

We hear daily of countless Americans, who are struggling to pay their bills. My home state of Michigan has an unemployment rate of around 13 percent, the highest in the nation. Compounding this lamentable state of affairs is the fact that workers in this country have suffered a decline in real wages over the past decade. As a result of being stretched to their financial breaking point, many families have had to resort to using credit cards to pay for unforeseen costs, such as car repairs or emergency room bills. Far too often, these families are subjected to arbitrary interest rate increases and also forced to pay iniquitous late fees.

The Credit Cardholders' Bill of Rights will help put an end to these shameful practices and require credit card companies to treat consumers fairly. Importantly, this legislation will restrict the practice known as "universal default," whereby a credit card company uses information about a cardholder's financial status, such a change in his or her credit rating, to raise the cardholder's interest rate, even if the cardholder has not defaulted on payments or made them late. Moreover, H.R. 627 will also ban what is known as "double cycle billing," which is the collection of interest on amounts already paid by consumers to credit card companies.

In this time of severe recession, I feel it imperative that consumers be afforded fair protection from unfair credit card industry practices. I urge my colleagues to vote in favor of this common-sense legislation, which will help stem the tide of unscrupulous and predatory lending, interest rate increases, and other deceitful practices that have brought our nation to an economic precipice of gargantuan proportions.

Mr. HOYER. Mr. Speaker, first, I want to thank Representative MALONEY, who sponsored the House companion of this bill, and who has a tireless advocate of credit card reform.

If this recession has brought home to us one important truth, it is the danger of debt. Americans from homeowners to bankers took on risks and debts they could not afford, and the result was a crisis that touched every one of us. I don't think the lesson is one we will soon forget. But nearly as harmful are those who take advantage of our debt—and in that category, unfortunately, go many of America's credit card companies. No one doubts that credit cards have become an essential part of our consumer economy; no one doubts that millions of Americans use their credit cards responsibly every day, and pay their bills every month. But even for those responsible cardholders, credit card policies have often been incomprehensible and exploitative.

The Credit Card Accountability, Responsibility, and Disclosure Act takes important steps to bring those harmful policies under control, ensuring that responsible cardholders are treated fairly. Among its provisions, this bill prevents arbitrary and unfair rate increases, which, under current policies, can kick in even for cardholders who pay their balances in full. It bans exorbitant and unnecessary fees, including fees charged just for paying your bill. It prohibits card companies from charging interest on debt that is paid on time, a practice known as double-cycle billing. And it insists that card companies disclose their policies clearly and openly to cardholders, and notify them when those policies have changed.

This bill goes a long way toward removing a persistent source of unfairness in the lives of many Americans. Debt is a part of any economy—but it must be treated responsibly, and it must be guarded from exploitation. That is what this bill accomplishes, and I urge my colleagues to support it.

Ms. PINGREE of Maine. I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SESSIONS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

—

PROVIDING FOR CONSIDERATION
OF H.R. 2352, JOB CREATION
THROUGH ENTREPRENEURSHIP
ACT OF 2009

Mr. POLIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 457 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 457

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2352) to amend the Small Business Act, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Small Business. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Small Business now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived except those arising under clause 10 of rule XXI. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived except those arising under clause 9 or 10 of rule XXI. At the con-

clusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Colorado is recognized for 1 hour.

Mr. POLIS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to my good friend, the gentlewoman from North Carolina, Dr. Foxx. All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. POLIS. Mr. Speaker, I ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks on House Resolution 457.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. POLIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 457 provides for consideration of H.R. 2352, the Job Creation Through Entrepreneurship Act of 2009, under a structured rule. The rule provides 1 hour of general debate controlled by the Committee on Small Business.

The rule makes in order nine amendments which are listed in the Rules Committee report accompanying the resolution. Each amendment is debatable for 10 minutes, except the manager's amendment which is debatable for 20 minutes.

The rule also provides one motion to recommit with or without instructions.

Mr. Speaker, I rise in support of House Resolution 457 and the underlying bill, the Job Creation Through Entrepreneurship Act of 2009. I'd like to thank Chairwoman VELÁZQUEZ, as well as my friend from North Carolina (Mr. SHULER) and my colleagues on the Small Business Committee for their strong leadership in bringing this legislation to the floor.

Mr. Speaker, this bill represents a giant step forward in ensuring a bright future for all Americans who are struggling to establish or grow their own businesses. It will bring hope to our veterans as they return home and encouragement to billions of Americans who haven't always had equal access to the necessary tools to start a business.

□ 1115

Fittingly, this legislation is on the floor of the House of Representatives during National Small Business Week. It capitalizes on untapped resources in the business community by expanding access to business counseling, training and networking to small business owners everywhere, including underserved

populations such as women, veterans and Native Americans to help ensure all of our prosperity.

This legislation will help women gain access to jobs by requiring the women's business centers to describe their job placement strategies for the area in their annual plans. Too often women are denied access to jobs in high-paying, high-growth sectors. Promoting gender equity is critical for ensuring that all workers benefit from the job creation that our economic recovery plan spurs, as well as our other policies.

This bipartisan bill, which was voice voted out of the Small Business Committee, represents what we can accomplish when Republicans and Democrats work together. While there are many ideological and political differences on how to address the economic crisis, this bill is a product of consensus.

There's nothing more American than small business. This bill is a combination of seven bills approved in subcommittee, five of which were authored by my colleagues on the other side of the aisle, and I'm especially pleased to report that my friends on both sides of the aisle support this important effort.

According to the Small Business Administration, small firms represent 99.7 percent of all employer firms, employing half of all private sector employees. As the unemployment rate climbs, these small businesses have managed to create 60 to 80 percent of the new jobs that were created annually over the last decade. It's our responsibility to create an environment where small business can thrive and continue to produce half of our non-farm GDP.

This bill will spur job creation and economic growth by expanding resources and providing technical assistance to small businesses. Small business is the engine that drives our economy, especially during tough economic times.

Unemployment continues to rise, currently at 8.6 percent nationally and 7.9 percent in my home State of Colorado. People often turn to starting their own small businesses when they become unemployed. These businesses are frequently the sole source of income for many American families. This legislation will help these entrepreneurs gain the skill required to sustain and grow their businesses and succeed.

A recent report released by the Small Business Administration reveals that the economic recession continued to deepen in the first quarter of 2009. Real GDP fell by 6.1 percent. Small business owners, consumers and the public at large remain pessimistic. Poor sales and access to credit have crippled many American businesses. With this legislation we can help reverse this negative trend and give entrepreneurs the tools they need to succeed and embrace growth opportunity for all Americans in the future.

I reserve the balance of my time.

Ms. FOXX. Mr. Speaker, I thank my colleague for yielding time, and I will yield myself such time as I may consume.

Mr. Speaker, I have read this bill very, very carefully. It's a bipartisan bill supported by some of my colleagues on this side. I think that the intent of the bill is very positive. I know the folks who are interested in this bill and know that they have the best intentions.

But I want to say that I think that, as a former small business person, and someone who has administered programs such as these through my work as a former community college president, a university administrator, and having been on a school board and dealt with agencies that operate these kinds of programs, I want to say that I have some concerns about this bill and about the rule.

I am concerned that because this was a bipartisan bill, that we have a closed rule on this. I think that it would have been a great opportunity for the majority to have given an opportunity for us to offer a lot of amendments to the bill, have a great deal of discussion on it. And I'm very concerned about the process, again, because we haven't gone through a process that I think would have been fair to our side of the aisle.

However, I also want to say that I think that, while this bill has a great title, and the intent is a good intent, that what small businesses, the engine of our economy, need are things that are different from this bill.

We're going to have many different programs in here. As I said, I went through the bill very, very carefully. I looked for ways that it's really going to create jobs, and I can't see the kind of accountability that I was hoping to see in the bill and as we talked about yesterday in the Rules Committee.

We're going to be creating, I think, a lot of jobs for bureaucrats; but it's very difficult, again, to see how we're going to create jobs in the small business arena. And I think that we come from two different world views in terms of how we approach this kind of an issue.

We know that people are hurting in this country. We know that many jobs have been lost, and we'd like to see those jobs recovered. And we know that at least half of the jobs in this country are in small businesses. And I talk to those people every day, and they tell me they're struggling, they're spending down their savings, the individuals are spending down their savings. They're doing everything they can to stay in business.

I talked to a gentleman this morning who had geared up in anticipation of receiving stimulus money to repair roads and bridges in North Carolina, and he doesn't understand why none of that money is coming down the pike.

So, again, people in small business are struggling, and they want to do something to keep their people employed. I just don't believe that this bill is going to do it.

I also don't understand, again, why this bill has been scheduled in a get-away week, when, again, with a process that is not as open as it could have been, in a noncontroversial bill, where we could have discussed it and perhaps amended it and come up with a way to really help small businesses.

So, Mr. Speaker, I'm going to urge my side of the aisle to vote "no" on the rule, and we'll discuss more reasons why as we go along during this debate.

I reserve the balance of my time.

Mr. POLIS. Mr. Speaker, I believe my good friend on the other side of the aisle said that this was a closed rule. This is actually a structured rule that allows for nine amendments that have been made in order. A number of others have been withdrawn and incorporated into the manager's amendment.

She also mentioned that she wished that there was more opportunity to amend this bill. I would just remind my colleagues that there were only three amendments that were offered from the other side of the aisle. Certainly, we would have encouraged and liked more. Of those three, two were nongermane and one, according to the Parliamentarian, of those was a violation of PAYGO. The other will, in fact, be ruled in order.

Certainly, we always appreciate suggestions from all perspectives about how to improve these bills, and hopefully we will have many more ideas that are offered on legislation going forward.

This bill expands support for veterans who are working to establish their own businesses, particularly at this time of war for our country and as we phase out of our involvement in Iraq and many men and women return home to an economy that is difficult to find a job in.

Our men and women in uniform who have made immeasurable sacrifices should have the opportunity and assistance they need to start a business. Our troops need to know that when they return from harm's way, there is a network of job support and business resources waiting for them when they come home.

By directing the administrator of the Small Business Administration to establish a Veterans Business Centers program, this bill will provide entrepreneurial training and counseling to veterans. This training will empower veterans who participate in the program to achieve access to capital and start their own businesses, helping to rebuild our economy.

The SBA will provide small business grants through these Veterans Business Centers which alleviates a major hurdle to many new businesses, access to capital. This bill puts specific emphasis on service-disabled veteran-owned small businesses. We owe a special duty to our wounded warriors, especially those whose reentry into the work force could otherwise be difficult.

This legislation presents an opportunity to fund efficient growth in a

sector that reaches everyday Americans. Every dollar invested in these incentives and initiatives returns \$2.87 to the economy, and in 2008 alone, the SBA's entrepreneurial development program helped generate 73,000 new jobs and infused \$7.2 billion into the economy. Let me repeat that: 73,000 new jobs at a time when we're hemorrhaging 32,000 jobs a month and we all dread the release of the next unemployment report.

Job creation is vital to our economic recovery. It's during these tough economic times that more and more Americans are starting small businesses. In fact, the majority of Americans' first job is at a small business. As our economy bounces back, Americans returning to work will find that it is a small business community in which they will find their next opportunities.

I reserve the balance of my time.

Ms. FOXX. Mr. Speaker, I thank my colleague for correcting my misstatement about the rule. And I'm curious about the number of new jobs that the Small Business Administration is said to have created in the past. I'm very curious to know how much each of those 73,000 new jobs cost us, because we know that in much of the legislation that has been passed this year, there has been a great cost to the jobs. And, yesterday, in the debate in the Rules Committee, everybody agreed that there has been very little accountability and evaluation on the part of the Small Business Administration in terms of the effect of the Small Business Administration in terms of pinning down numbers.

We know, by the Small Business Administration, that small businesses employ about half of U.S. workers. Of 116.3 million nonfarm private sectors in 2005, small firms with fewer than 500 workers employed 58.6 million, and large firms employed 57.7 million. Firms with fewer than 20 employees employed 21.3 million. And what we know, from talking to these people, is that what concerns them is not so much that we have the government out there saying, we're from Washington and we're here to help you, but there are very specific things that small businesses tell us that they would like.

Let me talk a minute about the death tax, for example. We all know that the voice of small business on Capitol Hill is NFIB, and NFIB has been talking for a long time about the permanent death tax repeal. They did a member ballot recently, and 89 percent of small business owners said they want full repeal of the death tax.

Opponents of permanently repealing the death tax claim eliminating this tax will do nothing to stimulate economic growth. But we know that the studies that have been done tell a very, very different story.

Yet, our colleagues across the aisle are adamantly opposed to eliminating the death tax. Yesterday, in the Rules Committee, my colleague, Mr. SESSIONS, talked about this, and he was

corrected by our colleagues on the other side of the aisle, saying, no, this is not an important issue to small businesses; that it's not one of their top issues. But we know that it is. And there's a lot of research to show that.

I will talk some more again about the facts that we have about what small businesses would like to see us do.

Before I do that, I'd like to yield as much time as he may consume to my distinguished colleague from Illinois, Mr. ROSKAM.

□ 1130

Mr. ROSKAM. Thank you. I thank the gentlewoman for yielding.

You know, I offered an amendment to the Job Creation Through Entrepreneurship Act, H.R. 2352, and it's one of those bill titles that is sort of inarguable. Who can simply be against job creation through entrepreneurship? Nobody. So I put forth an amendment to bring some predictability to this entire debate that we're having or, frankly, that we're not having about the death tax, because the death tax, as you know, is a crushing tax. It's a tax that is imposed on success that has been created many times through generations who have worked, who, ironically, have paid taxes on their businesses and who are looking for some sense of predictability into the future.

What is happening, coming from this Congress, is sort of an orthodoxy that has developed that says we're going to sort of make it up as we go along. Here we have the Energy and Commerce Committee that has been dealing with foisting another tax burden. The chairman of the Ways and Means Committee characterized this—and I'm paraphrasing—as a tax that is the cap-and-tax initiative. There is no other way to describe it. Yet here was this simple amendment that would have repealed the death tax and that would have brought some predictability into it. Just on a party vote, it was sort of swatted aside. I'm told by listening this morning that it was characterized as unimportant. Well, I'll tell you what. For companies in my district, for small businesses in the suburbs of Chicago, the death tax is not an unimportant issue. Let me just highlight a couple of the entities that are in favor of the death tax repeal:

The U.S. Chamber of Commerce; the National Federation of Independent Business, which the gentlewoman referenced a minute ago; the National Association of Manufacturers; the National Small Business Association; the National Association of Realtors; the S Corporation Association of America; the Association of Equipment Manufacturers. We know dozens and dozens, if not hundreds and if not thousands, of small companies, entrepreneurs, and self-employed folks who understand fundamentally how important this issue is.

So it shouldn't be characterized in sort of the inner sanctum of the Rules

Committee as unimportant when all of these entities have stepped forward and have said, No, no, no. This is vital. This is not unimportant. This is vital, and it ought not be swatted away. It ought just not be said that we're not going to allow a roll call vote on this and that the only way you're going to be able to raise this issue is to sort of scrap along and bring it up in a rules debate. The House is going to be completely silent? Think about the signal that that sends to the small business person. Think about the signal that that sends to the entrepreneur. Think about the signal that this Congress is sending to the self-employed. It is sending a signal that says there is no predictability into the future based on what this Congress is going to do.

I would suggest that we are in an economic situation the likes of which none of us have ever seen before. We're in an economic situation the likes of which no generation has really ever seen before, and the pace of change is moving so quickly that it's very difficult for folks to get their arms and their heads around it. The Rules Committee had an opportunity to say, Look, once and for all, let's get this done. Once and for all, let's get this death tax repealed off the books. Take away the ambiguity so that people know what they're doing in the future.

It is said that up to \$25,000 a year is spent by small businesses, on average, just for attorneys and for consultant fees in order to figure out how it is that they need to arrange assets, to put it in different places and to title it in certain ways so that they can best get the advantage for their families. For a Congress that has come along and has sort of given lip service to small business and has given lip service to entrepreneurship—I mean think about it. This is the bill title that we're talking about right now: Job Creation Through Entrepreneurship Act. I mean, hey, fabulous little language, but you know what? If you want to create jobs, if you want to create opportunity, if you want to help entrepreneurs, the way to do that, in part, is to repeal the death tax.

So I am really disappointed that the majority on the Rules Committee was just entirely dismissive of it, was sort of plugging their procedural ears, and was unwilling to offer the opportunity to simply have a debate in the people's House about the death tax.

What is it that is so unpleasant. What is it that is so difficult? What is it politically that folks are gun shy to take this issue up? Do you know what it is? It is the clarity with which this issue speaks throughout the entire country, and I think that this Congress has missed a golden opportunity. It is with deep regret that I stand in opposition to this rule.

Mr. POLIS. You know, I feel that the five members from the other side of the aisle and the two from our side of the aisle whose bills went into the bill would not like their efforts characterized as merely "lip service to small

business.” This bill provides tangible tools to the Small Business Administration in helping entrepreneurs start small businesses.

With regard to taxation issues, we have a Ways and Means Committee. We have a process for discussing those bills. It was the ruling of the Parliamentarian that it was not germane to this bill, in fact, quite to the contrary of what my friends on the other side of the aisle said. I recall a comment from a member on the Rules Committee that this was an important issue, one that was worthy of discussion, but of course, again, it was not germane to this particular bill that’s before us today. I’m confident that this is a discussion we’ll continue to have with regard to the inheritance tax and with taxation in general, but this is simply not germane to the matter of this bill.

Let me put a human face on what the Small Business Administration does and how they help people. I had the opportunity to speak yesterday to the head of the Boulder Small Business Development Center in my district of Colorado. She told me this story of a young woman who had just graduated from college. She had broken her arm, and she had a cast for her arm. She decorated her cast with cast tattoos, and her friends all commented, I want some of those. Those look terrific. The word spread about these cast tattoos.

This young woman approached the SBA and was given the know-how she needed to be able to start a business based on those cast tattoos. Well, she has created two jobs today directly, not to mention the indirect jobs she has created through the manufacturing process. She now sells those cast tattoos in several States and continues to grow her business amidst this time of general economic uncertainty.

H.R. 2352 is the opportunity to fund efficient growth in a sector that reaches every American on Main Street. It helps us reach entrepreneurs who previously didn’t have access to capital, access to information, and it provides new multilingual, online distance training and access to specialists who can help with financial literacy. By combining some of the best ideas from both sides of the aisle, in a bipartisan way, we can help move American small business forward, which will help this country recover from the recession that we’re in.

I reserve the balance of my time.

Ms. FOXX. Thank you, Mr. Speaker.

I appreciate very much the comments by my colleague, but I want to say again, going back to my comments that my colleague from Illinois made about the title of this bill, Job Creation Through Entrepreneurship Act, if what we really are about here is job creation, then we would be embracing Mr. ROSKAM’s amendment because we know, from a study done by Dr. Douglas Holtz-Eakin and Cameron Smith, these numbers: Repealing the Federal estate tax would increase small business capital by over \$1.6 trillion. We

would increase the probability of hiring by 8.6 percent. We would increase payrolls by 2.6 percent. We would expand investments by 3 percent. We would create 1.5 million additional small business jobs. We would slash the current jobless rate by almost 1 percent—0.9 percent.

So, again, there is a different world view here. The world view of the majority is the government is going to do this. The world view of our side is allow the people to keep more of their money. They will create the jobs. It will be a minuscule number of people who would ever use the resources that are going to be created with this bill.

Again, the intent is good. Nobody is discounting the good intentions of the authors of this bill. However, we could do a lot more by not creating more bureaucracy, by not taking more money from the people of this country and then having the government deciding how to spend it.

With that, Mr. Speaker, I would like to yield such time as he may consume, again, to my colleague from Illinois, Mr. ROSKAM.

Mr. ROSKAM. Thank you. I thank the gentlewoman for yielding.

Briefly, in response to the gentleman from Colorado, he raised two interesting points. They were procedural points largely, and I would just like to speak to them. As I recall, one was germaneness and the other one was PAYGO.

I think it’s disappointing that the Rules Committee majority decides to impose these standards on certain bills and then decides to ignore these standards on certain bills. To act as if the majority is as pure as the wind-driven snow on PAYGO is a mischaracterization of past conduct. This is a majority that has run roughshod over its own rules in the past. So, on the PAYGO side, people in my district would characterize that as “spare me.”

Now, on the germaneness, here we look at the rule, and the rule in paragraph 5 waives all points of order against the amendment in the nature of a substitute, et cetera, et cetera, et cetera. In other words, the rule, by declaration, can take care of the germaneness issue. So let’s not hide behind procedure here. Let’s not hide behind a rule book that the majority has been very, very willing to cast aside in the past to advance its own agenda.

Instead, why don’t we come together. Why don’t we come together and say, You know what? Let’s do something that we absolutely know is going to help small businesses. Let’s do something that we absolutely know is going to help the self-employed, that we absolutely know is going to help the entrepreneur, because if you’re interacting with those folks across the country who are really the ones who we all give lip service to, who are really the ones to whom we all say, Well, this is the group that creates jobs, then why in the world are we putting this albatross around their necks? Why in

the world are we allowing this ambiguity? They don’t know if they’re afoot or on horseback on this thing, and it’s not fair.

You know what? This Congress can do something about it. This Congress can create predictability. If it chooses to, this Congress can say to that small business owner and to that family who has created through work and risk and toil, Look, we’re not going to come through here with a confiscatory tax that takes from one generation to another. You know, we’ve seen enough generational theft, frankly, that has come through this Congress, where one generation has piled on debt, upon debt, upon debt, upon debt on our children. It is, frankly, irresponsible.

From George Washington to George W. Bush, we’ve seen how it took 43 American Presidents, Mr. Speaker, to create \$5.1 trillion in debt. Yet, with this majority and with this administration, doubling that amount in 5 years and tripling that amount of money in 10 years is simply staggering.

Here we have a simple amendment that the Rules Committee sort of looks at and says, Oh, no, no, no, no, no. We’re not interested. It’s not important.

Not important? Not important to the folks in my district? Not important to the businesses and to the entrepreneurs in suburban Chicago? Not important? It’s vitally important. This Rules Committee needs to do better. This Rules Committee needs to be bringing things to the floor that create prosperity and that create opportunity.

With all due respect to this bill—and I’m sure it’s a fine bill—you know what? It falls short of what the possibilities are, because when something is so important as the predictability of the repeal of the death tax and it is simply swatted away—just sort of all the Democrats “yes” or all the Democrats “no” and all the Republicans “yes” and that’s the amount of discussion it gets—then, frankly, it’s not good enough. It’s not good enough for the constituents whom I represent, who are deeply disappointed by the way in which this rule has come about. The underlying bill could be fabulous, but you know what? This rule is deeply disappointing, and I urge opposition to it.

Mr. POLIS. Thank you, Mr. Speaker.

There are many things that this bill is not, and I fail to find those solid grounds for opposition. This bill is not a cure for cancer. This bill is not a cut in capital gains. This bill is not about abolishing the inheritance tax. There are many things that many of us would like to do that are not in this particular bill. Rather, let us discuss the merits of this bill in helping our veterans, in helping the handicapped, and in helping the unemployed to create small businesses, to create value, and to create jobs in the economy.

I would like to yield such time as she may consume to the gentlewoman from Arizona (Ms. GIFFORDS).

Ms. GIFFORDS. Thank you, Mr. Speaker.

I'm glad that during this period of economic downturn we are ensuring that we are doing everything we can to support our small businesses. We need to protect those taxpayers. We need to make sure that the backbone of the country stays intact.

□ 1145

I think it's also pertinent that this week we're recognizing National Small Business Week and celebrating the great efforts of American small businesses and everything that they're doing right now to survive this economic downturn.

For a second, I'd like to mention a small business in my district, AGM in Tucson, which last week was named by the U.S. Chamber of Commerce the Small Business of the Year for 2009. This is a Tucson-based manufacturer that is a leader in demonstrating intelligent business judgment and showing a true commitment to its employees and to its customers.

Arizona is a unique State. We have a lot of entrepreneurs, minority-owned businesses, and women-owned businesses. Altogether, there are about 100,000 small businesses that represent over 95 percent of the States' employers who, like AGM, are making vital contributions to our local economy.

Before I got involved with politics, I was the President and CEO of my family's small tire and automotive company. I know exactly how hard it is to compete in this day and age.

Small businesses are looking for the tools and resources that they need to operate and grow during this tough economic climate. That is why I'm supporting H.R. 2352, the Job Creation Through Entrepreneurship Act. This bill will reauthorize and modernize the SBA's entrepreneurial development programs. It's going to foster veterans' business opportunities and spur job creation and economic growth.

I urge my colleagues on both sides of the aisle to support this legislation and help foster American competitiveness.

Ms. FOXX. I yield myself such time as I may consume. Again, I want to say that I know that the motivation behind this bill is good, but we know not how many jobs are going to be created. We know not how many people are going to be assisted by this bill, because there is nothing in the bill that directs that. It's only after 8 years that there will be any accountability for the money being spent in this bill.

I was encouraged yesterday when my colleagues acknowledged the fact that we've had no accountability by the Small Business Administration for how they spend the money. And I thought, Well, we're going to have some great accountability in this bill. But when I read the bill very carefully, I saw that it's only after 8 years that performance standards are going to be established for the projects to get this money.

We have no idea how much money is going to be spent in administration. We

don't know how many people are actually going to be served. But, as my colleague from Illinois, Mr. ROSKAM, said, we know how much would be accomplished by eliminating the estate tax. And let me talk a little bit more about that.

We know that if the owner of a small business with assets of \$3 million passed away this year, the heirs of the estate would have to pay Federal estate taxes of about \$460,000. Why? They've already paid taxes on that money twice—and they're going to be paying again. Why? Just because the Federal Government says so.

Now the May, 2006, Joint Economic Committee Study has told us that a primary reason why small businesses fail to survive beyond one generation is the estate tax. Close to two-thirds of respondents—64 percent—in one survey reported that the estate tax makes survival of the business more difficult.

Eighty-seven percent of black-owned firms and 93 percent of manufacturing firms responded that the estate tax was an impediment to survival.

A survey of family business owners by Prince and Associates found that 98 percent of heirs cited a need to raise funds to pay estate taxes, when asked why family businesses fail.

If only a small percentage of the 550,000 small businesses that fail annually are attributable to the estate taxes, the cumulative number affected over time could be substantial.

In the context of the survey and tax data described here, it's easy to see how the estate tax has contributed to the failure of thousands of small and family-run businesses.

A 2004 survey of Hispanic business owners by the Impacto Group, 66 percent of respondents said the estate tax affects their ability to meet company goals by distracting their attention and wasting resources. Half of all respondents in that survey report knowing of a Hispanic small business that has experienced hardship because of the estate tax liability, including selling off equipment or the business. One-quarter of respondents said they themselves would sell part of the business to pay the tax, and 10 percent would delay expansion of the business.

So we know, again, that by getting rid of the estate tax, we would be saving thousands of small businesses, creating millions of jobs. And it is germane to this bill.

Another issue that is of great concern to small businesses—and I talked to a lady this week about it. She had read about the required paid sick leave bill that is before the Congress right now. And she said, I'm struggling. She said, I have been paying my salaries of my employees out of my savings. If this bill goes through, we will have to shut down because we can't afford this—we already give some sick leave. And we're certainly very good to our employees. They can use their vacation for sick leave. But if we're mandated to do 7 days of paid sick leave, and we

know that, in many cases, people will simply take those days whether they're sick or not, then we will shut down our business.

So this Congress is acting over and over and over again to kill small businesses, and they offer us a very small bill here, as my colleague again said, that sounds wonderful. However, what it's going to do is be out there as an idea that will help small businesses, but they're going to ignore all of the things that prove they will help small businesses.

With that, Mr. Speaker, I reserve the balance of my time.

Mr. POLIS. I yield myself such time as I may consume. Again, there are many things that our country can do for small business. When we talk about taxes, of course predictability in the inheritance tax rate would be a good thing, and I hope we work towards that end.

We talk about the corporate income tax rate. There's evidence that we might be higher than many other countries in the world and, for that reason, many companies may be locating offshore. Maybe we need to reduce that.

These are all very, very important discussions. We need to look at the revenue impact, we need to look at the benefit, we need to look at how it affects American business. Business needs to be a part of that.

That's wonderful that my good friend on the other side of the aisle cited the interest in the inheritance tax issue for many affiliations and small businesses. That's a very important discussion to have. But none of that should stand in the way of the important work of the Small Business Administration in giving entrepreneurs the tools that they need to succeed. They're in these very difficult economic times.

Yesterday, I had the chance to talk to Sharon King at the Boulder Small Business Development Center in my district. They offer a number of programs that would benefit tremendously from this legislation. They feel that the ability of the SBA to help small businesses has atrophied considerably under the Bush administration.

This bill will help restore their ability to help give Americans the tools they need to start their businesses at a time when demand is higher than ever.

Not only do existing small businesses need help in accessing credit, which is becoming ever more difficult, but more and more Americans are unemployed, which gives them the opportunity to maybe start their own business, to start their own ability to earn money because they lack another job.

I'd like to reserve the balance of my time.

Ms. FOXX. I yield myself such time as I may consume. I want to just mention one more issue that comes to me all the time, and I know it has to be coming to other Members of Congress as they talk to small business owners and even large business owners, and that has to do with the issue of regulations.

There's a study entitled: "Ten Thousand Commandments: An Annual Snapshot of the Federal Regulatory State," which is issued by the Competitive Enterprise Institute. And just a few statistics about it because, again, we could be dealing with some issues that would reduce the role of regulations in the lives of small business owners.

I want to bring that up because this is a third point I think that hurts our small businesses tremendously. Given that in 2007 government spending stood at \$2.73 trillion, the hidden tax of regulation now approaches half the level of Federal spending itself. Regulatory costs rival estimated 2007 individual income taxes of \$1.17 trillion.

Of the 3,882 regulations now in the works, 757 affect small businesses. Regulatory costs of \$1.16 trillion absorb 8.5 percent of U.S. gross domestic product.

Regulations dwarf the \$150 billion economic stimulus package passed in 2008, and rolling back these would constitute a deregulatory stimulus.

So I would like to urge my colleagues on the other side to let us look at this issue of regulatory costs and look at ways that we can do this.

I've introduced a bill that would require more transparency in the cost of regulations, both to government and to the private sector. If we really want to help small businesses, then I think that that's something that we should be doing. It's H.R. 2255, Unfunded Mandates Information and Transparency Act. I'd like to work with my colleagues on this and other issues where we really could help small businesses.

Again, I know the intent of the underlying bill to this rule today is well-intentioned, but I believe that we have many other ways that don't cost any money to help small businesses.

I reserve the balance of my time.

Mr. POLIS. I yield myself such time as I may consume. If we're talking about things we can do to help small businesses that are not in this bill, let me add a number of others that we have already accomplished.

I'd like to remind my colleagues on the other side of the aisle every single Republican Member voted against the American Recovery and Reinvestment Act, which included \$15 billion of tax cuts for American small businesses, including increasing section 179 expensing limits to let small business owners fully depreciate capital purchases for items like trucks, computers, and other equipment in the same year it was purchased.

We also extended the carryback period for net operating losses, helping many small businesses in America use their losses from years past, from 2 years to 5 years. We also delayed the 3 percent withholding tax on payments to government contractors.

We also provided relief for the alternative minimum tax, which hit tens of thousands of American small business owners. We also established tax credits for small businesses that hired recently discharged veterans and out-of-work youth.

In addition to those tax cuts, the American Recovery and Reinvestment Act also generated \$21 billion in new lending and investment for small businesses; provided direct interest-free loans of \$35,000; and makes loans less expensive for small business borrowers by eliminating fees that were normally built into SBA-backed loans.

In the American Recovery and Reinvestment Act, we increased to 90 percent the amount of an SBA-backed loan that the government guarantees, making it easier for small businesses to get loans from local banks. We also unclogged the market for SBA-backed loans to help gain access to credit, to our markets.

In every area of our country, small businesses continue to encounter the same difficulties. They're having difficulty borrowing money and face significant difficulty raising capital from equity and other sources. Until these problems are addressed, our economic recovery will be slowed.

Fortunately, with this bill and the American Recovery and Reinvestment Act, the Congress and the President can continue to make important strides to remove these barriers to small business growth and help small business succeed in leading this recovery.

I reserve the balance of my time.

Ms. FOXX. I yield myself such time as I may consume. I appreciate my colleague for pointing out some of the good things that the majority has tried to do. But I have to tell you that not one single person has come to me to tell me that he or she has benefited from any of these things that have passed. To the contrary. They come to me and tell me how they try and try to get assistance—and can't get assistance.

Of course, I think these small amounts of tax credits are being offset by the tremendous burden that we are putting on the people of this country by increased taxes, not the least of which is the cap-and-tax bill that is passing, which is going to put a minimum of \$3,000 a year increased tax burden on every family in this country, as well as several other things that are coming down the pike.

Mr. Speaker, I will be asking Members to defeat not only the rule but also the previous question so that I might amend the rule to make in order the amendment offered by Representative TERRY of Nebraska, which would amend the Small Business Act's loan program to allow qualified struggling car dealers to apply for Small Business Administration loans.

□ 1200

Many American car dealers are small businessmen and women who have been left literally holding the bag by the corporate carmakers. If this bill is truly meant to assist small business owners, this amendment would prove extraordinarily timely. This amendment is about small business. This

amendment is about jobs. So I will ask people to defeat the previous question.

I also ask unanimous consent to have the text of the amendment and extraneous materials printed in the CONGRESSIONAL RECORD just prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. PAS-TOR of Arizona). Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

Ms. FOXX. Thank you, Mr. Speaker.

The main point of the amendment is to give SBA loans to the dealers to help them buy their own inventory since they're on the hook for the cost of their inventory since the manufacturers are going under. It is short and sweet. It's a take it or leave it or build on it. It would waive PAYGO. They waived PAYGO to bail out the manufacturers, but they don't want to waive PAYGO to help out the dealers when the manufacturing plan fails.

With that, I yield back the balance of my time.

Mr. POLIS. In talking to the Boulder Small Business Development Center yesterday in my district in Colorado, they told me about the seminars that they have in gaining access to contract decision-makers, consulting, the seminars they do to help train minority-owned businesses. Our local center also offers scaling up, which teaches entrepreneurs how to gain access to capital and grants. Finally, they're working on a turnaround program for downtown Boulder businesses, helping retailers and restaurants. Like many communities across our country, our vacancy rate has increased, and many retail businesses are having trouble in this recessionary environment. Without the resources that are made available by this bill, the Boulder Small Business Development Center, along with many other centers around the country, will be forced to cut programs and training. The 21st century will demand innovative small businesses stay up to date on groundbreaking technologies.

H.R. 2352 includes a green entrepreneurial development program to provide education classes and instruction in starting a business in the fields of energy efficiency and green or clean tech. This, at its core, is a training program that's important for the future of America. With the right training and access to the right resources, the sky is the limit for America's entrepreneurs.

So much of our work so far in this Congress has moved us in the direction of creating more jobs, passing the budget, work on health care, clean energy, education, the Recovery Act, the green schools bills, the Water Quality Investment Act. This important bill for the Small Business Administration is another step on the road to recovery.

I urge a "yes" vote on the previous question and on the rule.

The material previously referred to by Ms. FOXX is as follows:

AMENDMENT TO H. RES. 457 OFFERED BY MS. FOXF OF NORTH CAROLINA

After "except those printed in the report of the Committee on Rules accompanying this resolution" insert "or contained in section 3 of this resolution".

After "shall not be subject to a demand for division of the question in the House or in the Committee of the Whole" insert ", except as provided in section 2".

At the end of the resolution, insert the following new sections:

SEC. 2. The amendment printed in section 3, if offered by Mr. Terry of Nebraska or his designee, shall be debatable for 10 minutes equally divided and controlled by the proponent and opponent. All points of order against such amendment are waived.

SEC. 3. The text of the amendment is as follows:

Page 50, after line 16, add the following new title:

TITLE VIII—ASSISTANCE TO MOTOR VEHICLE DEALERS

SEC. 801. ASSISTANCE TO MOTOR VEHICLE DEALERS.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by redesignating the second paragraph (32), as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as paragraph (33); and

(2) by adding at the end the following:

“(34) MOTOR VEHICLE DEALERS.—

“(A) In general.—The Administration may provide loans under this subsection to motor vehicle dealers for the purchase of motor vehicle inventory.

“(B) AMOUNT.—Notwithstanding any other limitation on the amount of a loan under this subsection, the maximum amount of a loan under this paragraph shall be \$20,000,000 and the Administration may participate in a loan not exceeding such amount in the manner described in paragraph (2).

“(C) MOTOR VEHICLE.—For purposes of this paragraph, the term ‘motor vehicle’ includes passenger automobiles, tractor-trailers, motor homes, motorcycles, motorized heavy equipment, and motorized agricultural implements.”.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the

opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Democratic majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's "American Congressional Dictionary": "If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

[From the Wall Street Journal, Mar. 31, 2009]

NIGHT OF THE LIVING DEATH TAX

Lawrence Summers, President Obama's chief economic adviser, declared recently that "Let's be very clear: There are no, no tax increases this year. There are no, no tax increases next year." Oh yes, yes, there are. The President's budget calls for the largest increase in the death tax in U.S. history in 2010.

The announcement of this tax increase is buried in footnote 1 on page 127 of the President's budget. That note reads: "The estate tax is maintained at its 2009 parameters." This means the death tax won't fall to zero next year as scheduled under current law, but estates will be taxed instead at up to 45%, with an exemption level of \$3.5 million (or \$7 million for a couple). Better not plan on dying next year after all.

This controversy dates back to George W. Bush's first tax cut in 2001 that phased down the estate tax from 55% to 45% this year and then to zero next year. Although that 10-year tax law was to expire in 2011, meaning that the death tax rate would go all the way back to 55%, the political expectation was that once the estate tax was gone for even one year, it would never return.

And that is no doubt why the Obama Administration wants to make sure it never hits zero. It doesn't seem to matter that the vast majority of the money in an estate was already taxed when the money was earned. Liberals counter that the estate tax is "fair" because it is only paid by the richest 2% of

American families. This ignores that much of the long-term saving and small business investment in America is motivated by the ability to pass on wealth to the next generation.

The importance of intergenerational wealth transfers was first measured in a National Bureau of Economic Research study in 1980. That study looked at wealth and savings over the first three-quarters of the 20th century and found that "intergenerational transfers account for the vast majority of aggregate U.S. capital formation." The co-author of that study was . . . Lawrence Summers.

Many economists had previously believed in "the life-cycle theory" of savings, which postulates that workers are motivated to save with a goal of spending it down to zero in retirement. Mr. Summers and coauthor Laurence Kotlikoff showed that patterns of savings don't validate that model; they found that between 41% and 66% of capital stock was transferred either by bequests at death or through trusts and lifetime gifts. A major motivation for saving and building businesses is to pass assets on to children and grandchildren have a better life.

What all this means is that the higher the estate tax, the lower the incentive to reinvest in family businesses. Former Congressional Budget Office director Douglas Holtz-Eakin recently used the Summers study as a springboard to compare the economic cost of a 45% estate tax versus a zero rate. He finds that the long-term impact of eliminating the death tax would be to increase small business capital investment by \$1.6 trillion. This additional investment would create 1.5 million new jobs.

In other words, by raising the estate tax in the name of fairness, Mr. Obama won't merely bring back from the dead one of the most despised of all federal taxes, and not merely splinter many family-owned enterprises. He will also forfeit half the jobs he hopes to gain from his \$787 billion stimulus bill. Maybe that's why the news of this unwise tax increase was hidden in a footnote.

Mr. POLIS. I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Ms. FOXF. Mr. Speaker, on that I demand the yeas and the nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order: on adopting House Resolution 456, by the yeas and nays; on ordering the previous question on House Resolution 457, by the yeas and nays; on adopting House Resolution 457, if ordered.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.