

A provision that was included in the new health care law will require businesses to submit new tax forms every time they purchase more than \$600 worth of goods. This new government mandate will impose significant new costs on 26 million businesses across America.

Given the economic challenges that our Nation already faces, this is a burden that we cannot afford. If it is not fixed, this new mandate will slow economic growth and prevent the creation of new jobs. The Commerce Department reported last week that the pace of economic growth is slowing down. U.S. economic growth slowed to an annual rate of 2.4 percent in the second quarter, the weakest showing in nearly a year. According to the Labor Department, wages and salaries are also suffering and the unemployment rate still hovers around 9.5 percent.

If these numbers are going to improve, it's going to be a result of the hard work and ingenuity of our Nation's small business owners. The entrepreneurial small business community has been the driver to pull us out of all recent recessions. They are the key to job creation that will pull us out of this economic downturn as well. Small businesses create 65 percent of all new jobs in America. In Wyoming, that number is a lot higher. We have 62,000 small businesses in Wyoming that employ nearly 70 percent of our workforce. We need to advance policies that encourage small businesses to grow and hire new workers.

Unfortunately, buried in the new healthcare law is a provision that will have the opposite effect. It will cost every business, even the smallest of the small, more money to file their taxes.

Because of the new healthcare law, beginning in 2012 businesses will have to send new tax forms to the IRS for every business to business transaction of \$600 or more for both goods and services. This new requirement creates a punishing new paperwork mandate for small businesses.

The new paperwork requirement means that a small business owner will have to file two forms—one to the vendor and one to the IRS—for almost every purchase his or her business makes. Imagine you're a freelance writer and you buy a new laptop. Well, now you have to send Form 1099 to Apple and the IRS or, be labeled a tax cheat. Oh, and you'll need Apple's Taxpayer Identification number too so don't forget to ask the salesman for that.

Complying with the tax code is already one of the most expensive burdens placed upon small businesses. According to the National Federation of Independent Businesses, the typical small business pays as much as \$74 per hour to prepare and file various tax-related documents. Because they cannot afford to have their own finance departments, the costs of complying with the Federal tax code are 66 percent higher for small businesses as com-

pared to their larger competitors. The new healthcare law will significantly increase these tax burdens and the costs that come with them.

This new reporting requirement hits small businesses hardest because they typically don't have in house accounting departments and have to hire outside help. Every penny a small business spends on these services is money they can't spend on hiring new workers and expanding their business. Every hour a small business owner spends filling out these new tax forms is time he or she is not making a sale, manufacturing a product or working with a customer.

I understand the challenges this can create for a small business. Before I came to the Senate, my wife and I started and owned several shoe stores back home. When you own a small business, you have to be the CEO, the bookkeeper, the salesman and the person who empties the trash and cleans the toilets.

Every hour that I spent filling out government-mandated paperwork, was an hour I couldn't spend selling shoes. Government mandates, like the new 1099 requirement, have a real cost, and it is small businesses who end up having to pay them. The National Taxpayer Advocate, based inside the IRS, has already warned of the new reporting burden on small business.

This new reporting requirement hurts small businesses at the same time our economy needs them to help our recovery. Small businesses across this country are still struggling to stay open. Rather than forcing these businesses to comply with burdensome new paperwork requirements, we should be finding ways to encourage them to reinvest their money in growing their businesses and hiring more workers.

Our country has always relied on small businesses to grow the economy and create new jobs and they have always been the drivers to pull us out of economic downturns. Given the still difficult challenges facing our economy, the last thing we should be doing is piling on the paperwork that takes their time and precious resources away from creating jobs.

I believe things like the 1099 requirement are causing our entrepreneurs to think twice about taking new risks for fear of more government burdens and regulations. That's the worst thing Washington should be doing right now. Instead, we need to be focused on creating an environment where small businesses can grow and aren't worried about what might be the next new burden thrown on them from Washington.

It seems like a reoccurring bad dream around Washington over the past few years. Washington politicians tuck something into a giant bill that's rammed through Congress without fully understanding the impact in the real world.

This 1099 reporting requirement is just one of the many things in the new health law that need to be re-examined. Our small businesses need to be

focused on creating jobs and helping our economy recover, not on new paperwork burdens. When a business is considering making new long term investments in employees or equipment, they shouldn't have to be worried about the next new wrinkle to be uncovered in the health reform law.

We can make a statement right now to America's small businesses that we want you out there creating jobs, hiring new employees and growing your business—not worrying about what Washington will require of you next. Let's tell our small business men and women that we stand behind them, not on top of their backs, and let's repeal this new tax paperwork burden. Mr. President, I yield the floor.

#### FDA FOOD SAFETY MODERNIZATION ACT

Mr. ENZI. Mr. President, I rise today to talk about an issue important to us all—the safety of our food. Food safety is not a partisan issue—we all want to be confident that the food we eat and give to our children will not make us sick. That is why I have been working with my colleagues in a bipartisan way to pass S. 510, the FDA Food Safety Modernization Act.

This bill goes a long way to bringing the regulation of food into the 21st century. No longer will outdated laws hold the FDA back from protecting us. This bill takes into account the changes in our food supply over the more than 100 years since food safety authorities were first granted to the agency. This bill provides real consumer safety improvements, while maintaining an appropriate balance between regulatory burden and food safety benefit.

I want to thank Senators GREGG, BURR, and DURBIN for their hard work and leadership in developing and introducing this bill. Their efforts to ensure that this was a bipartisan process, starting from a blank piece of paper, were critical to seeing this bill move. I also commend Senator HARKIN, the chairman of the HELP Committee, for prioritizing this bill and moving it through committee.

We, along with Senator DODD, have continued to work together over the last few months, which resulted in only a few issues remaining to debate on the floor. That kind of cooperation is what the American people expect of us. It certainly wasn't easy at times, but this is how we are supposed to legislate, and I am glad we met our obligations.

The House passed a food safety bill 1 year ago. There are significant differences between the House and Senate bills, and I hope we can bring this bill to the Senate floor as soon as possible so that there is sufficient time to conference the two bills and see legislation signed into law this year.

#### FAIR SENTENCING ACT OF 2010

Mr. KAUFMAN. Mr. President, I rise today to praise the enactment of the