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WOMEN BUSINESS OWNERS DISCUSS RECOVERY

PLAN WITH KEY WHITE HOUSE ECONOMIC ADVISER

(New York, Jan. 7)—Conferring with the deputy director of the National Economic Council, a group of women business executives offered advice on stimulating the economy that sometimes contrasted sharply with the broad proposals in President Bush's speech today to the Economic Club of Chicago.

While generally supporting Bush's plan, the women executives called for health-care reform to lower insurance premiums, an increase in federal loan guarantees for start-ups and more tax breaks for company-sponsored childcare.

The Women Presidents Organization, which arranged the meeting on Friday with economic adviser Keith Hennessey, took up his request to forward him a list of specific recommendations today. The WPO represents about 500 women who own multi-million dollar companies in the United States.

Included in the telephone conference was Linda Price of Ronin Enterprises in New York. Linda Price's telephone number is 212 874-3645.

Here are some of the recommendations:

- On lowering insurance costs: Sharon Lechter, CEO of Scottsdale, Ariz.-based Cashflow Technologies, called on Bush to increase his support of association health plans, which would allow smaller players in various industries to form groups to buy insurance at bulk rates. Cappy Devlin, president of a large travel agency in Mt. Kisco, N.Y., says the deductibility of health-care insurance should immediately rise from 80 percent to 100 percent. And Clare Sproule, a labor attorney in New York City, called for limiting punitive damages in certain cases to the amounts specified in federal statutes. Several other executives likewise called for limiting the damages awarded in civil lawsuits. Jean Patrick, executive vice president at W.W. Williams, a diesel-supply company in Detroit, said money that employees put into flexible spending accounts for health care should be allowed to accumulate. Under present law, the pre-tax money cannot be rolled over from one year to the next.
- On helping start-ups: Diane Waterhouse, president of Round Top Window Products, a Canadian company with operations in the United States, said the federal government should offer a one-time, \$25,000 tax deduction for anyone starting a new business with at least five employees. She also called for the federal government to match state loan guarantees for new businesses and to double the single-loan limit to \$2 million.
- On subsidizing childcare: Waterhouse suggested a 100 percent write-off for daycare expenses for parent-owned businesses for the first five

years. Michele Miller, president of Red Canyon Software in Denver, said that making childcare 100 percent deductible would improve the reporting of expenses, and in turn end many under-the-table transactions, thereby increasing overall tax revenue.

About 70 specific recommendations were forwarded to Hennessey, said the WPO president, Dr. Marsha Firestone. “Women-owned businesses are creating jobs at twice the rate of the national economy,” she said. “We feel we deserve a place in any discussion about long-term growth.”