

Washington, DC -- U.S. Representative Vern Buchanan introduced a five-point plan in Congress today to help strengthen small business. The Buchanan Small Business Growth Act would make health care more affordable and accessible, suspend fines for first-time paperwork violations, provide tax relief, discourage frivolous lawsuits, and increase the number of government contracts awarded to small business.

“Small business is the heart beat of America and the lifeblood of our economy,” said Buchanan. “They represent 95% of the employers in Florida and create most of the jobs. But many of them are struggling to keep their doors open and provide benefits for their workers. This bill will help small business grow and keep our economy strong, and maintain as well as create new jobs.

“I held a town hall meeting recently with small business owners in my District who are grappling with rising health insurance costs, overburdened with paper work, threatened by frivolous litigation, and in need of capital. This bill addresses those concerns and allows small business to save money that can be reinvested in their business and their workers,” concluded Buchanan.

The Buchanan small business growth bill includes the following provisions:

**Small Business Health Plans (SBHPs),** or association health plans (AHPs): The bill would allow small businesses to form associations and make coverage more affordable by spreading risk among a much larger group, strengthening negotiating power with plans and providers, offering insurance across state lines, and reducing administrative costs.

**Tax Relief:** The bill would extend a provision that currently allows small business to deduct all or part of the cost of a business investment in one year, instead of spreading the tax savings across several years. This would increase capital to expand, hire new workers, and purchase new equipment.

**Paperwork Relief:** The bill would provide paperwork relief by allowing small businesses to correct first-time paperwork violations without penalty.

**Frivolous Lawsuits:** The bill would help reduce the number of frivolous lawsuits filed against small businesses by:

- Imposing mandatory sanctions against attorneys or parties who file frivolous lawsuits;
- Removing a “safe harbor” provision that allows plaintiffs and their attorneys to avoid sanctions for frivolous suits by withdrawing them within 21 days; and
- Reducing “court-friendly shopping” by requiring that plaintiffs in civil tort actions sue only where they live or were injured, or where the defendant's principal place of business is located.

**Government Contracts:** The bill increases the number of government contracts awarded to small businesses owned and controlled by service-disabled veterans, qualified HUBZone small businesses, and small businesses owned and controlled by socially and economically disadvantaged individuals or women from 23 percent to 25 percent.

Buchanan is a self-made businessman and serves on the House Small Business Committee. He has chaired the Greater Sarasota Chamber of Commerce and the Florida Chamber of Commerce and served on the board of the U.S. Chamber of Commerce.