

Women Entrepreneurs

The Honorable Don Manzullo
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, DC 20515
Via facsimile: (202)-225-3587

May 7, 2003

Karen Kerrigan
President & CEO

Dear Chairman Manzullo:

On behalf of Women Entrepreneurs Inc. (WE Inc.), I congratulate you for introducing the Self-Employed Health Care Affordability Act of 2003, H.R. 1873. Dramatic and relentless increases in health insurance costs are hurting the ability of America's self-employed to afford health coverage. This is particularly burdensome for the self-employed, single-head-of-household woman seeking business ownership as a means of securing both financial security and flexibility in meeting her family's needs.

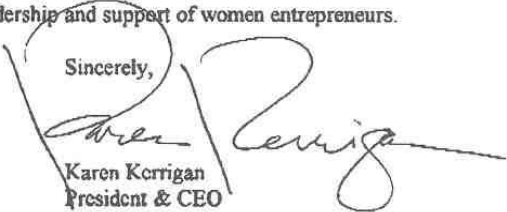
H.R. 1873 addresses a severe inequity that imposes undue costs on the self-employed. This comes on top of already steep costs in purchasing health insurance. The self-employed are required to claim health insurance premiums when determining their self-employment tax. In essence, this requirement imposes a 15.3% tax on their health insurance premiums. The Self-Employed Health Care Affordability Act of 2003 would allow self-employed women business owners to deduct their health insurance costs when calculating payroll taxes – a deduction available to large corporations.

WE Inc. is confident that the simplicity and fairness of H.R. 1873 will continue to win support from both sides of the political aisle in the House. Surging health insurance costs and an under-performing economy have meant that precious resources continue to be funneled into paying higher premiums rather than productive business investment and hiring people. H.R. 1873 will help the self-employed cope with staggering premium increases while giving more self-employed the opportunity to purchase health insurance for the first time. With more than 60% of the 41 million uninsured being families headed by a self-employed person or working for a small business, H.R. 1873 is a common sense solution that targets this underserved population.

As you are well aware Chairman Manzullo, women in record numbers are seeking the path of entrepreneurship to help them achieve financial success, flexibility and career satisfaction. We cannot allow the issue of costly health insurance to stand in the way of business ownership by women. H.R. 1873 is a common sense proposal that comes at an important moment. Please let us know how we can continue to help you advance this initiative through the U.S. Congress.

Thank you for your continued leadership and support of women entrepreneurs.

Sincerely,


Karen Kerrigan
President & CEO

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