

TO: Senator Dole  
FR: Kerry

\*A poll of delegates to the White House Conference on Small Business was released this morning.

\*Results of interest:

\*47% cite taxes as their biggest problem  
34% cite regulations and paperwork as biggest problem  
21% cite access to capital as biggest problem

\*57% say taxes will remain their worst problem in the coming decade.

\*49% say the IRS is the most frustrating government agency  
15%--OSHA  
10%--EPA

TO: Senator Dole  
FR: Kerry

RE: National Federation of Independent Business  
Thursday, June 15  
Omni Shoreham  
8:30

\*NFIB is hosting event for small business leaders attending 1995 White House Conference on Small Business, which concluded last night.

Approximately 2,000 delegates attended the Conference. 800 NFIB members will attend the breakfast--75-100 of them will probably be Clinton appointees to the Conference.

\*The confernce will prioritize a set of recommendations--including proposals for executive and legislative action--that have been put together at 59 state meetings and 6 regional meetings, and submit them to President Clinton and Congress.

\*As of Wednesday afternoon, the delegates ranked taxation, regulation and paperwork, human capital community development, and procurement as top issues. They were to work late into Wednesday night to develop final set of recommendations.

THANK YOU. IT'S ALWAYS A  
PLEASURE TO SPEAK TO NFIB--  
BECAUSE YOU'RE SOMETHING RARE  
IN WASHINGTON. YOU ARE PEOPLE  
WHO SIGN YOUR NAME ON THE  
FRONT OF A PAYCHECK, AND NOT  
JUST THE BACK.

I'VE SPOKEN TO THE NFIB MANY  
TIMES IN THE PAST. BUT THIS  
MORNING IS DIFFERENT--FOR YOU  
AND FOR ME.

**FOR ME, IT'S THE FIRST TIME I'VE  
SPOKEN TO AN NFIB AUDIENCE WHEN  
REPUBLICANS HAVE CONTROLLED  
BOTH HOUSES OF CONGRESS.**

**AND FOR ALL THOSE 40 YEARS OF  
AGE OR UNDER IN THE AUDIENCE--  
AND I SEE QUITE A FEW OF YOU OUT  
THERE--THIS WEEK MAY HAVE BEEN  
THE FIRST TIME YOU'VE EVER BEEN  
IN WASHINGTON WHEN  
REPUBLICANS HAVE CONTROLLED**

**BOTH HOUSES OF CONGRESS.**

**NOW I KNOW THIS IS A BI-  
PARTISAN AUDIENCE. AND I KNOW  
THERE ARE SOME REPUBLICANS,  
SOME DEMOCRATS, SOME  
INDEPENDENTS, AND PROBABLY  
SOME FOLKS WHO JUST WANDERED  
IN THIS MORNING.**

**SO I'M NOT HERE THIS MORNING  
TO GIVE A PARTISAN SPEECH.  
RATHER, I WANT TO KEEP IN THE**

**NEW SPIRIT OF COOPERATION THAT  
SEEMS TO BE SWEEPING  
WASHINGTON, D.C.**

**FIRST, IT WAS PRESIDENT  
CLINTON AND THE SPEAKER GETTING  
TOGETHER IN NEW HAMPSHIRE.  
THEN IT WAS PRESIDENT CLINTON'S  
SPEECH THE OTHER NIGHT WHEN HE  
ADMITTED THAT REPUBLICANS WERE  
RIGHT, AND THAT WE COULD  
BALANCE THE BUDGET.**

**AND LIKE THE LIONS LYING DOWN  
WITH THE LAMBS, I DON'T MIND IT  
WHEN REPUBLICANS LIE DOWN WITH  
DEMOCRATS. JUST AS LONG AS  
THERE ARE MORE REPUBLICANS.**

**THE BOTTOM LINE IS THAT  
HELPING SMALL BUSINESS  
SHOULDN'T BE A REPUBLICAN ISSUE  
OR A DEMOCRAT ISSUE. BECAUSE  
BY HELPING SMALL BUSINESS, WE  
ARE ENSURING THE SURVIVAL OF**

# THE AMERICAN ECONOMY AND THE AMERICAN DREAM.

YOU KNOW THE FACTS. SMALL  
BUSINESS CREATES MOST OF THE  
NEW JOBS IN THIS COUNTRY. YOU  
KNOW THAT IT IS YOUR CREATIVITY,  
YOUR INGENUITY, AND THE NEW  
PRODUCTS AND NEW MARKETS YOU  
DEVELOP, THAT KEEP OUR  
COMMUNITIES AND OUR COUNTRY  
MOVING AHEAD.

**SMALL BUSINESS HAS ALWAYS BEEN PART OF MY LIFE. MY FATHER RAN A CREAM AND EGG STATION. AND MY MOTHER SOLD SEWING MACHINES DOOR-TO-DOOR. AND THE FIRST JOB I HELD WAS IN A SMALL BUSINESS CALLED DAWSON'S DRUG STORE.**

**IN FACT, THE FIRST SETTLERS OF KANSAS WERE SMALL BUSINESSMEN AND WOMEN AT HEART. THEY**

HITCHED UP THEIR WAGON AND SET  
ACROSS THE PRAIRIE. AND THEY DID  
IT WITH NO GUARANTEE. NO ONE  
MADE THEM ANY PROMISES OF  
SUCCESS. THERE WASN'T ANY  
FIXED ANNUAL INCOME WAITING AT  
THE OTHER END OF THE TRAIL.

ALL THEY HAD WERE DREAMS,  
SOME COMMON SENSE, AND A  
WILLINGNESS TO WORK FROM SUN  
UP TILL SUNSET. AND ALONG WITH

**A LITTLE LUCK, THAT'S WHAT YOU  
NEED TO SUCCEED IN A SMALL  
BUSINESS.**

**THERE'S SOMETHING ELSE THAT'S  
KEY TO SMALL BUSINESS SUCCESS.  
AND THAT'S A GOVERNMENT THAT  
KNOWS IT'S PLACE. AND IT'S PLACE  
IS NOT LOOKING OVER YOUR  
SHOULDER, MANDATING YOUR  
EVERY MOVE, SECOND GUESSING  
YOUR EVERY DECISION, AND TAXING**

**AND TAXING AND TAXING EVERY  
DOLLAR YOU EARN.**

**AND SOMETIME OVER THE PAST  
FORTY OR FIFTY YEARS, THAT  
MESSAGE GOT LOST HERE IN  
WASHINGTON.**

**BUT LAST NOVEMBER 8 WAS A  
NEW DAY IN AMERICA IN MORE  
WAYS THAN ONE. ALL ACROSS THE  
COUNTRY, VOTERS SENT MESSAGES.  
AND NOBODY CAN SAY FOR SURE**

WHAT ALL THOSE MESSAGES WERE.  
BUT I BELIEVE THAT ONE OF THE  
MOST IMPORTANT ONES WAS THAT  
T H E R E   W A S   T O O   M U C H  
G O V E R N M E N T   A N D   N O T   E N O U G H  
F R E E D O M .

A N D I H A V E S A I D F R O M T H E F I R S T  
D A Y O F T H I S H I S T O R I C C O N G R E S S  
T H A T M Y M A N D A T E A S M A J O R I T Y  
L E A D E R   W A S   T O   R E I N   I N  
G O V E R N M E N T ,   A N D   T O   R E T U R N

**POWER TO OUR STATES, OUR CITIES,  
AND OUR PEOPLE.**

**AND THAT'S JUST WHAT WE'RE  
DOING. WE STARTED BY PASSING  
LEGISLATION THAT SAYS THAT  
FROM NOW ON, CONGRESS WILL  
HAVE TO LIVE UNDER ALL THE  
CRAZY LAWS WE IMPOSE ON SMALL  
BUSINESS. AND THAT SHOULD STOP  
US FROM PASSING SO MANY OF  
THOSE LAWS.**

THEN WE PASSED WHAT I  
DESIGNATED AS SENATE BILL 1:  
LEGISLATION TO PUT AN END TO  
UNFUNDED MANDATES--MANDATES  
WHICH WERE NOTHING MORE THAN  
A TAX ON OUR STATES AND A TAX  
ON OUR BUSINESS COMMUNITY.  
AND THANK YOU TO NFIB FOR ALL  
YOU DID TO HELP PASS THIS  
LEGISLATION.

AND THEN WE WENT ON TO  
PRODUCTS LIABILITY AND TORT  
REFORM. AND LET ME BE FRANK IN  
SAYING THAT I WISH WE COULD  
HAVE DONE MORE IN THE SENATE. I  
WISH WE HAD THE VOTES TO BEAT  
THE AMERICAN TRIAL LAWYERS  
ASSOCIATION ON EVERY ISSUE. BUT  
WE DIDN'T.

AND THE SENATE RULES MEAN  
THAT WE HAVE TO HAVE 60 VOTES

**TO STOP DEBATE AND PASS  
LEGISLATION. SO EVEN THOUGH WE  
HAVE A MAJORITY IN THE SENATE,  
IT'S TOUGHER SLEDDING THAN IN  
THE HOUSE.**

**BUT JUST BECAUSE THE ROAD IS  
DIFFICULT DOESN'T MEAN WE WON'T  
TRY. AND IT DOESN'T MEAN WE  
WON'T SUCCEED.**

**WE'VE GOT A TOUGH BATTLE  
COMING UP SOON IN THE SENATE.**

**AND THAT'S REGULATORY REFORM.**

**MY FRIENDS RALPH NADER AND  
JOAN CLAYBROOK ARE ALREADY  
RUNNING COMMERCIALS--AND FOR  
SOME REASON THEY'RE RUNNING  
THEM IN NEW HAMPSHIRE AND  
IOWA--AND THEY'RE SAYING THAT  
BOB DOLE WANTS PEOPLE TO EAT  
FOOD THAT'S UNSAFE.**

**AND WE'RE HEARING FROM  
LIBERAL SPECIAL INTEREST GROUPS**

**WHO SAY THAT REGULATORY  
REFORM WILL CAUSE HAVOC IN OUR  
WORK PLACES, AND IT WILL POLLUTE  
OUR ENVIRONMENT.**

**THE FACT IS THAT REPUBLICANS  
KNOW THAT THERE IS A NEED FOR  
REGULATIONS. AND MANY OF THEM  
HAVE MADE OUR WORKPLACES  
SAFER AND OUR ENVIRONMENT  
CLEANER.**

**BUT MANY MORE DON'T. MANY  
MORE ARE REPETITIVE, CONFUSING,  
JUST DON'T MAKE COMMON SENSE,  
AND HAVE COSTS THAT FAR FAR  
OUTWEIGH THEIR BENEFITS.**

**YOU KNOW WHAT I'M TALKING  
ABOUT. I'M SURE ALL OF YOU  
WOULD HAVE NO PROBLEM IN  
SENDING ME FIVE OR TEN  
REGULATIONS THAT YOU DEAL WITH  
IN YOUR BUSINESS THAT MAKE NO**

**SENSE AND HAVE NO BENEFIT. SO IF YOU HAVE A FEW MINUTES WHEN YOU GET HOME, PUT THEM IN AN ENVELOPE AND SEND THEM TO ME. AND IF YOU HAVE ROOM FOR A CHECK, THEN YOU CAN PUT THAT IN, TOO.**

**THE BOTTOM LINE IS THAT GOVERNMENT REGULATIONS NOW COST A TYPICAL FAMILY NEARLY \$6,000 A YEAR. AND THEY COST**

**THE U.S. ECONOMY \$581 BILLION A  
YEAR.**

**AND WHO ARE THE LOSERS IN THE  
GOVERNMENT'S RUSH TO  
REGULATE? THE ANSWER IS WE ALL  
ARE.**

**THE ENVIRONMENT LOSES THE  
GREATER PROTECTION THAT RISK  
ASSESSMENT AND COST-BENEFIT  
ANALYSIS WOULD PROVIDE.**

**THE ECONOMY LOSES BECAUSE  
THE HIGH COST OF REGULATIONS  
WEAKEN OUR INTERNATIONAL  
COMPETITIVENESS, TRANSLATING  
INTO LOST JOBS AND LOST  
PRODUCTIVITY.**

**YOU--AMERICA'S SMALL  
BUSINESSMEN AND WOMEN LOSE  
THE TALENT, TIME, AND RESOURCES  
OF WORKERS FORCED TO DEAL WITH  
MOUNTAINS OF PAPERWORK.**

**AND CONSUMERS LOSE BECAUSE  
YOU ARE FORCED TO PASS ALONG  
THE COSTS OF DEALING WITH  
REGULATIONS.**

**THE HOUSE PASSED A STRONG  
REGULATORY REFORM MEASURE BY  
A NEAR VETO-PROOF MAJORITY  
BACK IN FEBRUARY.**

**THE SENATE BILL MIRRORS THE  
HOUSE BILL IN MANY WAYS, AND  
ADDS A PROVISION THAT WOULD**

**ALLOW EXISTING REGULATIONS TO  
BE REVIEWED UNDER COST-BENEFIT  
ANALYSES. BOTH BILLS WOULD  
PROMOTE THE MOST FAR-REACHING  
AND SENSIBLE REFORMS OF THE  
REGULATORY STATE EVER  
ATTEMPTED.**

**BOTH BILLS ARE WORTH FIGHTING  
FOR, AND I HOPE YOU WILL DO  
EVERYTHING YOU CAN TO ENSURE  
THAT MEMBERS FROM YOUR STATES**

**UNDERSTAND HOW IMPORTANT  
REGULATORY REFORM IS TO YOU  
AND TO AMERICA.**

**LET ME TURN NOW TO TAXES.  
AGAIN, I DON'T WANT TO GET TOO  
PARTISAN, BUT LET ME SAY THAT AS  
I LOOK BACK AT THE TAX BILL  
DEBATE OF '93, I AM VERY PROUD  
THAT EVERY REPUBLICAN IN THE  
HOUSE AND SENATE VOTED AGAINST**

**THE BIGGEST TAX INCREASE IN  
WORLD HISTORY.**

**MANY OF US WARNED THEN THAT  
EVENTUALLY THESE INCREASES  
WOULD HARM THE ECONOMY. AND  
THE NUMBERS FROM THE LAST FEW  
MONTHS ARE VERY DISTURBING.  
EMPLOYMENT IN MAY FELL BY OVER  
750,000, AFTER A DROP OF MORE  
THAN 200,000 IN APRIL--THE WORST**

**TWO MONTH PERFORMANCE IN  
MORE THAN 20 YEARS.**

**HOME SALES ARE FALLING.**

**P R O D U C T I O N I N T H E  
MANUFACTURING SECTOR IS DOWN.**

**THE INDEX OF LEADING ECONOMIC  
INDICATORS HAS FALLEN FOR 3  
MONTHS IN A ROW.**

**AND UNEMPLOYMENT CLAIMS ARE  
CLIMBING.**

**DO REPUBLICANS HAVE ALL THE ANSWERS? NO. BUT WE DO HAVE A SET OF CLEAR PRINCIPLES, AND WE ARE SETTING A COURSE WHICH WILL LEAD TO A STRONGER ECONOMY, AND MORE JOBS AND OPPORTUNITIES FOR OUR CHILDREN AND GRANDCHILDREN.**

**FIRST, WE'RE GOING TO BRING GOVERNMENT SPENDING IN LINE WITH REVENUES--JUST LIKE YOU**

**HAVE TO DO--AND BALANCE THE  
BUDGET WITHIN SEVEN YEARS.**

**WE ARE DELIGHTED TO HAVE  
PRESIDENT CLINTON ON BOARD NOW  
IN SUPPORT OF BALANCING THE  
BUDGET. WE COULD HAVE USED HIM  
EARLIER. WE COULD HAVE USED HIM  
WHEN WE WERE DEBATING THE  
BALANCED BUDGET AMENDMENT.  
BUT BETTER LATE THAN NEVER.**

AS I SAID THE OTHER NIGHT IN MY  
RESPONSE TO PRESIDENT CLINTON'S  
SPEECH, I BELIEVE THAT NOTHING  
CAN STOP US NOW.

BUT THERE WILL BE MANY  
DISAGREEMENTS IN THE WEEKS  
AHEAD. THE PRESIDENT BELIEVES IT  
WILL TAKE TEN YEARS TO BALANCE  
THE BUDGET. WHEN HE WAS  
RUNNING FOR PRESIDENT, HE TOLD  
LARRY KING THAT HE WOULD

**BALANCE THE BUDGET IN FIVE  
YEARS. SO, I'M GOING TO SUGGEST  
THAT WE SPLIT THE DIFFERENCE AND  
DO WHAT REPUBLICANS WANT TO  
DO--BALANCE IT IN SEVEN.**

**AND WHILE WE'RE BALANCING  
THE BUDGET, WE'LL ALSO BE  
REDUCING TAXES.**

**YOUR BUSINESS IS MUCH MORE  
THAN A PLACE WHERE YOU GET  
YOUR PAYCHECK. BUT IT'S MUCH**

**MORE THAN THAT. IT'S WHERE YOU  
POUR YOUR HEART AND SOUL. IT'S  
YOUR LEGACY. YOUR GIFT TO YOUR  
CHILDREN. AND YOUR GIFT TO  
AMERICA. THAT'S WHAT THE  
AMERICAN DREAM IS MEANT TO BE.  
AND IT SHOULDN'T BE TAXED AWAY  
BY WASHINGTON.**

**SO WE'LL CUT THE CAPITAL  
GAINS TAX TO PROVIDE THE SEED**

**CAPITAL FOR THE NEXT GENERATION  
OF SMALL BUSINESSES.**

**AND WE WILL REFORM THE  
ESTATE TAX LAWS SO THAT  
PARENTS WHO INVEST A LIFETIME OF  
SWEAT AND TOIL WILL BE ABLE TO  
PASS THE BUSINESS ONTO THEIR  
CHILDREN--WITHOUT FACING  
CRIPPLING TAX RATES.**

**THOSE REFORMS ARE GOOD. BUT  
THEY'RE NOT ENOUGH. BECAUSE**

**WE PROMISED AMERICA WE WOULD  
CHANGE THE STATUS QUO. AND WE  
AIM TO DELIVER ON THAT PROMISE.**

**WHEN IT COMES TO TAXES, OUR  
MOST IMPORTANT JOB MAY BE TO  
TAKE OUR CURRENT SYSTEM...TO  
TAKE THE THOUSANDS OF PAGES OF  
TAX CODE AND THOUSANDS OF  
FORMS AND INSTRUCTIONS, AND TO  
THROW THEM AWAY AND START  
OVER.**

**WE NEED A TAX CODE THAT ENCOURAGES THE MOST DYNAMIC FORCES FOR GROWTH IN OUR ECONOMY--AND THAT'S YOU. THE SMALL BUSINESS OWNERS AND ENTREPRENEURS WHO TURN BOLD IDEAS INTO NEW BUSINESSES, NEW JOBS, AND NEW PRODUCTS.**

**THAT'S WHY SPEAKER GINGRICH AND I HAVE ASKED JACK KEMP--ONE OF THE BEST FRIENDS OF NFIB--TO**

**HEAD A NATIONAL COMMISSION ON  
ECONOMIC GROWTH AND TAX  
REFORM. AND WE APPOINTED  
THIRTEEN OUTSTANDING  
AMERICANS--STATE TREASURERS,  
BUSINESSMEN AND WOMEN,  
ENTREPRENEURS, AND SMALL  
BUSINESS LEADERS ON THIS  
COMMISSION.**

**YOU CAN BE VERY PROUD THAT  
ONE OF THE COMMISSIONERS IS**

**YOUR PRESIDENT AND CEO, JOHN  
FARIS.**

**WE'VE ASKED JACK KEMP, JOHN,  
AND THE REST OF THE COMMISSION  
TO DESIGN A SYSTEM THAT IS  
FLATTER, FAIRER, AND SIMPLER--ONE  
THAT ENCOURAGES ECONOMIC  
GROWTH AND GREATER  
OPPORTUNITY FOR ALL OUR PEOPLE.**

**SO, WE HAVE A LOT OF WORK  
AHEAD OF US. IT WON'T BE EASY.**

**THERE WILL BE THOSE THAT OPPOSE  
US. THERE WILL BE THOSE WHO  
WILL FIGHT AS HARD AS THEY CAN  
FOR THE STATUS QUO. THERE WILL  
BE THOSE WHO WILL PLAY ON YOUR  
FEARS. BUT I BELIEVE THEY WILL  
LOSE.**

**THEY WILL LOSE BECAUSE HARRY  
TRUMAN WAS RIGHT WHEN HE SAID--  
-AND I QUOTE-- "AMERICA WAS NOT  
BUILT ON FEAR. AMERICA WAS**

**BUILT ON COURAGE, ON  
IMAGINATION, AND AN UNBEATABLE  
DETERMINATION TO DO THE JOB AT  
HAND."**

**COURAGE. IMAGINATION. AN  
UNBEATABLE DETERMINATION TO DO  
THE JOB AT HAND. THAT'S WHAT  
BUILT AMERICA. AND THAT'S WHAT  
BUILT COUNTLESS SMALL  
BUSINESSES ACROSS THIS COUNTRY.**

**AND AS LONG AS THOSE OF US  
WHO WORK IN WASHINGTON, D.C.  
REMEMBER THAT, THEN I HAVE NO  
DOUBT THAT THOSE WHO WORK  
ACROSS AMERICA WILL CONTINUE  
TO DREAM AND SUCCEED, AND I  
HAVE NO DOUBT THAT AMERICA'S  
BEST DAYS ARE YET TO COME.**