

GOVERNMENT SUPPORT FOR SMALL BUSINESS
INNOVATION

As this report documents, small firms play an important role in developing innovative products and processes and bringing them to the marketplace. Federal research and development that strengthens the national defense, promotes health and safety, and improves the Nation's transportation systems is vital to our long-term interests. Our Government has instituted active policies to ensure that small businesses have opportunities to bring their innovative ideas to these efforts.

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs help ensure that Federal research and development funding is directed to small businesses. In fiscal year 1996, more than 325 Phase I and Phase II STTR awards totaling \$38 million went to 249 small businesses. Also in 1996, the SBIR program invested almost \$1 billion in small high technology firms. The program has touched and inspired individuals like Bill McCann, a blind—and once frustrated—trumpet player who used SBIR funding to help start a company that designs software to automatically translate sheet music into braille. Today, Dancing Dots Braille Music Technology is rapidly expanding the library of sheet music available to blind musicians.

Other initiatives include the National Institute of Standards and Technology's (NIST) Advanced Technology Program, enabling small high technology firms to develop pathbreaking technologies, and NIST's Manufacturing Extension Partnership, which helps small manufacturers apply performance-improving technologies needed to meet global competition. Two of the SBA's loan programs—the 7(a) and 504 loan programs—currently assist 2,000 high technology companies. And the SBA's ACE-Net initiative is especially designed to meet the needs of these dynamic high technology firms.

Because they give small firms a footing on which to build new ideas and innovative products, these efforts benefit not only the small firms themselves, but the entire American economy.

REGULATORY RELIEF

A pressing concern often identified by small businesses is unfairly burdensome regulation. My Administration is committed to reforming the system of Government regulations to make it more equitable for small companies. In 1996, I signed into law the Small Business Regulatory Enforcement Fairness Act, which strengthens requirements that Federal agencies consider and mitigate unfairly burdensome effects of their rules on small businesses and other small organizations. A small business ombudsmen and a new system of regulatory fairness boards, appointed in September 1996, give small firms new opportunities to participate in agency enforcement actions and policies. Because agencies can be challenged in court, they have gone to

extra lengths to ensure that small business input is an integral part of their rulemaking processes.

Many agencies are conducting their own initiatives to reduce the regulatory burden. The SBA, for example, cut its regulations in half and rewrote the remaining requirements in plain English. All of these reforms help ensure that the Government maintains health, safety and other necessary standards without driving promising small companies out of business.

OPENING OVERSEAS MARKETS

Key in my Administration's strategy for economic growth are efforts to expand business access to new and growing markets abroad. I want to open trade in areas where American firms are leading—computer software, medical equipment, environmental technology. The information technology agreement we reached with 37 other nations in 1996 will eliminate tariffs and unshackle trade in computers, semiconductors, and telecommunications. This cut in tariffs on American products could lead to hundreds of thousands of jobs for our people.

Measures aimed at helping small firms expand into the global market have included an overhaul of the Government's export controls and reinvention of export assistance. These changes help ensure that our own Government is no longer the hurdle to small businesses entering the international economy.

A 21ST CENTURY WORK FORCE

American business' most important resource is, of course, people. I am proud of my Administration's efforts to improve the lives and productivity of the American work force. We know that in this Information Age, we need a new social compact—a new understanding of the responsibilities of government, business, and every one of us to each other.

Education is certainly the most important investment we can make in people. We must invest in the skills of people if we are to have the best educated work force in the world in the 21st century. We're moving forward to connect every classroom to the Internet by the year 2000, and to raise standards so that every child can master the basics.

We're also training America's future entrepreneurs. The SBA, for example, has improved access to education and counseling by funding 19 new women's business centers and 15 U.S. export assistance centers nationwide. And we are encouraging businesses to continue their important contributions to job training. The Balanced Budget Act of 1997 encourages employers to provide training by excluding income spent on education for employees from taxation.

We are taking steps to improve small business workers' access to employee benefits. Last year, I signed into law the Small Business Job Protection Act, which, among other things, makes it easier for small businesses to offer pension plans by creating a new small

business 401(k) plan. We made it possible for more Americans to keep their pensions when they change jobs without having to wait before they can start saving at their new jobs. As many as 10 million Americans without pensions when the law was signed can now earn them because this law exists.

Given that small businesses have created more than 10 million new jobs in the last four years, they will be critical in the implementation of the welfare to work initiative. That means the SBA microloan and One-Stop Capital Shop programs will be uniquely positioned to take on the "work" component of this initiative. The work opportunity tax credit in the Balanced Budget Act is also designed as an incentive to encourage small firms, among others, to help move people from welfare to work.

A small business starts with one person's dream. Through devotion and hard work, dreams become reality. Our efforts for the small business community ensure that these modern American Dreams still have a chance to grow and flourish.

I want my Administration to be on the leading edge in working as a partner with the small business community. That is why an essential component of our job is to listen, to find out what works, and to go the extra mile for America's entrepreneurial small business owners.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 5, 1998.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

NATIONAL DAY OF PRAYER
OBSERVED THURSDAY, MAY 7, 1998

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Mr. Speaker, as America prepares to observe the National Day of Prayer this Thursday, I wish to share a story I heard on the radio recently. It is the story of an exceptional group of young people at Lutheran High School Westland, a Christian school in Westland, Michigan, and their efforts to express their religious beliefs.

Last month, the students at the school, acting on their own initiative, built a display of 2,000 small white crosses on the school's lawn to represent roughly 4,000 abortions that are performed daily in America.

The students peacefully, yet powerfully, wanted to express their opposition to abortion. Shortly after the crosses went up, however, complaints were filed. The display was called tacky and political in an attack printed in the local newspaper.

Fortunately, through community support and true dedication by the students, the cross display remained on the school's lawn for a full week as originally planned.

But we have to pause to ask would the display have been criticized at all if the crosses represented deaths from cancer or drunk driving accidents instead of abortion? I fear, especially as we near the National Day of Prayer, that this story is yet another example of the way in which freedom of religious expression is coming under attack in our Nation.

America was built upon Judeo-Christian values, but this very important element of our culture is now all too often not only ignored but also frowned upon. Children have been barred from bowing their heads in private prayer, from writing of their religious beliefs in school papers, and even from bringing the Bible to school.

I think it is a sad commentary on our Nation that we can have a serious debate on the House floor about using taxpayer dollars to buy hypodermic needles for drug addicts, and, yet, a child cannot read the Bible in his or her school library.

This is the very reason that the Religious Freedom Amendment, introduced by my good friend, the gentleman from Oklahoma (Mr. ISTOOK), is so important to our Nation. The Religious Freedom Amendment protects the freedom of religion which we have enjoyed for so long under our Constitution, but which has been suppressed by recent court actions and trends.

It retains the First Amendment safeguard against official religion and keeps school prayer voluntary, but protects it just as other forms of free speech are protected.

In other words, the Religious Freedom Amendment protects religious expression like school prayer and the students' display at Lutheran High School in Westland, Michigan. It also, of course, retains the right of others to express their disapproval of any such display or to abstain from group prayer.

The key is everyone's rights are protected. Again, I repeat, the key is everyone's rights are protected. This was the case in Westland where, fortunately, the Religious Freedom Amendment was not necessary this year, as the students were not required to remove their display.

The school officials and students are quick to point out that the criticism of their cross display actually turned into a positive by generating publicly an overwhelmingly amount of support for their cause. But it is not always the case, as I indicated earlier. Other displays of religious expression, including private prayer, have been banned by law in locations nationwide.

In my opinion, and in the opinion of 75 percent of Americans polled, it is critical for Congress to pass legislation that ensures the religious liberties once again receive full protection in

America. I urge my colleagues to support the Religious Liberties Amendment that has been offered by the gentleman from Oklahoma (Mr. ISTOOK) and others on the House side.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CINCO DE MAYO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, today is Cinco de Mayo, the 5th of May, which is celebrated throughout the Americas. It is a day of celebration for those who have their roots and heart in Mexico. It is a special day in history for Mexican and Mexican-Americans because, on the 5th of May in 1862, a very small, poorly armed band of Mexicans defeated, in an unbalanced contest, their colonial oppressors; as history records, too, that just several years after defeating their oppressors, that Mexican independence was lost and there was oppression in the country.

□ 1830

That is the day we celebrate today.

I come before the House tonight, and I have come many times to talk about the situation in our country relating to illegal narcotics. And I wish I could come here and celebrate the Cinco de Mayo with other Mexican Americans and supporters of Mexico but, in fact, I am not here to praise Mexico but to condemn Mexico on this occasion.

In fact, today, Mexico is a source of 50 percent of the hard narcotics entering the United States of America. Not only are these drugs entering the United States, but they are also corrupting the Mexico that these Mexican individuals fought on the 5th of May in 1862 to free their country and their people. Drugs are oppressing Mexico and they are destroying the United States of America.

We have tried to work with Mexico. I serve on the Committee on National Security of the Congress that deals with our national drug policy. We did not decertify Mexico last year or this year, and we should have. And I have sponsored resolutions and supported them in both instances, but they have not passed, for whatever reasons. But we should have decertified Mexico.

Mexico, to date, has not extradited one drug felon or one drug offender to the United States. And one reason they were not decertified was because we sought their cooperation in these areas such as extradition.

Mexico, to date, has, in fact, refused to allow our agents to arm themselves. Mexico, in fact, has not signed a mari-

time agreement. And the only other country is Haiti, and they have not done that because they have not organized their government. But Mexico is the only country I know of in the Western Hemisphere to not sign a maritime agreement. And the list goes on and on of failure to cooperate.

So we are not celebrating a happy Cinco de Mayo here in Congress. I am not. I am concerned that, again, that Mexicans who fought for freedom, for independence, for the right of the people to live in an open society and a free society are being oppressed because of drug trafficking within the country of Mexico and the drugs that have come into the United States.

If my colleagues do not think it is a problem, 50 percent of those hard drugs coming into the United States have put 2 million Americans behind bars. We have 20,000 deaths in the United States that are drug related. The cost to the American taxpayer is now \$16 billion. And we can lay at the doorstep of the Mexican Government the responsibility for so many of these illegal narcotics coming into the United States.

It is a sad commentary that our neighbors, in fact, are sending chemical weapons into the United States and chemical destruction, which is also destroying that country and its freedom that was fought for by these heroes on May 5th of 1862.

Mr. Speaker, I hope that I can come a year from now, on May 5th, 1999, and say that indeed the Mexicans have cooperated as neighbors, as friends in this hemisphere to gain their own people's freedom from the drug trafficking, from corruption and from the depression that it has brought to their society, and also free our country from the oppression, from the deaths that it has caused and from the drugs that are on our streets, in our schools, and in our communities.

FUNDING FOR THE INTERNATIONAL MONETARY FUND

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentleman from Hawaii (Mr. ABERCROMBIE) is recognized for 5 minutes.

Mr. ABERCROMBIE. Mr. Speaker, today I call on both the Democratic and Republican leaders of the House to pass the \$18 billion International Monetary Fund as soon as possible. It is urgent for Hawaii's citizens, workers, and the businesses that I represent.

In early winter 1997, economies in South Korea, Thailand, Malaysia, and Indonesia collapsed. The effects on Hawaii have stifled recovery from the deepest recession the State has experienced in 50 years.

Problems began when the Japanese economy faltered in 1991. Tourism and direct foreign investment plunged. Devaluation of the yen and now other