

Remarks at a Ceremony Honoring Small Business Administration Award Winners

May 12, 1992

Please be seated, and welcome. On perhaps the most beautiful day we've had here in the Rose Garden, I want to welcome all of you. Single out our Secretary of the Treasury, standing up here with me; Boyden Gray, my Counsel; and of course, Pat Saiki, the SBA Administrator, who's back from a very good mission, well-executed mission to a very troubling scene in Los Angeles. Pat runs the SBA, and she was with me out there in L.A. as we surveyed what can be done to help the city, and she's moving out on that. Let me also welcome our new Chief Counsel for Advocacy, Tom Kerester, right over here. Welcome, sir. And also single out Shirley Peterson, the Commissioner at IRS. Shirley? And next to her is the Deputy Secretary of the Treasury, John Robson. Welcome, sir.

It's hard on this Small Business Day not to think of the thousands of small business people who suffered damage out there in Los Angeles. And my commitment to them is this: We are working to get whatever disaster assistance the Federal Government can provide into their hands in record time. They have suffered enough. And I'm trying to make sure that frustration with redtape and bureaucratic stumbling doesn't add to their troubles. I know the SBA has been out there in the forefront of this effort working with our task force that we put together under the able leadership of David Kearns and Al DelliBovi.

As you know, today I called the congressional leaders of both parties to the White House. And I'm pleased with the early results of our efforts to forge a bipartisan basis and from which to support the opportunity agenda for America's inner cities. It's a promising start, and we will push ahead.

We're here today because it is Small Business Week. And we have with us from all 50 States and beyond the Small Business Persons of the Year. Welcome to the White House, America's ultimate mom-and-pop operation. [*Laughter*]

I computed this a while back, and I've spent 50 percent of my adult life in the

private sector and 50 percent in Government. And I started in small business out there in west Texas. And I thus know something of what you all go through in starting something from scratch, working with it night and day, and then hoping that you succeed. Success goes to those who work hard, refuse to give up, and learn from their mistakes. Pat was telling me of the remarkable record of the winners that we have here with us today.

I also know what it's like to cope with regulation and paperwork from the Government. And sometimes the bureaucracy makes things needlessly complicated. We're supposed to serve the taxpayers in the same way the business has to serve its customers. So making things needlessly complex in Government is not only wrong, it is bad for business.

And so today, we're going to do something about that. To honor these outstanding business people, we're going to do something outstanding for small businesses across the country. Every business man and woman sitting here can tell you how burdensome it is to comply with IRS payroll tax rules. And if they can't tell you, it's because they're probably paying somebody else to cope with all the headaches for them. But today the IRS is implementing faster, cheaper, and simpler ways for businesses, large and small, to deal with the payroll tax system.

This week, the IRS will issue a proposed rule to reduce the complicated deposit schedule. Large companies will be able to make payroll tax deposits on a fixed day of the week. Moreover, as many as 75 percent of all businesses will make payments just once a month. Now, these simplifications will significantly reduce the cost, confusion, and complexity of the payroll tax system.

We're also moving forward to eliminate all the duplicate W-2 forms and other payroll tax information that employers have been required to supply. We're working to

set up a single wage-reporting system so that separate forms don't have to be sent to the IRS and then the Departments of Labor and Social Security, and State and local governments.

In June, an experimental program in Georgia, South Carolina, and Florida will let employers make tax payments electronically, without even leaving their office. And no more paper coupons to file or standing in line at the bank. Small business learned long ago that computers could do more work in less time for less cost. And it's time we, therefore, bring the Government out of the horse-and-buggy era, into the information age, and stop having business do the Government's paperwork. [Applause] I felt that would go over reasonably well here.

The IRS may not be—with all respect, Commissioner—the most popular agency in town. But look, they're working hard now not to be the most infuriating agency in town. And we have a new, able leader and some very able people dedicated to that end. Last month, the IRS Center in Ogden, Utah, won our award, the President's Award for Quality, which goes to the Government office that provides excellent public service in a cost-effective manner. It is this new kind of attitude in Government service that must be brought to every Federal bureaucracy: putting people first, treating taxpayers as customers.

Now, there's a man who knows what I'm talking about. The small business winners here know, also, what I'm talking about. James Fleming, where is he now? Right here, sir. James Fleming started his metal component business in his basement, and he turned it into a \$15 million international business. Jim's designed everything from medical equipment used in hip replacements to an assembly line for Jiffy Pop popcorn. And Richard Stewart, Mr. Stewart, right here, turned a part-time hobby selling natural spices into America's largest supplier of bulk herbs, spices, gourmet coffee, and tea to the natural foods industry.

And then there's Amelia McCoy. Amelia? Right here, sitting here. Her business

began, I'm told, as an act of love, making hair ribbons for her granddaughters. And now the hairbows that her company sells are handmade by 450 people in rural Oklahoma who work at home and generate \$5 million in sales. And for that, Amelia is this year's Small Business Person of the Year. Maybe you should stand up so everybody can see you.

Since I announced our new moratorium on new regulations in January, our administration has worked to reduce the burden Government places on the businesses of this country. And we've also looked at existing regulations, like the ones I spoke of today, to see now we could help the economy by eliminating or by simplifying regulations that impede economic growth for no good reason. And I'm sure Amelia would rather be tying a red ribbon for her granddaughter than spending all day untying redtape. So maybe this will help out.

Every business dollar that goes into complying with some Government mandate is a dollar that won't be spent hiring new workers. Two-thirds or more of the new jobs in this country, two-thirds, are created by small business. And you are the heart and soul of what makes this economy work and what makes the American dream possible for your employees and for their families.

I will do my level-best, working with the officials I've introduced here today and others, to keep Government under control and out of your way so you can go out and do what you do best, create jobs, create goods and services for the American people.

So, thank you all for being here. Again, my congratulations to the winner. And may God bless our great country on this beautiful day. Thank you so much.

Note: The President spoke at 3:05 p.m. in the Rose Garden at the White House. In his remarks, he referred to David T. Kearns, Deputy Secretary of Education, and Alfred A. DelliBovi, Deputy Secretary of Housing and Urban Development.