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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 5, 1992

REMARKS BY THE PRESIDENT
TO SMALL BUSINESS LEGISLATIVE COUNCIL

J.W. Marriott Hotel
Washington, D.C.

10:38 A.M. EST

THE PRESIDENT: Thank you all very much. And, Phil, thank you for the welcome, the kind introduction. Bob Banister, congratulations on being named Chairman-elect of the SBLC. John Satige, thanks for your hard work in putting this wonderfully successful meeting together. And greetings, also, to Ted Olsen and John Kemp, who has done wonderful work in helping small business implement the ADA, the Americans With Disabilities Act. It was great a minute ago -- I don't see him this second -- to see my friend, Josh Smith, the Chairman, sitting over here, of the President's Council on Minority Business -- a successful businessman himself.

Today, what I wanted to do is to follow up on some of the things that I discussed in the State of the Union address. I really do enjoy going up to the Hill to deliver the State of the Union. It's the only time all year that you can get so many politicians so polite and understanding for so long. (Laughter.) It's a wonderful feeling. (Applause.)

As you know, we've had a hectic week -- from the State of the Union address to releasing the budget to meeting with Boris Yeltsin. During this presidency, I think it's fair to point out that the Cold War has drawn to an end. We led the coalition that shoved Saddam Hussein out of Kuwait. Peace talks between ancient enemies have begun in the Middle East. The Soviet Union has collapsed and we've begun working with its successor states. The whole world has changed. And still, some people say: "Hey, is that all? What have you done for us lately?" (Laughter and applause.) I'd say, no, but it's a good start, and we recognize that we've got many other things to be working on, as I've been trying to do.

And now that we can look past the burdens of the Cold War, we can do what we do best -- create, innovate, build, produce and lead. This afternoon, I'm going to be signing the Economic Report to the President. And it will not only describe and explain the causes of our current economic difficulties, it will also explain why virtually all economic analysts expect this economy to improve. More importantly, it will explain why if Congress enacts my progrowth policies, the improvement in the economy will be quicker, stronger and much more certain.

In the State of the Union I presented a comprehensive action plan for our economy. Today I want to discuss what that means for you. Think of this as my "small business state of the union." My plans starts with what I can do as President without any congressional action required. We've taken a whole series of actions -- I won't mention them all -- but a series of actions to stimulate investment and get the economy moving.

MORE

These, as I say, don't need congressional approval. A couple of initiatives have earned kudos from this crowd. First, I have ordered major departments and agencies to put a 90-day hold on implementing new regulations. (Applause.) Regulations ought to foster economic growth, not crush it. And we're going to make sure that the days of overregulation are over once and for all.

So we're going to take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of those that do nothing more than destroy jobs and weigh down businesses. (Applause.) And in this, we will pick some that will speed up and foster growth and support jobs. We're going to emphasize those regulations.

But that's not all. We also declared war on nuisance lawsuits. (Applause.) Yesterday I announced the Access to Justice Act of 1992. That bill will give Americans less expensive and easier alternatives to trial. Let them solve problems out of court. And we've got to stop America's long liaison with the lawsuit. (Applause.) If we were as good at rewarding success as we are at suing each other, this country would be a lot better off. (Applause.)

And that goes for health care, too. With those outrageous, sky-high malpractice awards, we've got to get those under control and we are going to try hard. And now the American people know better than to think that anyone, including a President, can wave a magic wand and revive something as complicated as our economy. Congress needs to do its job. And that means -- and we were talking with your leaders about this earlier -- that they should pass the short-term compact economic growth package that I put before the Congress and pass it by March 20th. (Applause.)

You know, we're all realistic that we're going into a political year. And I'm fairly realistic that we're going into a political year -- (laughter) -- but I would simply point out that we have time now, there's a period of time that we can lower that political controversy and get something done. A rifle-shot approach to stimulate this economy. And that's where I'm going to need your help. So here we go. The plan starts with the basics. It stimulates investment by improving the alternative minimum tax and creating a new 15-percent investment tax allowance.

L.W. Locke of North Carolina -- and I'm told he's in the audience today -- understands. He appreciates these changes. He's delayed building a convenience store/gasoline station because he just can't do it under our present system. The investment tax allowance would let him buy fixtures and gas pumps and fuel storage tanks, a \$1-million commitment. So don't tell me -- here's a practical example -- don't tell me, or don't listen to the voices that say this plan is a gimmick, and don't try to tell that to L.W., either, because he's right out there, trying to move forward with investment.

I also want to fire up the engine that traditionally pulls us out of tough times. And that's the real estate industry. My plan helps builders. Ask Jay Buchert, a Cincinnati homebuilder, also here with us today. He's thrown his support behind this plan. The National Association of Homebuilders predicts that my bill will create at least 415,000 construction industry jobs and set off \$20 billion in economic activity associated with homebuilding. Now, that's no gimmick. (Applause.) That is no gimmick, that means jobs -- good, solid American jobs. And I also want to reward everyone who believes in the American Dream, trying to make it work.

I want Congress to cut the long-term tax on capital gains. (Applause.) And I want it cut to a maximum rate of 15.4 percent. The world's fastest growing economies and our major competitors, including Germany and Japan, have one thing in common,

they tax capital gains at much lower rates than we do. And in many cases, capital gains isn't taxed at all. (Applause.)

It's ironic. Many politicians who oppose the capital gains tax cut also complain that we're not competitive. Well, they can't have it both ways. And if they really want us to be competitive then they'll slash the capital gains rate and do it now in this comprehensive short-term package. (Applause.) The capital gains rate cut will help families who own homes, help people who own farms, help business owners, and will help everyone who invests in our future by purchasing stock.

Now, you've heard some people claim that a capital gains cut serves only the rich. Well, maybe those people should get out of Washington and talk to people around our country. (Applause.) Retirees say they can't sell their homes because capital gains rates punish them too much. Business owners say they can't expand their businesses -- capital gains rates punish their success. A man from Florida, a retiree who built his own business, invested, saved, put it perfectly: He worked hard for years and now he can't afford to cash in on his success. He said we are being penalized for having foresight. Well, I'm tired of people getting slammed because they risk their money and effort and succeeded. (Applause.) And it's about time the Congress realizes we should reward these people, not turn them into targets of envy. And that, of course, creates jobs. More people that take risks and start businesses, that means jobs.

So let's get to the heart of this thing. The people in this room, small businessmen, investors from the National Venture Capital Association, you understand the gritty fundamentals of business. And you are the real experts. Well, America really needs your help now. So don't accept no for an answer anymore. I'll take the heat on whether it's a tax cut for the rich or not, but you make the case as to what it can do to stimulate jobs and new businesses in this country and demand that the Congress cut the capital gains rate now. (Applause.)

And I might remind you when you do this work, remember that there were majorities in both Houses of Congress for what I'm proposing right now not so many months ago. The field is there for fertile reaping. And I tell you -- I really hope that you can get up and help us do this job. I'd also like to ask you that you demand action on my short-term plan without delay.

You know, when I hear someone complain that this short-term plan won't do much, I wonder myself: Hadn't any of these guys ever run a business? Do they appreciate the difficulties of getting a loan, finding an investor, purchasing what you need, filling out all that government paperwork? It's about time somebody understands that you need just a few minutes to concentrate on the customer. That's what some of this is going to do. (Applause.)

You may have detected this, but I'm tired of the term "fairness" being corrupted by political demagogues. You want fairness? Here's something fair: My plan will work for all Americans and it will create jobs. How's that for fairness? (Applause.)

Congress has the legislation. It has a March deadline -- March 20th deadline. And I ask you to circle the date on the calendar. Much beyond that, politics takes over. We've got a chance now to get something done. So while you're in Washington, visit those congressional delegations. Let them know that you want this package passed. You are at the center of this plan, and you create -- small business -- you create the vast majority of jobs in this country. And I am determined to support you to create more jobs. (Applause.)

I believe it is in your power to help lift this country and help get it moving again. I really am confident that you will do just that. Since members of Congress will be home on break next week, drop by their offices, let them know how you feel. Send this message: No more delays, no excuses, no substitutes. And don't delay. Decision day is six weeks from Friday. (Applause.) That is the rifle shot -- I didn't mention all the ingredients, but that's the rifle shot, short-term, incentive-building, job-creating part of this package. Now, for the longer term I've also proposed an ambitious long-term agenda to ensure that our economy will continue leading the world for decades to come.

And let me discuss a critical issue in that plan: health care. I know health care has become a problem for many of you and your employees. And tomorrow I'm going to be announcing in detail my comprehensive health care plan. And I know you'll like it. I believe you'll like it a lot. People today worry about health care, yes. It costs too much -- great concern. It's tough to find good comprehensive coverage. And you can't make choices like you used to. And you can't count on coverage if you move and change jobs or fall victim to a debilitating condition or disease.

I believe our plan solves these problems. And my plan ensures that people can find health care, choose health care, afford health care and keep health care. (Applause.) I know that everyone with a plan promises the same thing, and that's why you have to use your common sense in evaluating the various proposals. And when you get right down to it, there are two fundamental health care choices. We can adopt a system that's been a proven failure all over the world -- nationalized health care. Or we can reform our present system, which has its faults certainly, but which also provides the highest quality care on Earth. People come from all over the world to participate in our health care. (Applause.)

And if you want the freedom to choose your own doctor, to hold the line on costs, and to improve access to health insurance coverage, push for my plan. Look it over carefully, we're going to need your support. And it gives everyone -- and I emphasize everyone -- access to the world's best health care. And it doesn't exclude anybody. So take a look at this and support us if you can.

And finally, I'd like your help on one other item. The federal government is too big and it spends too much. (Applause.) And it's just that simple. Now, my budget holds the line on new spending. It does not violate the only protection the taxpayer has -- that's the spending caps that are now in the law. These caps are the only protection the taxpayer has against more spending by Congress. And it pulls the trap door on a host of federally-funded programs, all with noble titles -- 246 programs, to be exact -- that we simply do not need. And you shouldn't have to pay for them. (Applause.)

And it's that simple. Each one has a protector, but I think the time has come and the times demand that we take action on these.

And also, get Congress to give me an important weapon to control spending. This one may be a little difficult, but get them to give me that line-item veto and give me a shot at it. (Applause.) Forty-three governors have it; give the President a shot. (Laughter.)

We must stop imposing mandates on others without paying for those mandates. Too often mandates, these mandated benefits dictated out of some subcommittee mean mandated deficits. And that just isn't right. It's not fair to the states, it's not fair to the localities and the communities. And it's got to stop. (Applause.)

The bottom line is we've got a lot of work to do. And we can't let anyone stall us this time. Americans can't wait to get this economy moving. We want to throw off cynicism and fear. We want to shake away the gloom and the doubt. And I am, frankly, very tired of the professional pessimists who don't have any fresh ideas for the future and who literally feast on bad times and hard feelings, and who talk as if our best days have passed by. They just don't understand. (Applause.)

Wouldn't you hate to go through life thinking the only way I can get a step up the ladder is if somebody else is hurting? They just ought to get out of the way, these gloom-sayers and these pessimists. We can start a new economic revolution in America -- one that builds on our innate optimism, our ambition, our determination, our willing to take risks, and our pride. And we're going to do just that. And that revolution will start a lot sooner if 535 people in Washington meet by the March 20th deadline that I've proposed up there.

So let them know in no uncertain terms: business as usual won't get this job done. Election-year politics as usual won't do. And tell them, we need action by March 20th. And with your help, I believe we can get it.

Thank you all very, very much. And may God bless the United States. (Applause.)

END

11:00 A.M. EST

THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
WEDNESDAY, FEBRUARY 5, 1992
10:30 A.M.

PHIL [CHISHOLM], THANKS FOR THAT KIND INTRODUCTION.
BOB [BANNISTER] CONGRATULATIONS ON BEING NAMED
CHAIRMAN-ELECT OF THE S.B.L.C. JOHN SATAGAJ
[SAT-A-JAY], THANKS FOR YOUR HARD WORK IN PUTTING THIS
TOGETHER. GREETINGS ALSO TO TED OLSON, -- AND JOHN
KEMP, WHO HAS DONE WONDERFUL WORK IN HELPING SMALL
BUSINESSES IMPLEMENT THE AMERICANS WITH DISABILITIES
ACT.

TODAY, I'M GOING TO FOLLOW UP ON SOME OF THE THINGS
I DISCUSSED IN THE STATE OF THE UNION ADDRESS. YOU
KNOW, I ENJOY GOING UP TO THE HILL TO DELIVER THE STATE
OF THE UNION. IT'S THE ONLY TIME ALL YEAR I CAN KEEP
SO MANY POLITICIANS SO POLITE FOR SO LONG.

I'M JUST GLAD I DON'T HAVE TO CARRY THE BUDGET UP
THERE THE FOLLOWING DAY. WITH ALL THAT'S HAPPENED THIS
YEAR, THE LAST THING I NEED IS A HERNIA.

AS YOU KNOW, I'VE HAD A HECTIC WEEK -- FROM THE STATE OF THE UNION ADDRESS TO RELEASING THE BUDGET TO MEETING WITH BORIS YELTSIN. DURING THIS PRESIDENCY, THE COLD WAR HAS DRAWN TO AN END; I LED A COALITION THAT SHOVED SADDAM OUT OF KUWAIT; PEACE TALKS BETWEEN ANCIENT ENEMIES HAVE BEGUN IN THE MIDDLE EAST, THE SOVIET UNION COLLAPSED, AND WE HAVE BEGUN WORKING WITH ITS SUCCESSOR STATES. THE WHOLE WORLD HAS CHANGED AND STILL SOME PEOPLE SAY: IS THAT ALL?

WELL, NO. BUT IT'S A PRETTY DARNED GOOD START.

NOW THAT WE CAN LOOK PAST THE BURDENS OF THE COLD WAR, WE CAN DO WHAT WE DO BEST: CREATE, INNOVATE, BUILD, PRODUCE -- LEAD.

THIS AFTERNOON, I WILL SIGN THE ECONOMIC REPORT OF THE PRESIDENT. IT WILL NOT ONLY DESCRIBE AND EXPLAIN THE CAUSES OF OUR CURRENT ECONOMIC DIFFICULTIES. IT WILL ALSO EXPLAIN WHY VIRTUALLY ALL ECONOMIC ANALYSTS EXPECT THE ECONOMY TO IMPROVE. MORE IMPORTANTLY, IT WILL EXPLAIN WHY IF CONGRESS ENACTS MY PRO-GROWTH POLICIES, THE IMPROVEMENT IN THE ECONOMY WILL BE QUICKER, STRONGER, AND MORE CERTAIN.

IN THE STATE OF THE UNION, I PRESENTED A COMPREHENSIVE ACTION PLAN FOR OUR ECONOMY. TODAY, I'LL DISCUSS WHAT MY PLAN MEANS FOR YOU. THINK OF THIS AS MY SMALL BUSINESS STATE OF THE UNION.

MY PLAN STARTS WITH WHAT I CAN DO AS PRESIDENT. I'VE TAKEN A WHOLE SERIES OF ACTIONS TO STIMULATE INVESTMENT AND GET THE ECONOMY MOVING. THESE ACTIONS DON'T NEED CONGRESSIONAL APPROVAL.

A COUPLE OF INITIATIVES HAVE EARNED KUDOS FROM THIS CROWD. FIRST, I HAVE ORDERED MAJOR DEPARTMENTS AND AGENCIES TO PUT A 90-DAY HOLD ON IMPLEMENTING NEW REGULATIONS. REGULATIONS OUGHT TO FOSTER ECONOMIC GROWTH -- NOT CRUSH IT. WE'RE GOING TO MAKE SURE THAT THE DAYS OF OVER-REGULATION ARE OVER -- ONCE AND FOR ALL. SO WE'LL TAKE A FRESH LOOK AT THE RULES AND REGULATIONS WASHINGTON HURLS YOUR WAY. WE'LL GET RID OF THOSE THAT DO NOTHING MORE THAN DESTROY JOBS AND WEIGH DOWN BUSINESSES. AND WE'LL SPEED UP REGULATIONS THAT FOSTER GROWTH AND SUPPORT JOBS.

BUT THAT'S NOT ALL. WE'VE ALSO DECLARED WAR ON NUISANCE LAWSUITS. YESTERDAY I ANNOUNCED THE ACCESS TO JUSTICE ACT OF 1992. THE BILL WILL GIVE AMERICANS LESS EXPENSIVE AND EASIER ALTERNATIVES TO TRIAL -- LET THEM SOLVE PROBLEMS OUT OF COURT. WE'VE GOT TO STOP AMERICA'S LONG LIAISON WITH THE LAWSUIT.

IF WE WERE AS GOOD AT REWARDING SUCCESS AS WE ARE AT SUING EACH OTHER, THIS COUNTRY WOULD BE A LOT BETTER OFF. [I THAT GOES FOR HEALTH CARE, TOO -- WITH THESE OUTRAGEOUS, SKY-HIGH MALPRACTICE AWARDS.]]

NOW, THE AMERICAN PEOPLE KNOW BETTER THAN TO THINK THAT ANYONE -- INCLUDING A PRESIDENT -- CAN WAVE A MAGIC WAND AND REVIVE AN ECONOMY. CONGRESS NEEDS TO DO ITS JOB. AND THAT MEANS IT SHOULD PASS MY SHORT-TERM ECONOMIC GROWTH PACKAGE BY MARCH 20.

THAT PLAN STARTS WITH THE BASICS. IT STIMULATES
INVESTMENT BY IMPROVING THE ALTERNATIVE MINIMUM TAX AND
CREATING A NEW 15 PERCENT INVESTMENT TAX ALLOWANCE.
"L.W." LOCKE OF NORTH CAROLINA -- HE'S IN THE AUDIENCE
TODAY -- APPRECIATES THESE CHANGES. HE HAS DELAYED
BUILDING A CONVENIENCE STORE/GASOLINE STATION BECAUSE
HE JUST CAN'T DO IT UNDER OUR PRESENT SYSTEM. THE
INVESTMENT TAX ALLOWANCE WOULD LET HIM BUY FIXTURES,
GAS PUMPS, AND FUEL STORAGE TANKS -- A ONE MILLION
DOLLAR COMMITMENT. SO DON'T TELL ME THAT THIS PLAN'S A
GIMMICK. AND DON'T TRY TO TELL THAT TO "L.W.".

I ALSO WANT TO FIRE UP THE ENGINE THAT TRADITIONALLY PULLS US OUT OF TOUGH TIMES, THE REAL ESTATE INDUSTRY. MY PLAN HELPS BUILDERS. ASK "JAY" BUCHERT [BYOO-KERT] A CINCINNATI HOME BUILDER, ALSO WITH US TODAY. HE'S THROWN HIS SUPPORT BEHIND THE PLAN. THE NATIONAL ASSOCIATION OF HOME BUILDERS PREDICTS THAT MY BILL WILL CREATE AT LEAST 415,000 CONSTRUCTION INDUSTRY JOBS, AND SET OFF \$20 BILLION IN ECONOMIC ACTIVITY ASSOCIATED WITH HOME BUILDING. THAT'S NO GIMMICK; THAT MEANS JOBS -- GOOD, SOLID AMERICAN JOBS.

I ALSO WANT TO REWARD EVERYONE WHO BELIEVES IN THE AMERICAN DREAM. I WANT CONGRESS TO CUT THE LONG-TERM TAX ON CAPITAL GAINS. I WANT IT CUT TO A MAXIMUM RATE OF 15.4 PERCENT. THE WORLD'S FASTEST-GROWING ECONOMIES AND OUR MAJOR COMPETITORS INCLUDING GERMANY AND JAPAN HAVE ONE THING IN COMMON: THEY TAX CAPITAL GAINS AT MUCH LOWER RATES THAN WE DO -- AND IN MANY CASES, NOT AT ALL.

YOU KNOW, IT'S IRONIC: MANY POLITICIANS WHO OPPOSE THE CAPITAL GAINS TAX CUT ALSO COMPLAIN THAT WE AREN'T COMPETITIVE. WELL, THEY CAN'T HAVE IT BOTH WAYS. IF THEY REALLY WANT US COMPETITIVE, THEN THEY'LL SLASH THE CAPITAL GAINS RATE -- AND DO IT NOW.

A CAPITAL GAINS RATE CUT WILL HELP FAMILIES WHO OWN HOMES AND FARMS. IT WILL HELP BUSINESS OWNERS. IT WILL HELP EVERYONE WHO INVESTS IN OUR FUTURE BY PURCHASING STOCK.

NOW, YOU'VE HEARD SOME PEOPLE CLAIM THAT A CAPITAL GAINS CUT SERVES ONLY THE RICH. WELL, MAYBE THOSE PEOPLE SHOULD GET OUT OF WASHINGTON AND TALK TO PEOPLE AROUND OUR COUNTRY. RETIREES TELL ME THEY CAN'T SELL THEIR HOMES -- BECAUSE CAPITAL GAINS RATES PUNISH THEM TOO MUCH. BUSINESS OWNERS SAY THEY CAN'T EXPAND THEIR BUSINESSES -- CAPITAL GAINS RATES PUNISH THEIR SUCCESS. A MAN FROM FLORIDA -- A RETIREE WHO BUILT HIS OWN BUSINESS, INVESTED, SAVED -- PUT IT PERFECTLY. HE WORKED HARD FOR YEARS, AND NOW HE CAN'T AFFORD TO CASH IN ON HIS SUCCESS. HE SAID: "WE ARE BEING PENALIZED FOR HAVING FORESIGHT." WELL, I'M TIRED OF PEOPLE GETTING SLAMMED BECAUSE THEY RISKED THEIR MONEY AND EFFORT -- AND SUCCEEDED. IT'S ABOUT TIME CONGRESS REALIZES WE SHOULD REWARD THESE PEOPLE, NOT TURN THEM INTO TARGETS OF ENVY.

LET'S GET TO THE HEART OF THINGS. THE PEOPLE IN THIS ROOM -- SMALL BUSINESSMEN, INVESTORS FROM THE NATIONAL VENTURE CAPITAL ASSOCIATION -- YOU UNDERSTAND THE GRITTY FUNDAMENTALS OF BUSINESS. YOU'RE THE REAL EXPERTS. WELL, AMERICA NEEDS YOUR HELP. \ \

DON'T ACCEPT NO FOR AN ANSWER ANYMORE. DEMAND THAT CONGRESS CUT THE CAPITAL GAINS RATE. NOW.

AND DEMAND ACTION ON MY SHORT-TERM PLAN WITHOUT DELAY. YOU KNOW, WHEN I HEAR SOMEONE COMPLAIN THAT MY SHORT-TERM PLAN WON'T DO MUCH, I WONDER TO MYSELF: HAVE ANY OF THESE CRITICS EVER RUN A BUSINESS? DO THEY APPRECIATE THE DIFFICULTIES OF GETTING A LOAN, FINDING AN INVESTOR, PURCHASING WHAT YOU NEED, FILLING OUT ALL THAT GOVERNMENT PAPERWORK. IT'S ABOUT TIME SOMEBODY UNDERSTANDS THAT YOU NEED JUST A FEW MINUTES TO CONCENTRATE ON THE CUSTOMER.

I'M TIRED OF THE TERM "FAIRNESS" BEING CORRUPTED BY POLITICAL DEMAGOGUES. YOU WANT FAIRNESS? HERE'S FAIR: MY PLAN WILL WORK -- FOR ALL AMERICANS. IT WILL CREATE JOBS.

CONGRESS HAS THE LEGISLATION. IT HAS A MARCH 20 DEADLINE. CIRCLE THE DATE ON YOUR CALENDAR.

WHILE YOU'RE IN WASHINGTON, VISIT YOUR CONGRESSIONAL DELEGATIONS. LET THEM KNOW THAT YOU WANT THIS PACKAGE PASSED.

YOU ARE AT THE CENTER OF THIS PLAN. YOU CREATE THE VAST MAJORITY OF JOBS IN THIS COUNTRY AND I'M DETERMINED TO SUPPORT YOU -- TO CREATE MORE JOBS. I BELIEVE IT IS IN YOUR POWER TO HELP LIFT THIS COUNTRY UP -- HELP IT GET MOVING AGAIN -- AND I BELIEVE YOU WILL.

SINCE THEY'LL BE HOME ON BREAK NEXT WEEK, DROP BY THEIR OFFICES AND LET THEM KNOW HOW YOU FEEL. SEND THIS MESSAGE: NO MORE DELAYS. NO EXCUSES. NO SUBSTITUTES. AND DON'T DELAY. DECISION DAY IS SIX WEEKS FROM FRIDAY.

I'VE ALSO PROPOSED AN AMBITIOUS LONG-TERM AGENDA, TO ENSURE THAT OUR ECONOMY WILL CONTINUE LEADING THE WORLD FOR DECADES TO COME. LET ME DISCUSS A CRITICAL ISSUE IN THAT PLAN, HEALTH CARE.

I KNOW HEALTH CARE HAS BECOME A PROBLEM FOR MANY OF YOU AND YOUR EMPLOYEES. TOMORROW, I WILL ANNOUNCE IN DETAIL MY COMPREHENSIVE HEALTH-CARE PACKAGE, AND I KNOW YOU WILL LIKE IT -- A LOT. PEOPLE TODAY WORRY ABOUT HEALTH CARE: THAT IT COSTS TOO MUCH; IT'S TOUGH TO FIND GOOD, COMPREHENSIVE COVERAGE; YOU CAN'T MAKE CHOICES LIKE YOU USED TO; AND YOU CAN'T COUNT ON COVERAGE IF YOU MOVE, CHANGE JOBS OR FALL VICTIM TO A DEBILITATING CONDITION OR DISEASE. MY PLAN SOLVES THESE PROBLEMS. MY PLAN ENSURES THAT PEOPLE CAN FIND HEALTH CARE, CHOOSE HEALTH CARE, AFFORD HEALTH CARE, AND KEEP HEALTH CARE.

NOW, I KNOW EVERYONE WITH A PLAN PROMISES THE SAME THING. THAT'S WHY YOU HAVE TO USE YOUR COMMON SENSE IN EVALUATING THE VARIOUS PROPOSALS. WHEN YOU GET RIGHT DOWN TO IT, WE HAVE TWO HEALTH-CARE CHOICES. WE CAN ADOPT A SYSTEM THAT HAS BEEN A PROVEN FAILURE ALL OVER THE WORLD: NATIONALIZED HEALTH CARE. OR WE CAN REFORM OUR PRESENT SYSTEM, WHICH HAS ITS FAULTS, BUT WHICH ALSO PROVIDES THE HIGHEST QUALITY CARE ON EARTH.

IF YOU WANT THE FREEDOM TO CHOOSE YOUR OWN DOCTOR; TO HOLD THE LINE ON COSTS; AND TO IMPROVE ACCESS TO HEALTH INSURANCE COVERAGE -- PUSH FOR MY PLAN. MY PLAN GIVES EVERYONE -- AND I EMPHASIZE "EVERYONE" -- ACCESS TO THE WORLD'S BEST HEALTH CARE -- AND IT DOESN'T EXCLUDE ANYBODY.

FINALLY, I'D LIKE YOUR HELP ON ONE OTHER ITEM. THE FEDERAL GOVERNMENT IS TOO BIG AND IT SPENDS TOO MUCH. IT'S THAT SIMPLE.

MY BUDGET HOLDS THE LINE ON NEW SPENDING. IT DOES NOT VIOLATE THE SPENDING CAPS NOW IN THE LAW -- THESE CAPS ARE THE ONLY PROTECTION THE TAXPAYER HAS AGAINST MORE SPENDING BY CONGRESS. AND IT PULLS THE TRAP DOOR ON A HOST OF FEDERALLY-FUNDED PROGRAMS -- 246, TO BE EXACT. WE DON'T NEED THESE PROGRAMS. YOU SHOULDN'T HAVE TO PAY FOR THEM. IT'S THAT SIMPLE.

ALSO: GET CONGRESS TO GIVE ME AN IMPORTANT WEAPON TO CONTROL SPENDING. GIVE ME A LINE-ITEM VETO.

WE MUST STOP IMPOSING MANDATES ON OTHERS WITHOUT PAYING FOR THOSE MANDATES. TOO OFTEN MANDATES AND MANDATED BENEFITS MEAN MANDATED DEFICITS. THAT JUST ISN'T RIGHT -- AND IT'S GOING TO STOP.

MY FRIENDS, WE'VE GOT WORK TO DO -- AND WE CAN'T LET ANYONE STALL US. AMERICANS CAN'T WAIT TO GET THIS ECONOMY MOVING. WE WANT TO THROW OFF CYNICISM AND FEAR; WE WANT TO SHAKE AWAY GLOOM AND DOUBT. I'M TIRED OF PROFESSIONAL PESSIMISTS WHO DON'T HAVE ANY FRESH IDEAS FOR THE FUTURE, WHO FEAST ON BAD TIMES AND HARD FEELINGS, WHO TALK AS IF AMERICA'S BEST DAYS HAVE PASSED BY. THEY JUST DON'T UNDERSTAND -- AND THEY JUST OUGHT TO GET OUT OF THE WAY. WE CAN START A NEW ECONOMIC REVOLUTION IN AMERICA -- ONE THAT BUILDS ON OUR NATURAL OPTIMISM, AMBITION, DETERMINATION AND PRIDE. AND WE WILL.

THAT REVOLUTION WILL START A LOT SOONER IF 535 PEOPLE IN WASHINGTON MEET MY MARCH 20 DEADLINE. SO LET THEM KNOW IN NO UNCERTAIN TERMS: BUSINESS AS USUAL WON'T DO. ELECTION YEAR POLITICS AS USUAL WON'T DO. TELL THEM: WE NEED ACTION BY MARCH 20, WITH YOUR HELP, WE'LL GET IT. *ca*

THANKS FOR YOUR HELP. MAY GOD BLESS YOU AND THE
UNITED STATES OF AMERICA.

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SNOW/AARHUS
SMALL
DRAFT ELEVEN
FEBRUARY 4, 1992

32-FEB 4 P6:37

PRESIDENTIAL REMARKS: THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
WEDNESDAY, FEBRUARY 5, 1992
10:30 A.M.

Phil [Chisholm], thanks for that kind introduction. Bob [Bannister] congratulations on being named Chairman-elect of the SBLC. John Satagaj [SAT-a-jay], thanks for your hard work in putting this together. Greetings also to Ted Olson, -- and John Kemp, who has done wonderful work in helping small businesses implement the Americans with Disabilities Act.

Today, I'm going to follow up on some of the things I discussed in the State of the Union Address. You know, I enjoy going up to the Hill to deliver the State of the Union. It's the only time all year I can keep so many politicians so polite for so long.

I'm just glad I don't have to carry the budget up there the following day. With all that's happened this year, the last thing I need is a hernia.

As you know, I've had a hectic week -- from the State of the Union Address to releasing the budget to meeting with Boris Yeltsin. ~~But the Washington press has become awfully picky.~~
+ his
During ~~my~~ Presidency, the Cold war has drawn to an end; I led a coalition that shoved Saddam out of Kuwait; the Soviet Union collapsed, and ~~I~~ *we have* begun working with its successor states. The whole world has changed and still some people say: Is that all? *Peace talks between our two enemies began in M.E*

Well, no. But it's a pretty darned good start.

Now that we can look past the burdens of the Cold War, we can do what we do best: Create, innovate, build, produce -- lead. In the State of the Union, I presented a comprehensive action plan for our economy. Today, I'll discuss what my plan means for you. Think of this as my Small Business State of the Union.

what I can do as president

My plan starts with ~~me~~. I've taken a whole series of actions to stimulate investment and get the economy moving. These actions don't need Congressional approval.

~~I know~~ A couple of initiatives have earned kudos from this crowd. First, I have ordered major departments and agencies to put a 90-day hold on implementing new regulations. Regulations ought to foster economic growth -- not crush it. We're going to make sure that the days of over-regulation are over -- once and for all. So we'll take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of those that do nothing more than destroy jobs and weigh down businesses. And we'll speed up regulations that foster growth and support jobs.

But that's not all. We've also declared war on nuisance lawsuits. Yesterday I announced the Access to Justice Act of 1992. The bill has a simple aim. It encourages people to settle problems like adults, rather than hiring lawyers every time some dispute arises. After all, you shouldn't have to waste your time fretting about hired legal guns. You have real work to do.

*Yester
language
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That plan starts with the basics. It stimulates investment by improving the alternative minimum tax and creating a new 15 percent investment tax allowance. "L.W." Locke of North Carolina -- he's in the audience today -- appreciates these changes. He has delayed building a convenience store/gasoline station because he just can't ^{do it?} under our present system. The investment tax allowance would let him buy fixtures, gas pumps, and fuel storage tanks -- a one million dollar commitment. So don't tell me that this plan's a gimmick. And don't try to tell that to "L.W."

I also want to fire up the engine that traditionally pulls us out of tough times, the real estate industry. My plan helps builders. Ask "Jay" Buchert [BYOO-kert] a Cincinnati home builder, also with us today. He's thrown his support behind the plan. The National Association of Home Builders predicts that my bill will create at least 415,000 construction industry jobs, and set off \$20 billion in economic activity associated with home building. That's no gimmick; that means jobs -- good, solid American jobs.

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one thing in common: They tax capital gains at much lower rates than we do -- and in many cases, not at all.

You know, it's ironic: Many politicians who oppose the capital gains tax cut also complain that we aren't competitive. Well, they can't have it both ways. If they really want us competitive, then they'll slash the capital gains rate -- and do it now.

A capital gains rate cut will help families who own homes and farms. It will help business owners. It will help everyone who invests in our future by purchasing stock.

Now, you've heard some people claim that a capital gains cut serves only the rich. Well, maybe those people should get out of Washington and talk to people around our country. Retirees tell me they can't sell their homes -- because capital gains rates punish them too much. Business owners say they can't expand their businesses -- capital gains rates punish their success. A man from Florida -- a retiree who built his own business, invested, saved -- put it perfectly. He worked hard for years, and now he can't afford to cash in on his success. He said: "We are being penalized for having foresight." Well, I'm tired of people getting slammed because they risked their money and effort -- and succeeded. It's about time Congress realizes we should reward these ^{people} ~~heroes~~, not turn them into targets of envy.

Let's get to the heart of things. The people in this room - - small businessmen, investors from the National Venture Capital Association -- you understand the gritty fundamentals of

business. You're the real experts. So let me ask you: If you believe a capital gains cut will give our economy a boost -- that it will create new jobs and new opportunities -- stand up. Let America see what the experts think. \ \

Just what I thought. Don't accept no for an answer anymore. Demand that Congress cut the capital gains rate. Now.

And demand that Congress act on my short-term plan without delay. You know, when I hear someone complain that my short-term plan won't do much, I wonder to myself: Have any of these critics ever run a business? Do they appreciate the difficulties of getting a loan, finding an investor, purchasing what you need, making your way through a gamut of G-men and regulators. It's about time the Congress understands you need just a few minutes to concentrate on the customer.

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Ginnich
No!

No

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You are at the center of this plan. You create the vast majority of jobs in this country and I'm determined to support you -- to create more jobs. I believe it is in your power to help lift this country up -- help it get moving again. -- and I believe you will.

Since they'll be home on break next week, drop by their offices and let them know how you feel. Send this message: No more delays. No excuses. No substitutes. And don't delay. Decision day is six weeks from Friday.

I've also proposed an ambitious long-term agenda, to ensure that our economy will continue leading the world for decades to come. Let me discuss a critical issue in that plan, health care.

I know health care has become a problem for many of you and your employees. Tomorrow, I will announce ^{in detail} my comprehensive health-care package, and I know you will like it -- a lot.

People today worry about health care: That it costs too much; it's tough to find good, comprehensive coverage; you can't make choices like you used to; and you can't count on coverage if you move, change jobs or fall victim to a debilitating condition or disease. My plan solves these problems. My plan ensures that people can find health care, choose health care, afford health care, and keep health care.

Now, I know everyone with a plan promises the same thing. That's why you have to use your common sense in evaluating the

various proposals. When you get right down to it, we have two health-care choices. We can adopt a system that has been a proven failure all over the world: nationalized health care. Or we can reform our present system, which has its faults, but which also provides the highest quality care on earth.

If you want the freedom to choose your own doctor; to hold the line on costs; and to improve access to health insurance coverage -- push for my plan. My plan gives everyone access to the world's best health care --and it doesn't exclude anybody. *and I emphasize "everyone"*

Congress has ~~no~~ excuse not to pass my plan. After all, it has devised the same kind of coverage for itself. And if it's good enough for Congress, it's good enough for you and me.

Finally, I'd like your help on one other item. I ~~want~~ Congress to ~~put an end to the spending binge~~. The federal government is too big and it spends too much. It's that simple. *It does not violate the spending caps now*

My budget holds the line on new spending, and it pulls the trap door on a host of federally-funded programs -- 246; to be exact. We don't need these programs. You shouldn't have to pay for them. It's that simple. *in the law - these caps are the only protection the cap has against more spending by Congress*

Also: ~~Encourage Congressional spendaholics to seek help.~~ *Get Congress to* Give me an important weapon to control I can ~~no~~ and make it stick before Congress feels the urge to ~~spend again~~. Give me a line-item veto.

~~And tell Congress to~~ *we must* stop imposing mandates on others without paying for those mandates. Too often mandates and mandated benefits mean mandated deficits. That just isn't right -- and it's going to stop.

My friends, we've got work to do -- and we can't let anyone stall us. Americans can't wait to get this economy moving. We want to throw off cynicism and fear; we want to shake away gloom and doubt. I'm tired of professional pessimists who don't have any fresh ideas for the future, who feast on bad times and hard feelings, who talk as if America's best days have passed by. They just don't understand -- and they just ought to get out of the way. We can start a new economic revolution in America -- one that builds on our natural optimism, ambition, determination and pride. And we will.

That revolution will start a lot sooner if 535 people in Washington meet my March 20 deadline. So let them know in no uncertain terms: Business as usual won't do. Election year politics as usual won't do. Tell them: ~~If they don't act by~~ ^{*we need action.*} March 20, you will act on November 3. *ly*

Thanks for your help. May God bless you and the United States of America.

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/4/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PRESIDENTIAL REMARKS: REVISED VERSION OF THE SMALL BUSINESS LEGISLATIVE COUNCIL - WED., FEB. 5, 1992 - 10:30 a.m.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	—	✓	HORNER	—	—
SKINNER	—	✓	CALIO	—	✓
SCOWCROFT	—	✓	PETERSMEYER	—	✓
DARMAN	—	✓	PORTER	□	✓
BRADY	—	✓	ROGICH	□	✓
BROMLEY	—	—	SMITH	□	✓
CARD	—	✓	BOSKIN	□	✓
DEMAREST	—	✓	KAUFMAN	□	✓
FITZWATER	—	✓	FINDLAY	—	✓
GRAY	—	✓	SNOW	—	✓
HOLIDAY	—	✓		—	—

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

SNOW/AARHUS
SMALL
DRAFT ELEVEN
FEBRUARY 4, 1992

02 FEB 4 16:37

PRESIDENTIAL REMARKS: THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
WEDNESDAY, FEBRUARY 5, 1992
10:30 A.M.

Phil [Chisholm], thanks for that kind introduction. Bob [Bannister] congratulations on being named Chairman-elect of the SBLC. John Satagaj [SAT-a-jay], thanks for your hard work in putting this together. Greetings also to Ted Olson, -- and John Kemp, who has done wonderful work in helping small businesses implement the Americans with Disabilities Act.

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Well, no. But it's a pretty darned good start.

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My plan starts with me. I've taken a whole series of actions to stimulate investment and get the economy moving. These actions don't need Congressional approval.

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I also want to fire up the engine that traditionally pulls us out of tough times, the real estate industry. My plan helps builders. Ask "Jay" Buchert [BYOO-kert] a Cincinnati home builder, also with us today. He's thrown his support behind the plan. The National Association of Home Builders predicts that my bill will create at least 415,000 construction industry jobs, and set off \$20 billion in economic activity associated with home building. That's no gimmick; that means jobs -- good, solid American jobs.

I also want to reward everyone who believes in the American dream. I want Congress to cut the long-term tax on capital gains. I want it cut to a maximum rate of 15.4 percent. The world's fastest-growing economies and our major competitors have

one thing in common: They tax capital gains at much lower rates than we do -- and in many cases, not at all.

You know, it's ironic: Many politicians who oppose the capital gains tax cut also complain that we aren't competitive. Well, they can't have it both ways. If they really want us competitive, then they'll slash the capital gains rate -- and do it now.

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Since they'll be home on break next week, drop by their offices and let them know how you feel. Send this message: No more delays. No excuses. No substitutes. And don't delay. Decision day is six weeks from Friday.

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GRAY	—	✓	SNOW	—	✓
HOLIDAY	—	✓		—	—

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PHILLIP D. BRADY
Assistant to the President
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Ext. 2702

SNOW/AARHUS
SMALL
DRAFT ELEVEN
FEBRUARY 4, 1992

02 FEB 4 P 6:37

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Also: ^{Get Congress to give me an important weapon to control spending} ~~Encourage Congressional spendaholics to seek help.~~ ^{so}

~~I can no -- and make it stick before Congress feels the urge to spend again,~~ Give me a line-item veto.

^{We must} ~~And tell Congress to~~ stop imposing mandates on others without paying for those mandates. Too often mandates and mandated benefits mean mandated deficits. That just isn't right -- and it's going to stop.

My friends, we've got work to do -- and we can't let anyone stall us. Americans can't wait to get this economy moving. We want to throw off cynicism and fear; we want to shake away gloom and doubt. I'm tired of professional pessimists who don't have any fresh ideas for the future, who feast on bad times and hard feelings, who talk as if America's best days have passed by. They just don't understand -- and they just ought to get out of the way. We can start a new economic revolution in America -- one that builds on our natural optimism, ambition, determination and pride. And we will.

That revolution will start a lot sooner if 535 people in Washington meet my March 20 deadline. So let them know in no uncertain terms: Business as usual won't do. Election year politics as usual won't do. Tell them: *We need action by* ~~If they don't act by~~ *with your help, we'll get it.* March 20, you will act on November 3.

Thanks for your help. May God bless you and the United States of America.

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THE WHITE HOUSE
WASHINGTON

February 3, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST

FROM: TONY SNOW *TS*

SUBJECT: SMALL BUSINESS LEGISLATIVE COUNCIL

On Wednesday, February 5 at 10:30 a.m., you will address the Small Business Legislative Council. Your remarks (15 minutes, teleprompter) focus on the facets of your economic plan which directly impact small business.

SNOW/AARHUS
SMALL
DRAFT SEVEN
FEBRUARY 3, 1992

PRESIDENTIAL REMARKS: THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
WEDNESDAY, FEBRUARY 5, 1992
10:30 A.M.

[Introductory acknowledgments]

You know, I enjoy going up to the Hill to deliver the State of the Union Address. It's the only time all year I can keep so many politicians so polite for so long.

I'm just glad I don't have to carry the budget up there the following day. With all that's happened this year, the last thing I need is a hernia.

As you know, I've had a hectic week -- everything from the State of the Union Address to meetings last weekend with Boris Yeltsin. But the Washington press has become kind of fickle. The Cold War comes to an end; you lead a coalition that pushed Saddam Hussein out of Kuwait; you witness the collapse of the Soviet Union and begin talks with its successor states, and people say: Is that all?

Well, no. But it's a pretty good start.

Now that we can look past the burdens of the Cold War, we can do what we do best: Create, innovate, build, produce -- lead. In last week's State of the Union Address, I laid out a comprehensive action plan for our economy. Today, I want to explain what my plan means for you. Think of this as my Small Business State of the Union.

My plan starts with me. I've taken a whole series of actions to stimulate investment and get the economy moving. These actions don't need Congressional approval.

I know one initiative in particular has earned kudos from this crowd. I have ordered major departments and agencies to put a 90-day hold on implementing new regulations. You see, regulations ought to foster economic growth -- not crush it. So the Competitiveness Council, chaired by Vice President Dan Quayle, will coordinate our review. We will take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of regulations that do nothing more than destroy jobs and weigh down businesses. And we'll speed into action regulations that make it easier for you to serve your customers.

I don't have a magic wand. I'll need Congress's help, too, to get our economy moving. I've asked it to pass a straightforward economic growth package by March 20.

That plan starts with the basics. It stimulates investment by improving the alternative minimum tax and creating a new 15 percent investment tax allowance. This lets you depreciate your equipment more quickly, and get the full tax benefits of new capital purchases. "L.W." Locke of North Carolina appreciates these changes. He delayed building a convenience store/gasoline station because of the economic trouble this country has been facing. However, the investment tax allowance would enable him to buy fixtures for his store, gas pumps, and fuel storage tanks

-- a one million dollar investment. That's what happens when you encourage people to invest.

I also want to fire up the engine that traditionally pulls us out of tough times, the real estate industry. My plan helps builders. Ask "Jay" Buchert [BOO-kert] of Cincinnati. He's thrown his support behind the plan. The National Association of Home Builders predicts that if Congress passes my bill, it will create at least 415,000 construction industry jobs, and set off \$20 billion in economic activity associated with home building.

Finally, I want to reward everyone who believes in the American dream. I want Congress to cut the long-term tax on capital gains. I want it cut to a maximum rate of 15.4 percent. The world's fastest-growing economies and our major competitors have one thing in common: They tax capital gains very lightly, or not at all. Isn't it time we did the same?

A capital gains rate cut will help every one of you. It will help families who own homes and farms. It will help business owners. It will help everyone who invests in our future by purchasing stock. In short, it will help the vast majority of Americans. So don't accept no for an answer anymore. Demand that Congress cut the capital gains tax. Now.

My short-term package means one thing to you: A better future. I know a group from the National Venture Capital Association has joined us today. That group knows what a capital gains tax cut can do. But for everyone here, the elements in my package are like oxygen: They will give investors a reason to

take a chance on promising new businesses from computers to biotechnology to agriculture. They will give the little guy a chance to test his or her mettle in the marketplace with the big guys. They will stimulate competition. They will revive the American Dream.

You know, when I hear someone complain that my proposal doesn't do enough, or that it helps the rich, I wonder to myself: Have any of these critics ever run a business? Do they appreciate the difficulties of getting a loan, finding an investor, purchasing what you need, making your way through a gamut of regulators -- and finally getting a few minutes to concentrate on the customer?

And is it just a little thing to clear away red tape? Is it a little thing to encourage investment? To let you keep the money you have risked to build a business? To say: Congratulations on your success: You earned it. I don't think so -- and neither do the American people.

My plan has you in mind. Since you create the vast majority of the new jobs in this country, this plan helps your employees, too.

My plan will work. It won't transform the economy overnight, but if we work together, if we tackle our problems inch-by-inch and day-by-day, we will build the future we all want.

I want Congress to pass this package by March 20. Circle the date. Put a big red line under it on your calendar. And

then turn up the decibel level. Congress needs to hear from you, loud and clear. You can raise the roof by raising a righteous ruckus.

Decision day is six weeks from Friday. While you're here in town, visit each member of your Congressional delegation. Let them know that you want this package passed into law.

And since they'll be home on break next week, drop by their offices and let them know how you feel. Send this message: No more delays. No excuses.

Everything's ready. My Administration sent every piece of legislation for our growth package to the Hill two days after the State of the Union Address.

So now, I need your help. Let's make March 20, 1992 as important a deadline as January 15, 1991. Let's turn that day into an economic "High Noon" for our recovery. I don't want a showdown of conflicting interest. Let's make it a day of bipartisan triumph.

I've also proposed an ambitious long-term agenda, to ensure that our economy will continue leading the world for decades to come. Let me discuss one critical issue in that plan, health care.

I know health care has become a problem for many of you: It just costs too much. Tomorrow, I will announce my comprehensive health-care package, and I know you will like it -- a lot.

When you get right down to it, we have two health care choices as a nation. We can adopt a system that has been a

proven failure all over the world: nationalized health care. Or we can reform our present system, which has its faults, but which also provides the highest quality care on earth.

Nationalized health care is like nationalizing the weather: You can promise sunny skies -- you just can't deliver them. In reality, nationalized health care combines the compassion of the IRS, the efficiency of the Postal Service -- and all at Pentagon prices. If you want health care modeled after the local motor vehicles office -- you want nationalized health care.

If, on the other hand, you want the freedom to choose your own doctor; if you want to hold the line on costs by encouraging price competition; if you want everyone in America to have access to health insurance coverage -- push for my plan. My plan gives everyone access to the world's best health care system -- and it doesn't exclude anybody. Congress should have no trouble passing the plan. It gives the average American the same system that Congress has devised for itself. If it's good enough for Congress, it's good enough for you.

Finally, I'd like your help on one other item. I want Congress to put an end to the spending binge. The federal government is too big and it spends too much. My budget holds the line on new spending, and it pulls the trap door on a host of federally-funded programs -- 246, to be exact -- that we just don't need.

But beyond that, encourage Congressional spendaholics to seek help. Tell them to give me a line-item veto, so I can say

no to silly expenditures -- before Congress feels the urge to spend again.

And tell Congress to stop imposing mandates on others without paying for those mandates. For far too many state and local governments, and far too many businesses, mandated benefits mean mandated deficits. That just isn't right.

Americans can't wait to get this economy moving. Sure, they see bad news; they know some who have lost their jobs; they worry that the bad times might claim their own jobs. But we've also seen the miracles of our age: the Berlin Wall becoming a museum attraction, Russia moving toward capitalism. Americans know that their work, their sacrifice, and their faith in freedom made these wonders possible.

Now, let's set our sights toward a new goal. We can help start a new industrial revolution in America -- one that builds on our natural optimism, ambition, determination and pride.

That revolution will start a lot sooner if we persuade 535 people in Washington to meet my March 20 deadline. Send out the word. Business as usual won't do. Election year politics as usual won't do. If Congress doesn't act on March 20, you will act on November 3.

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TO POTUS
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approval

Insert

By the way, something we're also doing is something about America's love affair with the lawsuit. yesterday I announced and I'll say it again if we spent as much time ~~making~~ ~~to~~ ~~investing~~ in each other as we do hunting each other, we'd be way out in front in getting this economy moving again.

-- a one million dollar investment. That's what happens when you encourage people to invest.

I also want to fire up the engine that traditionally pulls us out of tough times, the real estate industry. My plan helps builders. Ask "Jay" Buchert [BOO-kert] of Cincinnati. He's thrown his support behind the plan. The National Association of Home Builders predicts that if Congress passes my bill, it will create at least 415,000 construction industry jobs, and set off \$20 billion in economic activity associated with home building.

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And is it just a little thing to clear away red tape? Is it a little thing to encourage investment? To let you keep the money you have risked to build a business? ~~To say:~~ ^{It's just a little thing} Congratulations on your success: You earned it, ~~I don't think so~~ ^{And my plan is} ~~and neither do the American people.~~ ^{goes to support you.}

^{that's because} You are at the center of ~~My plan has you in mind.~~ ^{Since you create the vast majority of the new jobs in this country, you are the innovators and the investors.} ~~this plan helps your employees,~~ ^{And I believe you can help lift this country up and get us back on track.} ~~you make things happen.~~ ^{too.}

My plan will work. It won't transform the economy ^{And I believe you will.} overnight, but if we work together, if we tackle our problems inch-by-inch and day-by-day, we will build the future we all want.

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I've also proposed an ambitious long-term agenda, to ensure that our economy will continue leading the world for decades to come. Let me discuss one critical issue in that plan, health care.

I know health care has become a problem for many of you. *and your employees as well.* It just costs too much. Tomorrow, I will announce my comprehensive health-care package, and I know you will like it -- a lot.

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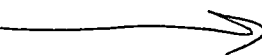
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no to silly expenditures -- before Congress feels the urge to spend again, *so* — *[scribble]*

And tell Congress to stop imposing mandates on others without paying for those mandates. For far too many state and local governments, and far too many businesses, mandated benefits mean mandated deficits. ~~Tell you. Congress sends me~~ That just isn't right,

Americans can't wait to get this economy moving. Sure, they see bad news; they know some who have lost their jobs; they worry that the bad times might claim their own jobs. But we've also seen the miracles of our age; *with your help we won the Cold War. We put Sadam Hussein* the Berlin Wall becoming a museum attraction, *and* Russia moving toward capitalism. *is* Americans know that *back in his* their work, their sacrifice, and their faith in freedom made *vox.* these wonders possible.

Now, let's set our sights toward a new goal. We can help start a new industrial revolution in America -- one that builds on our natural optimism, ambition, determination and pride.

All of this didn't just happen. America has always stood at the vanguard of positive change.

That revolution will start a lot sooner if we persuade 535 people in Washington to meet my March 20 deadline. Send out the word. Business as usual won't do. Election year politics as usual won't do. *Tell them* If Congress doesn't act on March 20, you will act on November 3.

Thanks for your help. May God bless you and the United States of America.

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PRESIDENTIAL REMARKS: THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
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10:30 A.M.

Phil [Chisholm], thanks for that kind introduction. Bob [Bannister] congratulations on being named Chairman-elect of the SBLC. John Satagaj [SAT-a-jay], thanks for your hard work in putting this together. Greetings also to Ted Olson, -- and John Kemp, who has done wonderful work in helping small businesses implement the Americans with Disabilities Act.

Today, I'm going to follow up on some of the things I discussed in the State of the Union Address. You know, I enjoy going up to the Hill to deliver the State of the Union. It's the only time all year I can keep so many politicians so polite for so long.

I'm just glad I don't have to carry the budget up there the following day. With all that's happened this year, the last thing I need is a hernia.

As you know, I've had a hectic week -- from the State of the Union Address to releasing the budget to meeting with Boris Yeltsin. But the Washington press has become awfully fickle. During my Presidency, the Cold war has drawn to an end; I led a coalition that shoved Saddam out of Kuwait; the Soviet Union collapsed, and I began working with its successor states. The whole world has changed and still some people say: Is that all?

Well, no. But it's a pretty darned good start.

Now that we can look past the burdens of the Cold War, we can do what we do best: Create, innovate, build, produce -- lead. In the State of the Union, I presented a comprehensive action plan for our economy. Today, I'll discuss what my plan means for you. Think of this as my Small Business State of the Union.

My plan starts with me. I've taken a whole series of actions to stimulate investment and get the economy moving. These actions don't need Congressional approval.

I know a couple of initiatives have earned kudos from this crowd. First, I have ordered major departments and agencies to put a 90-day hold on implementing new regulations. Regulations ought to foster economic growth -- not crush it. We're going to make sure that the days of over-regulation are over -- once and for all. So we'll take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of those that do nothing more than destroy jobs and weigh down businesses. And we'll speed up regulations that foster growth and support jobs.

But that's not all. We've also declared war on nuisance lawsuits. Yesterday I announced the Access to Justice Act of 1992. The bill has a simple aim. It encourages people to settle problems like adults, rather than hiring lawyers every time some dispute arises. After all, you shouldn't have to waste your time fretting about hired legal guns. You have real work to do.

Now, the American people know better than to think that anyone -- including a President -- can wave a magic wand and revive an economy. Congress needs to do its job. And that means it should pass my short-term economic growth package by March 20.

That plan starts with the basics. It stimulates investment by improving the alternative minimum tax and creating a new 15 percent investment tax allowance. "L.W." Locke of North Carolina -- he's in the audience today -- appreciates these changes. He has delayed building a convenience store/gasoline station because he just can't under our present system. The investment tax allowance would let him buy fixtures, gas pumps, and fuel storage tanks -- a one million dollar commitment. So don't tell me that this plan's a gimmick. And don't try to tell that to "L.W.".

I also want to fire up the engine that traditionally pulls us out of tough times, the real estate industry. My plan helps builders. Ask "Jay" Buchert [BYOO-kert] a Cincinnati home builder, also with us today. He's thrown his support behind the plan. The National Association of Home Builders predicts that my bill will create at least 415,000 construction industry jobs, and set off \$20 billion in economic activity associated with home building. That's no gimmick; that means jobs -- good, solid American jobs.

I also want to reward everyone who believes in the American dream. I want Congress to cut the long-term tax on capital gains. I want it cut to a maximum rate of 15.4 percent. The world's fastest-growing economies and our major competitors have

one thing in common: They tax capital gains at much lower rates than we do -- and in many cases, not at all.

You know, it's ironic: Many politicians who oppose the capital gains tax cut also complain that we aren't competitive. Well, they can't have it both ways. If they really want us competitive, then they'll slash the capital gains rate -- and do it now.

A capital gains rate cut will help families who own homes and farms. It will help business owners. It will help everyone who invests in our future by purchasing stock.

Now, you've heard some people claim that a capital gains cut serves only the rich. Well, maybe those people should get out of Washington and talk to people around our country. Retirees tell me they can't sell their homes -- because capital gains rates punish them too much. Business owners say they can't expand their businesses -- capital gains rates punish their success. A man from Florida -- a retiree who built his own business, invested, saved -- put it perfectly. He worked hard for years, and now he can't afford to cash in on his success. He said: "We are being penalized for having foresight." Well, I'm tired of people getting slammed because they risked their money and effort -- and succeeded. It's about time Congress realizes we should reward these heroes, not turn them into targets of envy.

Let's get to the heart of things. The people in this room -- small businessmen, investors from the National Venture Capital Association -- you understand the gritty fundamentals of

business. You're the real experts. So let me ask you: If you believe a capital gains cut will give our economy a boost -- that it will create new jobs and new opportunities -- stand up. Let America see what the experts think. \\\

Just what I thought. Don't accept no for an answer anymore. Demand that Congress cut the capital gains rate. Now.

And demand that Congress act on my short-term plan without delay. You know, when I hear someone complain that my short-term plan won't do much, I wonder to myself: Have any of these critics ever run a business? Do they appreciate the difficulties of getting a loan, finding an investor, purchasing what you need, making your way through a gamut of G-men and regulators. It's about time the Congress understands you need just a few minutes to concentrate on the customer.

Maybe they don't know what it's like staying up late to fill out all the paperwork Washington requires? Do they think about you -- or do they just want a snappy slogan to slam me -- and you?

I'm tired of the term "fairness" being corrupted by political demagogues. You want fairness? Here's fair: My plan will work.-- for all Americans. It will create jobs.

Congress has the legislation. It has a March 20 deadline. Circle the date on your calendar. And raise the roof by raising a righteous ruckus. Raise America's spirits by refusing to let doomsayers get you down.

While you're in Washington, visit your Congressional delegations. Let them know that you want this package passed.

You are at the center of this plan. You create the vast majority of jobs in this country and I'm determined to support you -- to create more jobs. I believe it is in your power to help lift this country up -- help it get moving again -- and I believe you will.

Since they'll be home on break next week, drop by their offices and let them know how you feel. Send this message: No more delays. No excuses. No substitutes. And don't delay. Decision day is six weeks from Friday.

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I know health care has become a problem for many of you and your employees. Tomorrow, I will announce my comprehensive health-care package, and I know you will like it -- a lot. People today worry about health care: That it costs too much; it's tough to find good, comprehensive coverage; you can't make choices like you used to; and you can't count on coverage if you move, change jobs or fall victim to a debilitating condition or disease. My plan solves these problems. My plan ensures that people can find health care, choose health care, afford health care, and keep health care.

Now, I know everyone with a plan promises the same thing. That's why you have to use your common sense in evaluating the

various proposals. When you get right down to it, we have two health-care choices. We can adopt a system that has been a proven failure all over the world: nationalized health care. Or we can reform our present system, which has its faults, but which also provides the highest quality care on earth.

If you want the freedom to choose your own doctor; to hold the line on costs; and to improve access to health insurance coverage -- push for my plan. My plan gives everyone access to the world's best health care --and it doesn't exclude anybody.

Congress has no excuse not to pass my plan. After all, it has devised the same kind of coverage for itself. And if it's good enough for Congress, it's good enough for you and me.

Finally, I'd like your help on one other item. I want Congress to put an end to the spending binge. The federal government is too big and it spends too much. It's that simple.

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My friends, we've got work to do -- and we can't let anyone stall us. Americans can't wait to get this economy moving. We want to throw off cynicism and fear; we want to shake away gloom and doubt. I'm tired of professional pessimists who don't have any fresh ideas for the future, who feast on bad times and hard feelings, who talk as if America's best days have passed by. They just don't understand -- and they just ought to get out of the way. We can start a new economic revolution in America -- one that builds on our natural optimism, ambition, determination and pride. And we will.

That revolution will start a lot sooner if 535 people in Washington meet my March 20 deadline. So let them know in no uncertain terms: Business as usual won't do. Election year politics as usual won't do. Tell them: If they don't act by March 20, you will act on November 3.

Thanks for your help. May God bless you and the United States of America.

#

SNOW/AARHUS
SMALL
DRAFT ELEVEN
FEBRUARY 4, 1992

PRESIDENTIAL REMARKS: THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
WEDNESDAY, FEBRUARY 5, 1992
10:30 A.M.

Phil [Chisholm], thanks for that kind introduction. Bob [Bannister] congratulations on being named Chairman-elect of the SBLC. John Satagaj [SAT-a-jay], thanks for your hard work in putting this together. Greetings also to Ted Olson, -- and John Kemp, who has done wonderful work in helping small businesses implement the Americans with Disabilities Act.

Today, I'm going to follow up on some of the things I discussed in the State of the Union Address. You know, I enjoy going up to the Hill to deliver the State of the Union. It's the only time all year I can keep so many politicians so polite for so long.

I'm just glad I don't have to carry the budget up there the following day. With all that's happened this year, the last thing I need is a hernia.

As you know, I've had a hectic week -- from the State of the Union Address to releasing the budget to meeting with Boris Yeltsin. But the Washington press has become awfully fickle. During my Presidency, the Cold war has drawn to an end; I led a coalition that shoved Saddam out of Kuwait; the Soviet Union collapsed, and I began working with its successor states. The whole world has changed and still some people say: Is that all?

Well, no. But it's a pretty darned good start.

Now that we can look past the burdens of the Cold War, we can do what we do best: Create, innovate, build, produce -- lead. In the State of the Union, I presented a comprehensive action plan for our economy. Today, I'll discuss what my plan means for you. Think of this as my Small Business State of the Union.

My plan starts with me. I've taken a whole series of actions to stimulate investment and get the economy moving. These actions don't need Congressional approval.

I know a couple of initiatives have earned kudos from this crowd. First, I have ordered major departments and agencies to put a 90-day hold on implementing new regulations. Regulations ought to foster economic growth -- not crush it. So we'll take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of those that do nothing more than destroy jobs and weigh down businesses. And we'll speed up regulations that foster growth and support jobs.

We're going to make sure that the days of over-regulation are over - once and for all.

But that's not all. We've also declared war on nuisance lawsuits. Yesterday I announced the Access to Justice Act of 1992. The bill has a simple aim. It encourages people to settle problems like adults, rather than hiring lawyers every time some dispute arises. After all, you shouldn't have to waste your time fretting about hired legal guns. You have real work to do.

[[] And here's a bit of news: I'm pleased to announce that I have appointed Thomas Kerester the Chief Counsel for advocacy at

the Small Business Administration. Tom will work to ensure that the SBA does all it can do for you.]]

Now, the American people know better than to think that anyone -- including a President -- can wave a magic wand and revive an economy. Congress needs to do its job. And that means it should pass my short-term economic growth package by March 20.

That plan starts with the basics. It stimulates investment by improving the alternative minimum tax and creating a new 15 percent investment tax allowance. "L.W." Locke of North Carolina -- he's in the audience today -- appreciates these changes. He has delayed building a convenience store/gasoline station because he just can't under our present system. The investment tax allowance would let him buy fixtures, gas pumps, and fuel storage tanks -- a one million dollar commitment. So don't tell me that this plan's a gimmick. And don't try to tell that to "L.W."

~~Locke.~~

I also want to fire up the engine that traditionally pulls us out of tough times, the real estate industry. My plan helps builders. Ask "Jay" Buchert [BOO-kert] a Cincinnati home builder, also with us today. He's thrown his support behind the plan. The National Association of Home Builders predicts that my bill will create at least 415,000 construction industry jobs, and set off \$20 billion in economic activity associated with home building. ~~If my real-estate initiatives are a gimmick, as my critics claim, the American people want more.~~ ^{That's no} ~~that means~~ ^{jobs - good, solid}

American jobs.

I also want to reward everyone who believes in the American dream. I want Congress to cut the long-term tax on capital gains. I want it cut to a maximum rate of 15.4 percent. The world's fastest-growing economies and our major competitors have one thing in common: They tax capital gains at much lower rates than we do -- and in many cases, not at all.

You know, it's ironic: Many politicians who oppose the capital gains tax cut also complain that we aren't competitive. Well, they can't have it both ways. If they ^{really} want us competitive, they'll slash the capital gains rate. *and do it now.*

then A capital gains rate cut will help families who own homes and farms. It will help business owners. It will help everyone who invests in our future by purchasing stock.

Now, you've heard some people claim that a capital gains cut serves only the rich. Well, maybe those people should get out of ~~Washington~~ ^{Washington} the office and talk to people around our country. Retirees tell me they can't sell their homes -- because capital gains rates punish them too much. Business owners say they can't expand their businesses -- capital gains rates punish their success. A man from Florida -- a retiree who built his own business, invested, saved -- put it perfectly. He worked hard for years, and now he can't afford to cash in on his success. He said: "We are being penalized for having foresight." ~~An Ohio housewife wrote, "I am no student of finance, but I am a taxpayer and I am tired of being punished for success."~~ Well, I'm tired of people getting slammed because they risked their money and effort -- and

It's about time Congress⁵ realizes
succeeded. [^] We should reward these heroes, not turn them into targets of envy.

Let's get to the heart of things. The people in this room - - small businessmen, investors from the National Venture Capital Association -- you understand the gritty fundamentals of business. You're the real experts. So let me ask you: If you believe a capital gains cut will give our economy a boost -- that it will create new jobs and new opportunities -- stand up. Let America see what the experts think. \ \

Just what I thought. Don't accept no for an answer anymore. Demand that Congress cut the capital gains rate. Now.

And demand that Congress act on my short-term plan without delay. You know, when I hear someone complain that my short-term plan won't do much, I wonder to myself: Have any of these critics ever run a business? Do they appreciate the difficulties of getting a loan, finding an investor, purchasing what you need, making your way through a gamut of G-men and regulators.

know what it's like staying up late to fill out all the paperwork Washington requires? ~~Do they care about the constant threat of lawsuits?~~ Do they think about you -- or do they just want a snappy slogan to slam me -- and you?

I'm tired of the term "fairness" being corrupted by political demagogues. You want fairness? Here's fair: My plan will work. — *for all Americans. It will create jobs.*

Congress has the legislation. It has a March 20 deadline. Circle the date on your calendar. And raise the roof by raising

It's about time the Congress understands you need just a few minutes to concentrate on the customer!

Maybe Do they don't

a righteous ruckus. Raise America's spirits by refusing to let doomsayers get you down.

While you're in Washington, visit your Congressional delegations. Let them know that you want this package passed.

Since they'll be home on break next week, drop by their offices and let them know how you feel. Send this message: No more delays. No excuses. No substitutes. And don't delay. Decision day is six weeks from Friday.

I've also proposed an ambitious long-term agenda, to ensure that our economy will continue leading the world for decades to come. Let me discuss a critical issue in that plan, health care.

I know health care has become a problem for many of you and your employees. Tomorrow, I will announce my comprehensive health-care package, and I know you will like it -- a lot. People today worry about health care: That it costs too much; it's tough to find good, comprehensive coverage; you can't make choices like you used to; and you can't count on coverage if you move, change jobs or fall victim to a debilitating condition or disease. My plan solves these problems. My plan ensures that people can find health care, choose health care, afford health care, and keep health care.

Now, I know everyone with a plan promises the same thing. That's why you have to use your common sense in evaluating the various proposals. When you get right down to it, we have two health-care choices. We can adopt a system that has been a proven failure all over the world: nationalized health care. Or

^{TP} you are at the center of this plan. You create the vast majority of jobs in this country and I'm determined to support you - to create more jobs. I believe it is in your power to help lift this country up - help it get moving again - and I believe you will.

we can reform our present system, which has its faults, but which also provides the highest quality care on earth.

Nationalized health care is like nationalizing weather: You can promise sunny skies -- you just can't deliver them. In the real world, nationalized health care gives you the compassion of the IRS, the efficiency of the Postal Service -- and all at Pentagon prices. ((Boy, am I going to hear about this when I get back to the office.)) If you want health care modeled after the local motor vehicle office -- you want nationalized health care.

But if you want the freedom to choose your own doctor; to hold the line on costs; and to improve access to health insurance coverage -- push for my plan. My plan gives everyone access to the world's best health care -- and it doesn't exclude anybody.

Congress has no excuse not to pass my plan. After all, it has devised the same kind of coverage for itself. And if it's good enough for Congress, it's good enough for you and me.

Finally, I'd like your help on one other item. I want Congress to put an end to the spending binge. The federal government is too big and it spends too much. It's that simple.

My budget holds the line on new spending, and it pulls the trap door on a host of federally-funded programs -- 246, to be exact. We don't need these programs. You shouldn't have to pay for them. It's that simple.

Also: Encourage Congressional spendaholics to seek help.
and make it stick
 Give me a line-item veto, so I can no -- before Congress feels the urge to spend again.

And tell Congress to stop imposing mandates on others without paying for those mandates. Too often mandates and mandated benefits mean mandated deficits. That just isn't right, *and its going to stop.*

My friends, we've got work to do -- and we can't let anyone stall us. Americans can't wait to get this economy moving. We want to throw off cynicism and fear; we want to shake away gloom and doubt. I'm tired of professional pessimists who don't have any fresh ideas for the future, who feast on bad times and hard feelings, who talk as if America's best days have passed by. They just don't understand -- and they just ought to get out of the way. We can start a new economic revolution in America -- one that builds on our natural optimism, ambition, determination and pride. And we will.

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Thanks for your help. May God bless you and the United States of America.

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92 JAN 3 P4:29

WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/3/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

PRESIDENTIAL REMARKS: SMALL BUSINESS LEGISLATIVE COUNCIL
WED. FEB. 5, 1992 - 10:30 am

SUBJECT: _____

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	FINDLAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	KAUFMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLIDAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

THE WHITE HOUSE
WASHINGTON

02 FEB 3 P2:49

February 3, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST

FROM: TONY SNOW *TS*

SUBJECT: SMALL BUSINESS LEGISLATIVE COUNCIL

On Wednesday, February 5 at 10:30 a.m., you will address the Small Business Legislative Council. Your remarks (15 minutes, teleprompter) focus on the facets of your economic plan which directly impact small business.

SNOW/AARHUS
SMALL
DRAFT SEVEN
FEBRUARY 3, 1992

PRESIDENTIAL REMARKS: THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
WEDNESDAY, FEBRUARY 5, 1992
10:30 A.M.

[Introductory acknowledgments]

You know, I enjoy going up to the Hill to deliver the State of the Union Address. It's the only time all year I can keep so many politicians so polite for so long.

I'm just glad I don't have to carry the budget up there the following day. With all that's happened this year, the last thing I need is a hernia.

As you know, I've had a hectic week -- everything from the State of the Union Address to meetings last weekend with Boris Yeltsin. But the Washington press has become kind of fickle. The Cold War comes to an end; you lead a coalition that pushed Saddam Hussein out of Kuwait; you witness the collapse of the Soviet Union and begin talks with its successor states, and people say: Is that all?

Well, no. But it's a pretty good start.

Now that we can look past the burdens of the Cold War, we can do what we do best: Create, innovate, build, produce -- lead. In last week's State of the Union Address, I laid out a comprehensive action plan for our economy. Today, I want to explain what my plan means for you. Think of this as my Small Business State of the Union.

My plan starts with me. I've taken a whole series of actions to stimulate investment and get the economy moving. These actions don't need Congressional approval.

I know one initiative in particular has earned kudos from this crowd. I have ordered major departments and agencies to put a 90-day hold on implementing new regulations. You see, regulations ought to foster economic growth -- not crush it. So the Competitiveness Council, chaired by Vice President Dan Quayle, will coordinate our review. We will take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of regulations that do nothing more than destroy jobs and weigh down businesses. And we'll speed into action regulations that make it easier for you to serve your customers.

I don't have a magic wand. I'll need Congress's help, too, to get our economy moving. I've asked it to pass a straightforward economic growth package by March 20.

That plan starts with the basics. It stimulates investment by improving the alternative minimum tax and creating a new 15 percent investment tax allowance. This lets you depreciate your equipment more quickly, and get the full tax benefits of new capital purchases. "L.W." Locke of North Carolina appreciates these changes. He delayed building a convenience store/gasoline station because of the economic trouble this country has been facing. However, the investment tax allowance would enable him to buy fixtures for his store, gas pumps, and fuel storage tanks

-- a one million dollar investment. That's what happens when you encourage people to invest.

I also want to fire up the engine that traditionally pulls us out of tough times, the real estate industry. My plan helps builders. Ask "Jay" Buchert [BOO-kert] of Cincinnati. He's thrown his support behind the plan. The National Association of Home Builders predicts that if Congress passes my bill, it will create at least 415,000 construction industry jobs, and set off \$20 billion in economic activity associated with home building.

Finally, I want to reward everyone who believes in the American dream. I want Congress to cut the long-term tax on capital gains. I want it cut to a maximum rate of 15.4 percent. The world's fastest-growing economies and our major competitors have one thing in common: They tax capital gains very lightly, or not at all. Isn't it time we did the same?

A capital gains rate cut will help every one of you. It will help families who own homes and farms. It will help business owners. It will help everyone who invests in our future by purchasing stock. In short, it will help the vast majority of Americans. So don't accept no for an answer anymore. Demand that Congress cut the capital gains tax. Now.

My short-term package means one thing to you: A better future. I know a group from the National Venture Capital Association has joined us today. That group knows what a capital gains tax cut can do. But for everyone here, the elements in my package are like oxygen: They will give investors a reason to

take a chance on promising new businesses from computers to biotechnology to agriculture. They will give the little guy a chance to test his or her mettle in the marketplace with the big guys. They will stimulate competition. They will revive the American Dream.

You know, when I hear someone complain that my proposal doesn't do enough, or that it helps the rich, I wonder to myself: Have any of these critics ever run a business? Do they appreciate the difficulties of getting a loan, finding an investor, purchasing what you need, making your way through a gamut of regulators -- and finally getting a few minutes to concentrate on the customer?

And is it just a little thing to clear away red tape? Is it a little thing to encourage investment? To let you keep the money you have risked to build a business? To say: Congratulations on your success: You earned it. I don't think so -- and neither do the American people.

My plan has you in mind. Since you create the vast majority of the new jobs in this country, this plan helps your employees, too.

My plan will work. It won't transform the economy overnight, but if we work together, if we tackle our problems inch-by-inch and day-by-day, we will build the future we all want.

I want Congress to pass this package by March 20. Circle the date. Put a big red line under it on your calendar. And

then turn up the decibel level. Congress needs to hear from you, loud and clear. You can raise the roof by raising a righteous ruckus.

Decision day is six weeks from Friday. While you're here in town, visit each member of your Congressional delegation. Let them know that you want this package passed into law.

And since they'll be home on break next week, drop by their offices and let them know how you feel. Send this message: No more delays. No excuses.

Everything's ready. My Administration sent every piece of legislation for our growth package to the Hill two days after the State of the Union Address.

So now, I need your help. Let's make March 20, 1992 as important a deadline as January 15, 1991. Let's turn that day into an economic "High Noon" for our recovery. I don't want a showdown of conflicting interest. Let's make it a day of bipartisan triumph.

I've also proposed an ambitious long-term agenda, to ensure that our economy will continue leading the world for decades to come. Let me discuss one critical issue in that plan, health care.

I know health care has become a problem for many of you: It just costs too much. Tomorrow, I will announce my comprehensive health-care package, and I know you will like it -- a lot.

When you get right down to it, we have two health care choices as a nation. We can adopt a system that has been a

proven failure all over the world: nationalized health care. Or we can reform our present system, which has its faults, but which also provides the highest quality care on earth.

Nationalized health care is like nationalizing the weather: You can promise sunny skies -- you just can't deliver them. In reality, nationalized health care combines the compassion of the IRS, the efficiency of the Postal Service -- and all at Pentagon prices. If you want health care modeled after the local motor vehicles office -- you want nationalized health care.

If, on the other hand, you want the freedom to choose your own doctor; if you want to hold the line on costs by encouraging price competition; if you want everyone in America to have access to health insurance coverage -- push for my plan. My plan gives everyone access to the world's best health care system -- and it doesn't exclude anybody. Congress should have no trouble passing the plan. It gives the average American the same system that Congress has devised for itself. If it's good enough for Congress, it's good enough for you.

Finally, I'd like your help on one other item. I want Congress to put an end to the spending binge. The federal government is too big and it spends too much. My budget holds the line on new spending, and it pulls the trap door on a host of federally-funded programs -- 246, to be exact -- that we just don't need.

But beyond that, encourage Congressional spendaholics to seek help. Tell them to give me a line-item veto, so I can say

no to silly expenditures -- before Congress feels the urge to spend again.

And tell Congress to stop imposing mandates on others without paying for those mandates. For far too many state and local governments, and far too many businesses, mandated benefits mean mandated deficits. That just isn't right.

Americans can't wait to get this economy moving. Sure, they see bad news; they know some who have lost their jobs; they worry that the bad times might claim their own jobs. But we've also seen the miracles of our age: the Berlin Wall becoming a museum attraction, Russia moving toward capitalism. Americans know that their work, their sacrifice, and their faith in freedom made these wonders possible.

Now, let's set our sights toward a new goal. We can help start a new industrial revolution in America -- one that builds on our natural optimism, ambition, determination and pride.

That revolution will start a lot sooner if we persuade 535 people in Washington to meet my March 20 deadline. Send out the word. Business as usual won't do. Election year politics as usual won't do. If Congress doesn't act on March 20, you will act on November 3.

Thanks for your help. May God bless you and the United States of America.

#

THE WHITE HOUSE
WASHINGTON

February 3, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST

FROM: TONY SNOW *TS*

SUBJECT: SMALL BUSINESS LEGISLATIVE COUNCIL

On Wednesday, February 5 at 10:30 a.m., you will address the Small Business Legislative Council. Your remarks (15 minutes, teleprompter) focus on the facets of your economic plan which directly impact small business.

SNOW/AARHUS
SMALL
DRAFT SEVEN
FEBRUARY 3, 1992

PRESIDENTIAL REMARKS: THE SMALL BUSINESS LEGISLATIVE COUNCIL
J.W. MARRIOTT HOTEL
WASHINGTON, D.C.
WEDNESDAY, FEBRUARY 5, 1992
10:30 A.M.

[Introductory acknowledgments]

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I know one initiative in particular has earned kudos from this crowd. I have ordered major departments and agencies to put a 90-day hold on implementing new regulations. You see, regulations ought to foster economic growth -- not crush it. So the Competitiveness Council, chaired by Vice President Dan Quayle, will coordinate our review. We will take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of regulations that do nothing more than destroy jobs and weigh down businesses. And we'll speed into action regulations that make it easier for you to serve your customers.

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no to silly expenditures -- before Congress feels the urge to spend again.

And tell Congress to stop imposing mandates on others without paying for those mandates. For far too many state and local governments, and far too many businesses, mandated benefits mean mandated deficits. That just isn't right.

Americans can't wait to get this economy moving. Sure, they see bad news; they know some who have lost their jobs; they worry that the bad times might claim their own jobs. But we've also seen the miracles of our age: the Berlin Wall becoming a museum attraction, Russia moving toward capitalism. Americans know that their work, their sacrifice, and their faith in freedom made these wonders possible.

Now, let's set our sights toward a new goal. We can help start a new industrial revolution in America -- one that builds on our natural optimism, ambition, determination and pride.

That revolution will start a lot sooner if we persuade 535 people in Washington to meet my March 20 deadline. Send out the word. Business as usual won't do. Election year politics as usual won't do. If Congress doesn't act on March 20, you will act on November 3.

Thanks for your help. May God bless you and the United States of America.

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