

ments in qualified small business stock held for at least 5 years. This incentive, which will help small businesses raise critically needed capital, is projected to create 80,000 new jobs over the next 5 years. I also favored such an exclusion for investment in small business venture capital firms targeting investments to minority-owned businesses. Another small business incentive I supported increases the section 179 expensing limitation from \$10,000 to \$17,500, which will enable a number of smaller firms to purchase equipment needed for modernization and growth.

My Administration supports easing the regulatory burden on small firms so that more of the time spent filling out paperwork—especially complicated or duplicative paperwork—can be used for more productive activities. There are a number of measures we can take. We have already simplified the computation of certain taxes such as the alternative minimum tax and we have eased the safe harbor rules related to the individual estimated tax. And we can ensure that Federal agencies comply with the Regulatory Flexibility Act, which requires them to assess the effects of their proposed regulations on small firms.

Recent low interest rates have made resources more available to consumers for purchasing the products and services of American business and have made loans somewhat less expensive for the business community. In addition, I have proposed a number of measures to make capital more available to small business. To ease the "credit crunch" faced by many small firms, new provisions are loosening restrictions on banks so they can more easily make "character" loans, easing appraisal requirements for real estate used as collateral for small business loans, eliminating overlapping Federal regulations on lending institutions, and establishing an appeals process for banks and consumers who believe they have been unfairly treated by regulators.

Small and minority-owned businesses would also benefit from a strengthened system of community development banks. A proposed Community Development Banking and Financial Institutions Fund would support investment in community development financial institutions (CDFIs). These CDFIs would be a source for loans and technical assistance to individuals and businesses in communities underserved by traditional lending institutions.

Another way we plan to support the growth of new small enterprises, especially in economically depressed areas, is through the establishment of empowerment zones, enterprise communities, and rural development investment areas. The zones and communities will be nominated by State and local governments and chosen on a competitive basis after certain criteria based on population, geographic area, and poverty level are met. Businesses in these designated communities can take advantage of expanded tax-ex-

empt financing. Businesses in empowerment zones will be given additional employment credits and tax incentives.

Only by fully developing our technological and human resources can we expect to be leaders in the international marketplace. That means investment in technology and worker skills.

There are a number of actions we can take to remain technologically competitive. We can extend the research and experimentation tax credit to encourage more research activities by American small businesses. I would like to see an expansion of the Small Business Innovation Research program, which, as documented in this report, helps channel Federal research funding to innovative small firms. I support a strong Small Business Technology Transfer program in which small businesses work with Federal laboratories and universities to develop promising technology and introduce it into the marketplace. The manufacturing extension centers we have proposed would help small- and medium-sized businesses evaluate new manufacturing technology. And I'd like to see an expansion of the Commerce Department's Advanced Technology Program, which provides matching grants to companies working on generic technology. Finally, we need to speed up computer networks and coordinate Federal information and telecommunications policy.

We are looking at innovative ways to employ, train, and provide for a work force second to none. To begin with, we have extended the targeted jobs tax credit, which is available to employers who hire economically disadvantaged youth and members of specific at-risk groups. But that is just a small part of a large picture: many State, local, and private groups are experimenting with innovative ways to develop and train a competitive work force for the 21st century.

Clearly, our Nation faces many challenges. Fortunately, we face them with an almost limitless resource—the variety and ingenuity of the American people. If we can meet our national challenges with the energy and innovative spirit of America's small business owners, we will be doing very well. So I encourage the Members of Congress, together with young people and small business owners and all Americans to reach into your imaginations: dream boldly and begin something new.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *February 1, 1994.*

By unanimous consent, the message, together with the accompanying papers, was referred to the Committee on Small Business.

¶3.7 RECESS—1:54 P.M.

The SPEAKER pro tempore, Mr. VOLKMER, pursuant to clause 12 of rule I, declared the House in recess at 1 o'clock and 54 minutes p.m., subject to the call of the Chair.

¶3.8 AFTER RECESS—6:20 P.M.

The SPEAKER pro tempore, Mr. VOLKMER, called the House to order.

¶3.9 PERMISSION TO FILE REPORT

On motion of Mr. DIXON, by unanimous consent, the Committee on Appropriations was granted permission until midnight tonight to file a privileged report (Rept. No. 103-415) on the bill (H.R. 3759) providing emergency supplemental appropriations for fiscal year 1994, and for other purposes.

Mr. MYERS reserved all points of order against said bill.

¶3.10 SUBPOENA

The SPEAKER pro tempore, Mr. VOLKMER, laid before the House a communication, which was read as follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 1, 1994.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to rule L (50) of the Rules of the House, that my Committee has been served with a subpoena issued by the United States District Court for the District of Columbia.

After consultation with the General Counsel to the Clerk, I have determined that compliance with the subpoena is consistent with the privileges of the House.

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

¶3.11 SUBPOENA

The SPEAKER pro tempore, Mr. VOLKMER, laid before the House a communication, which was read as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 26, 1994.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to rule L of the rules of the House that a member of my Committee staff has been served with a subpoena issued by the United States District Court for the District of Columbia.

After consultation with the General Counsel to the Clerk, I have determined that compliance with the subpoena is not inconsistent with the privileges and precedents of the House.

Sincerely,

DAN ROSTENKOWSKI.

¶3.12 SUBPOENA

The SPEAKER pro tempore, Mr. VOLKMER, laid before the House a communication, which was read as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 26, 1994.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Rule L (50) of the Rules of the House, this is to formally notify you that my office has been served with a subpoena for employment and salary records of a staff person. The subpoena was issued by the Supreme Court of the State of New York, in connection with a civil case on a personal injury claim.