

Administration of Barack H. Obama, 2010

Remarks on Signing the Small Business Jobs Act of 2010

September 27, 2010

Thank you, everybody. Please have a seat. Thank you very much. Thank you so much. I am thrilled to be here on what is an exciting day. I want to begin by recognizing the Members of Congress who fought so hard to pass this bill on behalf of America's small businesses. A lot of work was involved in this obviously, but there are a few folks who are here on stage I want to make sure to acknowledge.

First of all, my dear friend—and my Senator—from the great State of Illinois, Senator Dick Durbin. A champion for businesses in Louisiana and around the country, Senator Mary Landrieu is here. A champion of small businesses, Senator Maria Cantwell of Washington is here. And one of the deans of the Senate, and as thoughtful a person about industry and manufacturing as you'll find, Senator Carl Levin of Michigan is here. From the House side, we've got Representative Melissa Bean, also my neighbor from Illinois, and Congressman Al Green from Texas is in the house.

We've got a couple of Governors here: Governor O'Malley of Maryland; and somebody who has been working so hard on behalf of the great State of Michigan—we are proud of what she's been doing, because it's really hard work in Michigan right now—but Governor Granholm, I think, coming to the end of her term, has just done outstanding work, and I want to acknowledge her.

We've also got some mayors in the house, and I'm not sure if they're all here, but I'm going to go ahead and announce them: Mayor Coleman of Columbus, Ohio; Mayor Dickert from Racine, Wisconsin; Mayor Foxx from Charlotte, North Carolina; Mayor Pawlowski of Allentown, Pennsylvania; and Mayor Ravenstahl—whose Steelers won last night—from Pittsburgh. *[Laughter]* Give them all a big round of applause.

Finally, I want to thank members of my administration who are with us, including our Small Business Administrator and just a terrific advocate for small businesses, Karen Mills is here. Please give her a big round of applause. And our Treasury Secretary, Tim Geithner, as well as one of my top economic advisers, Gene Sperling, who worked so hard to get this legislation done. Where's Gene? There he is back there.

And most of all, I want to thank and welcome all the small-business owners from across the country who have come to the signing of this bill, many of whom, over the course of the last several months, I've had a chance to meet. I visited their facilities, everything from—I've seen trucks to pizza—*[laughter]*—to web sites to signs. And we've talked about how essential it is that we got this bill done, that it was critical that we cut taxes and make more loans available to entrepreneurs.

And so today, after a long and tough fight, I am signing a small-business jobs bill that does exactly that. It's good news. It's good news.

Now, this is important because small businesses produce most of the new jobs in this country. They are the anchors of our Main Streets. They are part of the promise of America: the idea that if you've got a dream and you're willing to work hard, you can succeed. That's what leads a worker to leave a job to become her own boss. That's what propels a basement

inventor to sell a new product or an amateur chef to open a restaurant. It's this promise that has drawn millions to our shores and made our economy the envy of the world.

Yet along with the middle class, small businesses have borne the greatest brunt of this recession. They—you—were hit by a one-two punch. The downturn has meant people are spending less, so there's less demand. And the financial crisis made it difficult for small businesses to get loans.

So when I took office, I put in place a plan—an economic plan to help small businesses. And we were guided by a simple idea: Government can't guarantee success, but it can knock down barriers to success, like the lack of affordable credit. Government can't replace—can't create jobs to replace the millions that we lost in the recession, but it can create the conditions for small businesses to hire more people, through steps like tax breaks.

That's why we cut taxes for small businesses eight times. We passed a new tax credit for companies that hire unemployed workers, which is benefiting several of the people with us here today. Guy Brami from Gelberg Signs is here in Washington. And he's making use of this tax break after he hired six workers. Cherrelle Hurt, who runs the As We Grow Child Care & Learning Center in Virginia, has been able to add three new employees.

We also increased the exemption on capital gains taxes for key small-business investments to 75 percent. We passed a tax cut so companies could immediately write off more expenses like new equipment. And as part of health reform, 4 million small-business owners could be eligible this year for a health care tax credit worth perhaps tens of thousands of dollars.

Our economic plan has also helped to free up credit, supporting nearly 70,000 new loans to small businesses through expanded SBA lending. This includes some of the business owners who are here today, like Joe Fugere of Tutta Bella Pizzeria in Seattle. I still haven't tasted the pizza, but he promises I'm going to get some at some point. *[Laughter]*

We also waived fees on SBA loans to save folks money on payments. And the emergency steps we took to stabilize the financial system helped to get credit flowing again.

So all told, these steps have made a real difference. But as far as we've come, everybody in this room understands we've still got a long way to go. I don't have to tell folks here that small businesses still face hardships, and it's still too difficult for many creditworthy small-business owners to get loans. So there is more we can do to help them grow and to help them hire. And that's why I began fighting for months to pass this jobs bill, the most significant step on behalf of our small businesses in more than decade. And once I sign it, it's going to speed relief to small businesses across this country right away.

So let me just outline what's in here. First, on top of the eight tax breaks we've already passed, we're adding eight more, which will accelerate more than \$55 billion in tax relief over the next year to businesses across the country. Capital gains taxes will be completely eliminated for key investments in small businesses, driving capital to as many as 1 million small firms across America and, by the way, honoring a promise that I made as a candidate for President.

Four and a half million small businesses and individuals will be immediately—will be eligible to immediately write off more expenses. And that may benefit Ruth Gresser, who is here today and who is opening another restaurant in Alexandria, Virginia.

Two million self-employed Americans will be able to receive a new deduction for health insurance. And we're also increasing the tax break for anyone looking to open up a business. That's a \$10,000 deduction to help entrepreneurs afford what can often be pretty discouraging

startup costs, because our future prosperity in part depends on whether or not we are creating an environment in which folks can test new ideas, bring new products to market, and generate new businesses.

And that's not just a challenge for government. It's a challenge that requires businesses and leaders and universities, others to seek out new ways to promote entrepreneurship across this country.

Now, the second thing this bill does is we're going to make more loans available to small businesses. Right now there is a waiting list for SBA loans more than 1,400 names long. These are people who are ready to hire and expand, who've been approved by their banks, but who've been waiting for this legislation to pass. Well, when I sign this bill, their wait will be over. Their wait will be over. Virtually every person on that list will receive the loan they need in a matter of weeks.

Several of the small-business owners standing with me today are on this list, including Tony Scovazzo of AJS Consulting Engineers. Where's Tony? Raise your hand. Tony is right here. *[Laughter]* With Tony's loan, he'll be able to buy new office space and hire three people to do energy-efficient HVAC work. Terry Dunlap of Tactical Network Solutions—Terry, raise your hand. Terry is on the list. He plans to use his loan to hire as many as five more people.

Noel and Glen Mouritzen are also here. They'll be able to use a loan to set up a repair shop for helicopters and hire four or five workers. Herb Caudill is on this list. And Herb's company, Caudill Web, has a good problem: They've got more work than they can accept. So with this loan from SBA, he'll be able to bring one or two new web programmers and designers to take on some new projects.

On top of these loans that will be freed up right away, we're also more than doubling the size limits of the most popular SBA loans, like the ones that have benefited many of the business owners who are with us here today. Plus, through this bill, we'll take other steps to promote lending. And this includes our new Small Business Lending Fund, designed to help Main Street banks lend to Main Street small businesses across this country. And this bill will also encourage additional private sector lending through innovative efforts at the State level to promote small business and manufacturing, efforts that have too often been constrained by State budget cuts.

So this law will do two big things: It's going to cut taxes, and it's going to make more loans available for small businesses. It's a great victory for America's entrepreneurs. It is a great victory for America's entrepreneurs.

Now, I have to admit, I regret that this bill—which was based on ideas from both Democrats and Republicans, and drawing support from business groups that don't normally support me—*[laughter]*—I regret that this was blocked for months by the Republican minority in the Senate, and that needlessly delayed this relief. But I do want to thank the two Republican Senators who bucked this partisanship to help pass this bill, and obviously, I want to thank all the Democrats who worked so hard to get it passed.

At this difficult time in our country, it's essential that we keep up the fight for every job, for every new business, for every opportunity to strengthen this economy. That's what's being done at the State level by Governor Granholm and Governor O'Malley and Governors all across the country. That's what's being done by the mayors who are here today who are fighting day in, day out to help start new businesses that can bring prosperity to their communities.

We've got to keep moving forward. That's why I fought so hard to pass this bill. And that's why I'm going to continue to do everything in my power to help small businesses open up and hire and expand. And that's why, with these small-business owners standing with me today, I am extraordinarily proud to sign this bill into law. All right?

[*At this point, the President signed the bill.*]

This is the tricky part. [*Laughter*] You start running out of letters. [*Laughter*] There you go. It's done.

NOTE: The President spoke at 1:47 p.m. in the East Room at the White House. In his remarks, he referred to Ruth Gresser, owner and chef, Pizzeria Paradiso; and Noel and Glen Mouritzen, owners, Greystones Aviation Worldwide. H.R. 5297, approved September 27, was assigned Public Law No. 111-240.

Categories: Bill Signings and Vetoes : Small Business Jobs Act of 2010, remarks.

Locations: Washington, DC.

Names: Bean, Melissa L.; Bami, Guy; Cantwell, Maria E.; Caudill, Herb; Coleman, Michael B.; Dickert, John; Dunlap, Terry, Jr.; Durbin, Richard J.; Foxx, Anthony; Furgere, Joe; Geithner, Timothy F.; Granholm, Jennifer M.; Green, Al; Gresser, Ruth; Hurt, Cherrelle; Landrieu, Mary L.; Levin, Carl; Mills, Karen G.; Mouritzen, Glen; Mouritzen, Noel; O'Malley, Martin J.; Pawlowski, Ed; Ravenstahl, Luke; Scovazzo, Anthony J.; Sperling, Gene B.

Subjects: Business and industry : Banks and financial institutions :: Loans to small businesses, increase; Business and industry : Credit freeze situation; Business and industry : Entrepreneurship, promotion of; Business and industry : Facility and equipment purchases, tax incentives; Business and industry : Small Business Jobs Act of 2010; Business and industry : Small businesses :: Economic impact; Business and industry : Small businesses :: Lending fund; Business and industry : Small businesses :: Promotion efforts; Congress : Bipartisanship; Economy, national : Credit markets, stabilization efforts; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Employment and unemployment : Hiring Incentives to Restore Employment Act; Employment and unemployment : Job creation and growth; Employment and unemployment : Job losses; Health and medical care : Small businesses, tax credits to purchase insurance coverage; Small Business Administration : Administrator; Small Business Administration : Credit and working capital loans, increase; Small Business Administration : Loan fees, reduction; Small Business Administration : Loan guarantee facility; Small Business Administration : Loan limits, increase; Taxation : Capital gains tax, reduction; Taxation : Tax relief; Treasury, Department of the : Secretary.

DCPD Number: DCPD201000804.