Senior, Youth and Cultural Center; Employment Training Center; Day Care Center; Avenue U District Community and Senior Center; and at numerous school sites. In the past few years, because of the lack of Government funding and personnel, BCA has undergone several crises and struggles to keep the organization afloat. It is the dedication, enthusiasm and painstaking efforts of BCA's staff, its board members and the community that have sustained BCA and enabled it to develop rapidly.

Today, BCA serves over 500 clients a day. BCA's many human services and programs include social services; senior services; day care and youth services; adult education programs; adult and senior employment programs; services for the mentally retarded and developmentally disabled [MR/DD]; and community economic development programs.

The past year has marked another turning point in BCA's expansion. BCA's work force has remained the same but the association has expanded, reaching a much wider community than ever before. In May 1996, BCA opened a new District Community and Senior Center delivering bilingual multi-human services to the increasing Asian immigrant population in the Sheepshead Bay neighborhood, an area that is becoming the second largest Asian community of Brooklyn. BCA has also been actively involved in registering voters and in educating the community on voting policies and procedures.

1996 is also the year in which BCA initiated the Community Revitalization Project that serves as a master development scheme for the community. This summer, 10 traffic lights were installed as a result of BCA's constant lobbying efforts. In addition, BCA is working with the New York City Police Department to prepare and distribute educational materials on crime prevention, the CAT Auto Program and business residential security surveys. These are major steps toward making a better and much safer community in which to live.

One of BCA's accomplishments this year is the educational Neighborhood Clean-Up Project. More than 150 youth participated in cleaning up the 8th Avenue neighborhood and providing informative materials to community residents and merchants. Recently, BCA also assisted in upgrading a garment factory in the neighborhood and has long supported promoting the economic progress and stability of the garment industry in Brooklyn. Moreover, a Tree Planting project was implemented to further beautify Brooklyn. Two hundred trees are scheduled to be planted along 8th Avenue in the spring of 1997. In a further attempt to improve the living environment, a Graffiti Removal Campaign will also be initiated in the