

ment's final rule—Rules of Practice: Elimination of unnecessary provisions relating to representation, witnesses, and access to Board records (RIN: 2900-AI15) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

3421. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Veterans Mortgage Life Insurance (RIN: 2900-AH54) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

3422. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 1996 annual report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to section 1817(b) of the Social Security Act, as amended. (H. Doc. No. 104-227); to the Committee on Ways and Means and ordered to be printed.

3423. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 1996 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, pursuant to section 201(c)(2) of the Social Security Act, as amended. (H. Doc. No. 104-228); to the Committee on Ways and Means and ordered to be printed.

3424. A letter from the Chief, Regulations Branch, U.S. Customs Service, transmitting the Service's final rule—Rules for Determining the Country of Origin of a Good for Purposes of Annex 311 of the North American Free Trade Agreement (RIN: 1515-AB34) received May 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3425. A letter from the Secretaries of the Army and Agriculture, transmitting notification of the intention of the Departments of the Army and Agriculture to interchange jurisdiction of civil works and Forest Service lands at the Corps of Engineers project at Applegate Lake, OR, pursuant to 16 U.S.C. 505a, 505b; jointly, to the Committees on Agriculture and Transportation and Infrastructure.

3426. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Suspension, Debarment and Ineligibility for Contracts, Assistance, Loans and Benefits (FRL-5513-1) received May 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); jointly, to the Committees on Commerce and Transportation and Infrastructure.

3427. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the Department's intent to obligate funds for additional program proposals for purposes of nonproliferation and disarmament fund [NDF] activities, pursuant to Public Law 104-107, title II (110 Stat. 716); jointly, to the Committees on International Relations and Appropriations.

3428. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1996 annual report of the Board of Trustees of the Federal Supplementary Insurance Trust Fund, pursuant to section 1841(b) of the Social Security Act, as amended. (H. Doc. No. 104-226); jointly, to the Committees on Ways and Means and Commerce, and ordered to be printed.

3429. A letter from the Assistant Attorney General of the United States, transmitting a draft of proposed legislation entitled the "Anti-Gang and Youth Violence Control Act of 1996"; jointly, to the Committees on the Judiciary, Commerce, and Ways and Means.

3430. A letter from the Board of Trustees of the Federal Hospital Insurance Trust Fund,

transmitting notification that on April 6, 1993, the Board notified each House of Congress that the reserves of the hospital insurance [HI] trust fund were expected to be exhausted in 1999, on April 11, 1994, the Board affirmed the 1993 notification with a change in the expected date of exhaustion to 2001, and on April 3, 1995, the Board reported that the expected exhaustion date was 2002; as shown in the 1996 trustees report, the HI trust fund is estimated to be exhausted in 2001, the status of the HI trust fund still does not meet the Board's test of short-range financial adequacy, pursuant to section 709 of the Social Security Act; to the Committee on Ways and Means.

¶68.4 MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

¶68.5 MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1624. An Act to reauthorize the Hate Crime Statistics Act, and for other purposes.

¶68.6 MESSAGE FROM THE PRESIDENT— SMALL BUSINESS

The SPEAKER pro tempore, Mr. HEFLEY, laid before the House a message from the President, which was read as follows:

To the Congress of the United States:

I am pleased to transmit to you my annual report on the state of small business, and to report that small businesses are doing exceptionally well. In the year covered by this report, a record 807,000 new firms reported initial employment. Firms in industries dominated by small businesses created almost 60 percent of the nearly 3.3 million new jobs. Business failures and bankruptcies declined at some of the sharpest rates in a decade.

Small businesses have both contributed to and benefited from the recent strength of the economy. The deficit reduction plan I initiated in 1993 has cut the budget deficit in half. The economy has created 8.5 million new jobs since January 1993—almost all of them in the private sector. The combined rate of unemployment and inflation is at its lowest level in more than 25 years.

A major success story has been in the women-owned business sector. Women are creating new businesses and new jobs at double the national rate. Today, women own one-third of all businesses in the United States. Clearly, there is no stopping this fast-growing segment of the economy.

Last June I met in Washington with nearly 2,000 small business owners—participants in the national White House Conference on Small Business. They took precious time away from their businesses to tell us about their problems and their ideas for resolving them, turning over a list of 60 recommendations for Government action. Their ideas are reflected in many of the

recent initiatives of my Administration.

Improving Access to Capital

One of the keys to a healthy small business sector is access to adequate start-up and working capital. The Small Business Lending Enhancement Act of 1995, which I signed last October, helped to increase access to capital through the Small Business Administration's (SBA) section 7(a) loan guarantee program. Last year, the SBA provided nearly \$11 billion in long-term credit and other financial assistance to more than 67,000 small businesses, bringing SBA's total loan portfolio to \$26 billion. The number of 7(a) guaranteed loans has increased dramatically, up 52 percent from fiscal year 1994 to fiscal year 1995—and that's with a smaller budget and fewer employees at the SBA. Moreover, during the same period, the number of 7(a) guaranteed loans to women-owned businesses grew by 86 percent; loans to minority-owned businesses increased by 53 percent; and loans to businesses owned by U.S. veterans grew by 43 percent.

Other initiatives are under way. My Administration has been working with banks and banking regulators to remove impediments to small business lending by financial institutions. The Riegle Community Development and Regulatory Improvement Act of 1994 amended the banking and securities laws to promote the growth of a secondary market for small business loans. And my Administration is looking to reduce small business securities filing and disclosure burdens. In June 1995, the Securities and Exchange Commission proposed regulations that would further this small business goal.

Easing the Tax Burden

The Federal Government should reward rather than discourage entrepreneurs who take risks and create jobs. To that end, we have worked to simplify the tax code and make it more equitable for small firms.

In April 1995, I signed legislation to increase to 30 percent the share of health insurance premiums that self-employed individuals can deduct on their tax returns beginning this tax year—and we're working to increase that amount.

Small firms are less likely than their larger counterparts to be able to provide retirement plans. While 75 percent of workers in businesses with more than 1,000 employees have pension plans, only 24 percent of workers in businesses with fewer than 100 employees have them. I have proposed a new pension plan targeted to the needs of small businesses—the National Employee Savings Trust (NEST). The NEST would provide benefits similar to those of a 401(k) pension plan and would be simple to create and operate.

My Administration has endorsed other improvements that make existing pension plans safer and more beneficial for business owners and employees alike. For example, we have pro-