

**Testimony of  
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**House Small Business Committee Hearing  
“Small Business Priorities for the 109<sup>th</sup> Congress”**

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Thank you, Chairman Manzullo and Ranking Member Velazquez for allowing me to express the top legislative priorities of the National Small Business Association for the 109<sup>th</sup> Congress. My name is Todd McCracken and I serve as president of the NSBA. As you may know, the National Small Business Association is the oldest small business advocacy organization in existence. 150,000 small business owners nationwide drive our pro-small business, non-partisan agenda as well as numerous state and local small business associations.

This hearing is particularly timely for our organization as we just completed our biennial Small Business Congress. Every two years, NSBA members join together to choose our top ten priorities for the newly elected congress. This year our congregation met in Florida and heard excellent testimony and predictions from a variety of informed persons, some of whom work for this committee.

A common theme in our top priorities is the need for fundamental change. Fundamental change in the way our nation collects tax revenues and fundamental change in the way our citizens provide for their health care. We are not unrealistic, however, and realize that serious change is difficult. For that reason our membership also proposes many important fixes to the current body of law that would aid the formation and success of small businesses. This is not to say that fundamental change is impossible; we are very encouraged by the President's exploratory commission on tax reform and the important market action injected into the health care market by Health Savings Accounts. Our members believe that now is the time to press for meaningful, fundamental reform for this and future congresses.

### **Fundamental Tax Reform**

Fundamental tax reform has long been a topic of interest for NSBA's members and the next two years will be no different. In fact, our members choose fundamental tax reform as the organization's top priority for the 109<sup>th</sup> Congress.

Fundamental tax reform as envisioned by NSBA's members is not a nebulous fix but a concrete plan known as the Fair Tax. Originally approved by our Board in 1998, the Fair Tax would repeal the 16<sup>th</sup> Amendment along with the entire Internal Revenue Code and replace it with a 23% inclusive national sales tax on the purchase of all new goods and services. Such a change would address small business owners' complaint that the tax code represents the number one source of government paperwork burden and compliance cost.

The Fair Tax would free business owners and wage earners from the regressive and complex payroll tax. Entrepreneurs are confronted in the early days of a business startup with this staggering tax that must be paid regardless of the new venture's profitability. The increased tax burden of hiring new employees acts as a disincentive for new employment. The complexity of complying with estimated and quarterly payments is so daunting and the penalties for mistakes so severe that most small firms outsource the work adding to the cost of business and ultimately consumer cost.

The income tax, not to mention the abominable Alternative Minimum Tax, is complex, time consuming and costly to administer. Self-employed individuals with income from a business or partnership must wade through available deductions for business expenses and complex depreciation schedules. The Fair Tax would eliminate depreciation schedules, uniform inventory capitalization and complex rules on employee benefits.

Furthermore, the current tax code discourages personal savings and investment by taxing capital gains, dividends and interest earned. The Fair Tax would improve the nation's abysmal savings rate while providing more capital for business investment.

Under the Fair Tax, compliance costs will fall; creating enormous net savings that would eventually be incorporated in lower product prices for consumers. The tax will be collected at the point of final sale, taking the tax burden out of the hands of consumers. Already, 45 states have a sales tax system, and the Fair Tax would simply add an additional line on the current sales tax reporting form. Businesses will collect the tax and send it to the state tax collecting authority. All businesses serving as collecting agents will receive a fee for collection, and the states also will receive a collection fee. While the Fair Tax should not be interpreted as a tax cut, the reduction in work required to administer the new tax will certainly be a relief for business owners and consumers alike.

Contrary to opponents' arguments that claim the Fair Tax would harm elderly and low-income individuals, the system would actually place these individuals in great control over how much they actually pay in taxes. The Fair Tax will include a rebate system where all citizens receive a rebate equivalent to the tax paid on essential goods and services. This rebate will be paid in advance, in equal installments each month. The size of this monthly rebate will be determined by the government's poverty level for a particular household (defined as one or more individuals), multiplied by the tax rate.

In one of his first acts after being reelected, President Bush signed an executive order that created a bi-partisan commission to evaluate proposals for fundamental tax reform. NSBA strongly encourages the commission to evaluate the Fair Tax as a replacement for the internal revenue code.

### **Estate Tax Repeal**

As we work towards fundamental tax reform there is still important work to be done on the current code. A full and permanent repeal of the estate tax is important for NSBA's members. As you know, the estate tax will be phased out for one year in 2010 only to revert to pre-2001 levels in 2011. The uncertain nature of the estate tax's future makes planning for business succession especially difficult and costly.

The simple facts are that many a small business owner's death will force the outright sale, or liquidation of a part of their firm to pay estate taxes. The tax forces entrepreneurs to make a difficult decision: either drain capital from the business for expensive estate-planning measures or liquidate the business to pay the estate taxes. Federal estate and gift taxes harm family owned businesses on an ongoing basis, starting long before the death of the owner.

The owner of the business, in preparation for the transfer of ownership of the company, must take various expensive estate planning measures, such as purchasing insurance and/or the creation of trust funds to ensure the future viability of the business. If these steps are not taken, then the recipient of the business will be left to pay the estate tax burden. Either way, a large portion of the business' resources, which could be reinvested into the company, is wasted on these burdensome taxes. Estate taxes impose enormous annual costs on businesses in the form of legal and accounting fees, insurance premiums and appraisal fees. Moreover, estate tax liability considerations frequently affect business decisions about investments and expansions.

To end the destructive nature of the estate tax NSBA supports legislation, H.R. 8, introduced by Rep. Kenny Hulshof and Rep. Bud Cramer that would fully and permanently repeal the estate tax.

### **Repeal of the Self-employment Tax on Healthcare**

Another issue of great concern to NSBA's membership is the fact that many elements of the current Internal Revenue Code act as a disincentive for small business formation and growth. In 2001, NSBA released a report on inequities in the tax code titled, "*The Internal Revenue Code: Unequal Treatment Between Large and Small Firms.*" While the report was wide ranging with many suggestions, our members choose three areas where the code most egregiously discriminates against entrepreneurs.

Number one on that list is the elimination of the self-employment tax on health care. At issue is the 15.3 percent tax that self-employed individuals must pay on their healthcare costs to which no one else is subjected. This significant tariff comes in the form of FICA payroll taxes, commonly referred to as payroll or self-employment taxes. The self-employment tax rate on net earnings is the sum of 12.4 percent for Social Security (old-age, survivors, and disability insurance), and 2.9 percent for Medicare (hospital insurance).

Self-employed individuals, unlike large corporations, cannot deduct the cost of their healthcare as a business expense. At issue is the fact that self-employed individuals that file Schedule C do not receive a business deduction for health insurance premiums. The net result is that, while business owners can deduct the cost of healthcare premiums for their income, the money used to purchase that healthcare has been exposed to the self-employment tax. This additional tax, which does not affect C-corporations, adds an additional 15.3 percent tax to the cost of already expensive health care.

The 108<sup>th</sup> Congress saw excellent leadership on this issue with Chairman Manzullo and Ranking Member Velazquez sponsoring legislation, H.R. 1873, which would have repealed the self-employment tax on health care. We look forward to continuing the efforts to repeal the self-employment tax on healthcare in the 109<sup>th</sup> Congress.

### **Small Business Pension Reform**

Nondiscrimination rules, "key employee" clauses and plan administration costs drive many small business owners away from pension plans offered by larger firms. As in the case of SIMPLE 401(k) plans, small businesses that cannot shoulder the cost and burden

of heavily-regulated pension plans must settle for plans that allow them to save considerably less for their retirement.

Over the past 20 years, Congress has amended and revised the tax laws governing pension plans at an alarming rate, adding new layers of complexity with every change. Combined with changes in the Employee Retirement Income Security Act (ERISA) in 1974, these changes have contributed significantly to a steep decline in small-business retirement plans.

Having plowed earnings and savings into their enterprises, many small business owners face a particularly hard time saving for retirement. Unfortunately, today's most popular retirement vehicles—defined contribution plans—are saddled with huge overhead costs and administrative burden.

The complex, costly and awkward burdens placed on small businesses wishing to offer retirement plans for the benefit of employees frighten and discourage many businesses from implementing and maintaining plans. Small and mid-sized employers are often discouraged from starting or prohibited from participating in retirement plans by the “top-heavy” rules and regulations that are imposed on qualified retirement plans. These rules are often designed with large businesses in mind, resulting in rules unfairly weighted against small businesses.

In the 104th Congress, legislation was passed to begin the process of easing retirement plan administration for small businesses. Congress created the Savings Incentive Match Plans (often called SIMPLE plans) that eased but did not eliminate complex rules associated with “qualified” tax-advantaged plans. However, these easier-to-administer pension plans came at great cost to participants in the form of lower contribution levels. For example, in 2005 business owners and employees who participate in easier to administer SIMPLE 401(k) plans can save only \$10,000 pretax a year compared to the \$14,000 allowed under traditional 401(k) plans.

Significant reforms to the current pension system were included in the president's tax relief package that passed Congress in 2001. The legislation increased annual employee contribution limits to defined contribution plans over the next several years. The bill also made an array of other important small business reforms, including modification of top-heavy rules, increasing the limits on “catch-up” contributions by workers older than 50, and increased portability.

Even though these changes are welcome and needed, they simply are not enough. Small business SIMPLE 401(k) plans need to be on equal footing in terms of contribution limits with traditional 401(k) plans. The very enactment of SIMPLE plans is an admission that 401(k) and similar plans were developed without the smallest businesses in mind. Why should employees of larger businesses be able to save \$4,000 more per year, tax free, than the employees of our smallest businesses?

A proposal for pension plan reform offered by President Bush is a positive step in the right direction. The president's proposal calls for the creation of Employer Retirement

Savings Accounts (ERSAs)—which would replace 401(k), SIMPLE and other employer-provided defined contribution plans. These ERSAs would have much of the simplicity of SIMPLEs but with the flexibility and contribution levels of a 401(k), exactly the combination that small business seeks.

Congress should take further steps to simplify the current pension system. These reforms should help give small businesses access to a broad range of low-cost pension plans, allowing them greater flexibility in the employee benefits package they offer. Contribution limits for 401(k) plans and SIMPLE plans should be brought to parity.

### **Business Owner Participation in Fringe Benefit Plans**

Tax law prohibits most entrepreneurs from taking advantage of benefits available to most any citizen, like Section 125 “Cafeteria” plans and education-assistance programs. Only the small business owners who sponsor these plans for their employees are prohibited from participating.

These exclusions from eligibility act as a disincentive for entrepreneurship as individuals who wish to strike out on their own are penalized for becoming self-employed. The limitations also serve to slow the adoption of these important tax advantaged programs for employees at small firms as owners are less likely to pay to start and maintain programs that they and their family cannot benefit from.

An additional barrier to business owner participation in fringe benefit plans is complicated non-discrimination rules. These rules and complicated ratios for figuring who can receive qualified benefits act as a disincentive for plan adoption. In worst case scenarios non-discrimination rules written for large firms create impossible ratios for the smallest businesses thus acting in a de facto way to prohibit participation.

NSBA’s members believe that both employers and employees will benefit by relaxing non-discrimination rules and owner exclusions on fringe benefit plans. The smallest businesses should not be prohibited from enjoying the plans commonly offered at larger firms.

### **Fundamental Healthcare Reform**

In attempting to create positive health care reform for small businesses, one quickly bumps up against the reality that the small business problems cannot be solved in isolation from the rest of the system. Since small businesses purchase insurance as part of a larger pool with shared costs, the decisions of others directly affect what a small business must pay and the terms on which insurance is available to them. It has become clear to us at NSBA that, to bring meaningful affordability, access, and equity in health care to small businesses and their employees, a broad reform of the health care system is called for. This reform must reduce health care costs while improving quality, bring about a fair sharing of health care costs, and focus on the empowerment and responsibility of individual health care consumers.

*The Realities of the Insurance Market*

Small employers who purchase insurance face significantly higher premiums from at least two sources that have nothing to do with the underlying cost of health care. The first is the cost of “uncompensated care.” These are the expenses health care providers incur for providing care to individuals without coverage; these costs get divided-up and passed on as increased costs to those who have insurance, better known as “cost-shifting.” Second is the fact that millions of relatively healthy Americans choose not to purchase insurance (at least until they get older or sicker). Almost four million individuals aged 18-34 making more than \$50,000 per year are uninsured. The absence of these individuals from the insurance pool means that premiums are higher for the rest of the pool than they would be otherwise. Moving these two groups of individuals onto the insurance rolls would bring consequential reductions to current small business premiums.

Implicit in the concept of insurance is that those who use it are subsidized by those who do not. In most arenas, voluntary insurance is most efficient since the actions of those outside the insurance pool do not directly affect those within. If the home of someone without fire insurance burns down, those who are insured are not expected to finance a new house. Not so in the health arena. Moreover, individuals’ ability to assess their own risk is somewhat unique regarding health insurance. People have a good sense of their own health, and healthier individuals are less likely to purchase insurance until they perceive they need it. As insurance becomes more expensive, this proclivity is further increased (which, of course, further decreases the likelihood of the healthy purchasing insurance).

### *Individual Responsibility*

There is no hope of correcting these inequities until we have something close to universal participation of all individuals in some form of health care coverage. Our plan for ensuring that all Americans have health coverage can be simply summarized: 1) require everyone to have coverage; 2) reform the insurance system so that all have access to coverage and so costs are fairly spread; and 3) institute a system of subsidies, based upon family income, so that everyone can afford coverage.

Of course, the decision to require coverage would mean that there must be some definition of the insurance package that would satisfy this requirement. Such a package must be truly basic. The required basic package would include only necessary benefits and would recognize the need for higher deductibles for those able to afford them. The shape of the package would help return a greater share of health insurance to its role as a financial backstop, rather than a reimbursement mechanism for all expenses. Basic economic principles tell us that more robust consumer behavior will surely follow.

Incumbent on any requirement to obtain coverage is the need to ensure that appropriate coverage is available to all. A coverage requirement would make insurers less risk averse, making broader insurance reform possible. Insurance standards would limit the ability of insurance companies to charge radically different prices to different populations and would eliminate the ability of insurers to deny or price coverage based upon health conditions, in both the group and individual markets. Further, individuals and families would receive federal financial assistance for health premiums, based upon income. The

subsidies would be borne by society at large, rather than in the arbitrary way that cost-shifting currently allocates these expenses.

Finally, it should be clear that coverage could come from any source. Employer-based insurance, individual insurance, or an existing public program would all be acceptable means of demonstrating coverage.

### *Reshaping Incentives*

There currently is an open-ended tax exclusion for employer-provided health coverage for both the employer and employee. This tax status has made health insurance preferable to other forms of compensation, leading many Americans to be “over-insured.” This over-insurance leads to a lack of consumer behavior, increased utilization of the system, and significant increases in the aggregate cost of health care. Insurance now frequently covers (on a tax-free basis) non-medically necessary services, which would otherwise be highly responsive to market forces.

The health insurance tax exclusion also creates equity concerns for small employers and their employees. Since larger firms’ employees have greater access to health insurance plans than their smaller counterparts, a greater share of their total employee compensation package is exempt from taxation. Further, more small business employees are currently in the individual insurance market, where only those premiums that exceed 7.5% of income are deductible.

For these reasons, the individual tax exclusion for health insurance coverage should be limited to the value of the basic benefits package. But this exclusion (deduction) should also be extended to individuals purchasing insurance on their own. Moreover, the tax status of health insurance premiums and actual health care expenses should be comparable. These changes would bring equity to small employers and their employees, eliminate the federal subsidy for over-insurance, induce much greater consumer behavior, and reduce overall health care expenses.

### *Reducing Costs by Increasing Quality and Accountability*

While the above steps alone would create a much more rational health insurance system, a more fair financing structure, and clear incentives for consumer-based accountability, much more must be done to rein-in the greatest drivers of unnecessary health care costs: waste and inefficiency. Increased consumer behavior can help reduce utilization at the front end, but most health care costs are eaten up in hospitals and by chronic conditions whose individual costs far exceed what any normal deductible level is likely to be.

There is an enormous array of financial pressures and incentives that act upon the health-care provider community. Too often, the incentive for keeping patients healthy is not one of them. Our medical malpractice system is at least partly to blame. While some believe these laws improve health care quality by severely punishing those who make mistakes that harm patients, the reality is that they simply lead to those mistakes—and much else—being hidden.

Is it any wonder that it is practically impossible to obtain useful data on which to make a provider decision? Which physician has the best success-rates for angioplasty procedures? Which hospital has the lowest rate of staph infections? We just don't know, and that lack of knowledge makes consumer-directed improvements in health care quality almost impossible to achieve.

Health care quality is enormously important, not only for its own sake, but because lack of quality adds billions to our annual health care costs. Medical errors, hospital-acquired infections, and other forms of waste and inefficiency cause additional hospital re-admissions, longer recovery times, missed work and compensation, and death. The medical costs alone probably total into the hundreds of billions of dollars.

What financial pressures are we bringing to bear on the provider community to improve quality and reduce waste? Almost none. In fact, we may be doing the opposite, since providers make yet more money from re-admissions and longer-term treatments. It is imperative to reduce costs through improved health care quality. Rather than continuing to pay billions for care that actually hurts people and leads to more costs, we should pay more for quality care and less (or nothing) when egregious mistakes occur.

Two broad reforms are urgent:

**Pay-for-Performance.** Insurers should reimburse providers based upon actual health outcomes and standards, rather than procedures. In some pilots, CMS and Medicare have already begun this process. Evidence-based indicators and protocols should be developed to help insurers, employers, and individuals hold providers accountable. These protocols—if followed—could also provide a level of provider defense against malpractice claims.

**Electronic Records and Procedures.** From digital prescription writing to individual electronic medical records to universal physician IDs, technology can reduce unnecessary procedures, reduce medical errors, increase efficiency, and improve the quality of care. This data can also form the basis for publicly available health information about each health care provider so that patients can make informed choices.

The small business community needs substantial relief from escalating health insurance premiums. This level of relief can only be achieved through a broad reform of the health care system with a goal of universal coverage, focus on individual responsibility and empowerment, the creation of the right market-based incentives, and a relentless focus on improving quality while driving out unnecessary, wasteful, and harmful care.

### **AHP opposition**

With all due respect to this committee and my cohorts here today, I would be remiss in representing our membership if I failed to briefly mention our opposition to Association Health Plans. AHPs would be able to sell insurance across state lines, circumventing existing state rules with practically no federal oversight, no rating rules and no benefit standards. Through benefit manipulation and rating increases, AHPs would lead to a

segmented market leaving the less-healthy population in the state-regulated markets facing increasing premiums, and eventually without insurance altogether as the state markets implode. AHPs fail to address the overall problem with the small business health care market, leading to overall increased costs. NSBA has, and will continue to oppose AHP legislation while seeking alternatives that get at the root of the problem: increasing costs of health care.

### **Regulatory Reform**

Small business interests must be considered when creating federal policy and regulations. A long-standing issue of NSBA, oppressive regulation continues to be a source of trouble for small businesses. When Congress drafts new laws, considerable leeway is given to federal agencies and departments to interpret those laws and enforce them. This open-ended policy is giving agencies free reign over the regulations that govern small business. New agency rules are subject to review by the Office of Management and Budget (OMB), but the relatively-small office responsible for these tasks within the OMB cannot possibly keep up with the flood of regulations.

By their very nature, unnecessary federal regulation and paperwork burdens discriminate against small businesses. Without large staffs of accountants, benefits coordinators, attorneys, or personnel administrators, small businesses are often at a loss to implement or even keep up with the overwhelming paperwork demands of the federal government. Big corporations have already built these staffs into their operations and can often absorb a new requirement that could be very costly and expensive for a small business owner

The Regulatory Flexibility Act of 1980 mandates that government agencies review regulations for their impact on small businesses and consider less burdensome alternatives. While this is an excellent policy, enforcement has been lax. Congress then passed the Small Business Regulatory Enforcement Fairness Act (SBREFA) in 1996 and the Small Business Paperwork Relief Act (SBPRA) in 2002. With all these laws, small businesses were optimistic that things really would change for the better. However, while both SBPRA and SBREFA have made advances in alleviating some paperwork requirements, agency compliance with these laws leaves much to be desired. Agencies have continued to increase the amount of paperwork leading to a seven-year upward trend of the paperwork burden.

Though SBREFA has empowered the SBA Office of Advocacy to take a more active role in preventing regulations that would harm small businesses, there are still agencies that proceed with unfair regulations. SBPRA has also outlined three steps agencies were mandated to take to ensure small business concerns were being represented: a single-point of contact, publishing all compliance assistance, and completing annual reports on small business enforcement actions said agency has taken. Yet, as we can all see, many agencies have not fully complied with this rule.

According to 2003 figures, less than 30 percent of agencies were in full compliance with SBPRA. Eighty percent of agencies have established a single point of contact for the paperwork and regulatory questions of small businesses, only 75 percent have published or made available a list of compliance assistance resources for small businesses, and a

disappointing 28 percent filed their enforcement reports. The mandate on agencies by SBPRA is relatively simple, compiling assistance and enforcement information already that is already collected, and designating one person as the small business contact. If the agencies imposing all this paperwork can't even complete this simple task, it is blatantly obvious that there is too much paperwork, too much regulation and by far too much confusion.

We propose a series of important changes be made to current law that will greatly improve the regulatory climate for small businesses.

**Strong Office of Advocacy:** Acting as the federal government's primary watchdog for small businesses, it is imperative that the Office of Advocacy be given the latitude to operate as needed. Charged with analyzing the role of small businesses in the economy, pursuing policies that support small business growth, and ensuring that small firms are heard by the federal government, a strong Office of Advocacy is imperative in the quest for small business regulatory parity.

**Streamline paperwork:** Agencies must seek ways to eliminate duplication of paperwork and coordinate the due-dates. The paperwork requirement for filing mandatory emergency plans is an excellent example. Many agencies require emergency plans, and inevitably, these due dates are all different. This is not uncommon, and it would be a huge relief to simply streamline dates and reduce the number of times one plan must be reported.

**Small business assistance:** Small business owners are smart, entrepreneurial, creative and quick students. They are not, however, regulation specialists. It is easy for a well-meaning small business to overlook a requirement or a deadline because they don't have dedicated compliance staffs to research the vast federal (not to mention state, city and local) regulatory paperwork quagmire. Easily accessible, plain-language assistance must be made widely available to small businesses.

**Cost-benefit analysis:** This is common-sense business policy. Federal agencies should be held to no less a standard, and should be required to submit the estimates of the cost as well as the benefit associated with rules and paperwork for each of their programs.

**Flexibility and Exemptions:** Common-sense exemptions in certain rules are much needed, along with increased flexibility in enforcements for first-time offenders. In addition to the compliance cost and paperwork burden is the process a small business must go through to find out if it is even affected. A perfect example is through the EPA's Toxic Releases Inventory (TRI), which includes 195 pages of instruction on how to complete the two different forms. The time it takes to wade through the forms, read the multiple schedules, exemptions, extras, significantly increases any number of hours proposed by a federal agency. First-time offenders ought to be given compliance assistance rather than costly fines.

### **Small Business Access to Capital**

Small businesses, both start-ups and those dealing with growing pains, need easy access to capital in order to continue on as the catalyst for the U.S. economy. Following a very contentious year for the SBA 7(a) loan guarantee, including loan caps and a complete program shut-down, Congress passed legislation effectively zeroing out all appropriations for the 7(a) program.

The Federal Reserve Board reported that small businesses are having a harder time qualifying for loans due to increased standards, terms and spreads for small firm loans. Even with the more stringent requirements, more small businesses are seeking loans making the competition for capital intense.

Though SBA 7(a) loans continue to be made, the size of those loans are shrinking, and those programs designated for microenterprises have been slated for elimination. For as much as small business was referred to as the backbone of the economy during the 2004 election, there has been tempered financial support of small business programs. We are concerned with what further changes await SBA given that their flagship 7(a) loan guarantee program has been so significantly changed.

Only 39 percent of new businesses are still operating after six years in business. Though this is not a startling statistic, it does suggest that businesses require more funding beyond the initial start-up phase. The 7(a) program, with its guarantee and higher limits can help both start-ups and those looking to expand their business.

NSBA strongly encourages both the Administration and Congress to fully support small businesses as the true growth-centers of our economy. SBA is the largest single provider of long-term loans to small businesses. For every \$33,000 lent in the 7(a) program, one job is created or retained; in 2002, 7(a) loans created or retained 370,000 jobs. NSBA is dedicated to working with SBA and Congress to re-engage the 7(a) loan program with appropriations. Funding the 7(a) program will ensure lower borrower fees, wider bank participation, higher loan amounts, greater small business growth and the creation of jobs.

### **Conclusion**

In closing, I'd like to again thank you, Chairman Manzullo and Ranking Member Velazquez for allowing me and the members of NSBA to present our top priority issues to you. We have worked hard on a variety of issues, from much needed tax-reform to regulatory relief, important health care issues to small business access to capital; we appreciate the long-standing relationship we have with this committee. I know that you are fighting on a daily basis for many of these issues and I thank you for your diligence.