

# FINANCIAL REPORT SHIFT TO MANDATED BENEFITS IS LIKELY

By Fred T. Snyder

The election of a Democratic President coupled with a Democratic Congress could result in mandated health coverage, family leave and even pension coverage, part of a shift away from a voluntary benefits system. And the new administration could seek to increase revenues by taxing securities transactions, pension contributions or earnings. Such a course would signal a shift from the 12 year Reagan/Bush era in which the Employee Retirement Income Security Act (ERISA) was interpreted as encouraging voluntary benefits. In general, President-Elect Clinton's administration should be more sympathetic to the interests of organized labor and less inclined toward employers. Meanwhile the largest turnover in Congress in 40 years, including the loss of some key benefits supporters is expected to affect policies relating to re-

tirement plans and the investment of pension assets.

While health-care issues are expected to take center stage, other pension and benefit issues might become hot topics. They include:

• **Mandatory Benefits.**

Employers who escaped imposition of mandatory family leave and employer provided health care benefits, likely will not be as lucky in a Clinton administration.

• **Investment.**

Proposals relating to pension investment policy are likely to be driven heavily by the deficit and the state of the economy. Pension funds role in the economy is also likely to be a hot topic. The question is what should pension funds be doing, if anything, to promote long-term economic growth and stability.

• **Taxes.**

A tax bill likely will be a top priority for the new administra-



FRED T. SNYDER

tion. Some experts say a securities transaction tax is possible. Others feel a tax targeted at pension fund earnings or contributions is far more likely.

Right now it is difficult to determine what changes will take place, but there will be change. The short term effect will be costly. We should focus on the long-term benefits.

Fred Snyder is an investment advisor for Inion Equity Partners.

# BUSINESS

## SBA INVESTMENTS IN PRIVATE SECTOR TO FINANCE ALMOST 400,000 JOBS; SAIKI CALLS FOR THE INCREASED SUPPORT FOR MINORITY ENTREPRENEURS

WASHINGTON, D.C. — Financial investments in American businesses backed by the U.S. Small Business Administration (SBA) in FY 1992 amounted to nearly \$8.3 billion and could create at least 390,000 new jobs over the next four years, SBA Administrator Patricia Saiki said today.

More than 33,500 businesses were able to get credit and other financial assistance through SBA in FY 1992, almost 94 percent of it leveraged from the private sector through SBA loan guarantees, surety bond guarantees and investments from SBA backed venture capital companies.

"SBA is small business' best friend; it's their ladder of opportunity," Saiki said. "When America's entrepreneurs need help in securing credit to finance growth, job creation, international trade ventures and new product ideas, they know they can get a 'jump start' from SBA. And these new jobs will mean added tax revenues for federal, state and local governments.

"America especially needs to take advantage of the vitality and entrepreneurial spirit of women and minorities," Saiki said. "These budding and would-be small business owners can

produce much of the growth for our economic future."

Saiki said SBA has a current commercial loan portfolio of more than 163,400 direct and guaranteed loans worth more than \$22.5 billion, making SBA the nation's largest single financial backer of small businesses. Citibank, with

\$11.8 billion, has the next largest portfolio of commercial and industrial loans, followed by Wells Fargo Bank at \$9.13 billion and Chase Manhattan at \$9.02 billion, according to the American Bankers Association.

The job creation calculations (See SBA Investments, Pg 18)

## Real Estate Perspective

By Loretta A. Hall



### IS BAD CREDIT KEEPING YOU FROM HOMEOWNERSHIP

(Assumption or seller financing maybe the answer)

Okay, so you have bad credit problems. You were out of work and fell behind on loan payments. But now you are back on track, your situation changed for the better and you have even paid off many of those loans. You now want to buy a home and have tried to prequalify for a mortgage loan at your local bank but was rejected because of your bad credit report. Don't give up, there is still hope for homeownership even though you have

bad credit. There are lots of ways to buy a home without getting a new mortgage from a bank or savings and loan institution. One way is to buy a home with a nonqualifying assumable mortgage, such as an older VA or FHA home loan. The assumption rules for FHA-insured loans vary, depending on the date that the loan was originated: FHA loans originated prior to December 1986 generally have no restrictions on their assumption.

Another way to purchase a home with bad credit is to buy a home with seller financing where the seller will carry back the mortgage for you. I know several people who have bought homes through assumable mortgage or seller financing and they never were asked for a financial statement or a credit report. When you go looking for a home to buy, explain your credit problem to your real estate agent who then will limit your home search to houses for sale with assumable nonqualifying mortgages and/or seller financing. There are many of these beautiful homes available in today's real estate market. So don't give up, there is still hope of owning that dream home.

As always, please contact a professional for all your Real Estate needs or write to me c/o REAL ESTATE PERSPECTIVE, Las Vegas Sentinel-Voice Newspaper, 1201 South Eastern Avenue, Las Vegas, Nevada 89104.

**Are You BIG?  
Are You TALL?  
Di GIORGIOS  
MR. BIG & TALL  
HAS THE THREADS FOR YOU**

1. PRICED RIGHT!
2. CUSTOM FITTING A MUST!
3. LATEST STYLES
4. HARD TO FIND? WE GOT IT!

**WE GO UP TO SIZE 72  
WE FIT ANYBODY!  
(702) 731-0695  
3507 SO. MARYLAND PKWY.  
(Across the street from Sears/Blvd. Mall)**

*Love that dress in Vouge or Bazaar  
but hate the prices? I'll sew it for  
you at a fraction of the cost!*

- Alterations
- Dressmaking
- Bridal
- Leathers
- Suedes
- Hand-Loomed  
Knitwear



*Designs by Donna*

**593-4839** FOR INFORMATION  
OR APPOINTMENT