

Kaine's Aug. 23, 2016 remarks in Lakewood, Colorado provided by the Clinton campaign:

“Well, I want to thank Randy and everybody at Primus. This is a big invasion. These guys are very busy, have a lot of the things going on. I was talking to Randy about his business that he bought 16 years ago – 18 years ago, with six employees. The business has grown significantly and is growing more, but not without the growing pains that any small business experiences. We’re going to talk about that today. That’s the reason for the visit. It’s a big day because we’re rolling out the Clinton campaign small business plan that we think will help businesses like Primus and those other small business leaders who are here.

I’m going to offer just some opening comments about Hillary and I and our track record with small businesses and then the five components of this plan and contrast it a little bit with the other side, and then we’re just going to get right into it, because what – I was just meeting with all these great Colorado business owners, and we were talking about things that are going well and things that could go better. And with Congressman Perlmutter and Senator Bennett here today, I think we’ll have a really good discussion. And Michael, who’s a really good friend – we’re in the Senate together – he’s kind of going to be our timekeeper and kind of keep us moving and cut me off when I filibuster. So thank you, Michael. Thank you, Ed, for being part of this too.

One other thing I’ll say is it’s great to be back in Lakewood. I grew up in Kansas City, and my mom’s brother Tom Burns and his wife Rosalind lived here in Lakewood with my three cousins, and we used to always come out to Lakewood virtually every summer, and we really looked forward it – the mountains, seeing a Denver Bears games. I mean, who ever went to a Denver Bears game? Okay, I got a few. Pre-Rockies AAA, Minnesota Twins farm team. And then went to the [...] the real [...]. So we have great memories of being in Lakewood. I know the mayor of Lakewood is here, and I had a chance to say hi to him quickly.

Hillary grew up in a small business household. Her dad had a very small business in Chicago that was printing fabric for drapes and other uses in hotels. Hillary talks about, with her brothers, having to go down and use a squeegee and use the – at that point, the silkscreen printing process was very manual, so not only print the designs but then load them into a van and take them to hotels that were the customers of her dad’s. Classic American small business.

I grew up in a small business household. My dad, like Randy, was in another industry, where he was working for others and always had a passion to own his own business and he wanted to be in manufacturing. So he bought a company from a guy called CNL Ornaments, an ironworker-organized welding shop in the stockyards of Kansas City. And he bought it, and once he did, changed the name to Iron Crafters, and that was the business that he ran for 25 years. In a good year, he would have 10 to 12 employees; in a tough year, he would have five employees, plus my mom, who was his best salesman, and my two brothers and me, who were the all-purpose summer and weekend and after school. When an order had to go out or some work had to be done, we were on call, just like is the case in so many family businesses.

That has given the Hillary and me a profound understanding for the fact that the American economy really isn’t best measured by, like, what’s going on on Wall Street. It’s best

measured by what's happening with the small businesses. We want businesses across the entire spectrum – of course many medium and large business began as a small business. But two-thirds of new jobs in this country are in small businesses. So if you want there to be more jobs, if you want there to be higher wages, if you want there to be innovation and entrepreneurship, it's the small businesses and startups that are going to make that happen. And we've got some really great examples of that around the table in a bunch of different industries, and we can get into a Q&A and discussion in a minute.

The plan that Hillary has with respect to small businesses that we're rolling out today is basically a five-parter. First, we just want to make it easier to start a business. Being able to start and having a culture where startups are not complicated but easier is really important. So that involves a lot of about the regulatory and permitting processes at the federal level, but also at the state and local level.

When I was governor of Virginia, we did something. We created what we called the one-stop shop for small business, where if they came in, for example, to get a tax ID number or get incorporated with a State Corporation Commission, we could connect them up right away with these other state and local registrations or applications that they would need to file, so they didn't fill out two or three and then find out later there's another in there they were supposed to.

We need to work on the same kind of streamlining at the federal level. But also what we want to do is give incentives to states and localities – not top-down federal mandate, but incentives to states and localities – to streamline their application and permitting processes. And to the extent that that streamlining might cost state and localities dollars, because they relied on fee revenue, for example, for part of their budget, we want to hold these governments harmless, so this is not us telling, 'Hey, states and locals. You do it this way, and it's going to cost you money.' So the first piece of the plan is the streamlining the regulations around starting a business.

Second, we hear from an awful lot of small businesses that it's still hard to get financing. And in fact, I was taking some pictures with folks before I walked in, and one of the business owners said – and this was a business owner who is minority owner, a Latina-operated insurance business – it's still too hard to get financing. Hillary says an awful lot of dreams die in the parking lot of banks and financial institutions.

And so what we want to do, without compromising the important financial regulation that we had to put in place after the recession to avoid another massive fiscal collapse, we want to make it easier, especially on community banks and credit unions, to engage in transactions with small businesses. This is very important. In fact, what you've seen is if you look at these institutions in 1995, a huge chunk of their loan portfolio was in small business. That's actually significantly decreased over the last 20 years, partly because of the recession but partly because of the feeling on their side, that boy, it's just – it takes as much work to write a \$100,000 loan as it does to write a \$10 million loan, so why not write the \$10 million loan? But that means that the smaller businesses get left out. So on the starting business and getting financing, we want to work with our credit unions and community banks. And we also want to take a really effective federal program called the New Market Tax Credit, which is focused on sort of hard-hit areas and helping businesses get going in hard-hit areas. That's a program that we want to make permanent.

Third, we want to make it easier and cheaper to file taxes. Now, nobody loves taxes, but it's what patriotic and responsible people do, because if we love teachers and we love police and if we love firefighters and we support our troops and we support the VA, then there's got to be a tax system, of course. But it's difficult. It's difficult. It is difficult for small businesses. And so what Hillary has put on the table is something like – I wish I thought of that – and that is in the corporate income tax world to have, like we do in the individual income tax world, you can itemize, but you also just do a standard tax filing, a very simplified tax filing. And so what we're going to do is create a very simplified, standard tax filing that would be available for small businesses.

Now, you can still choose if you wanted to itemize. But what this would do for small businesses – you got to keep an awful lot of records to demonstrate, well, this was a business expense, so I can deduct that. So you're, if you're going to try to file and you're a very small business, the record keeping that's necessary to comply with the current corporate income tax setup is pretty intense. If you're under a certain threshold on the income side, why not make it easier and use that same kind of threshold or that same kind of concept that we use in individual income tax? So that's number three.

Fourth, we want to make it easier for small businesses to provide – I was a big supporter and am a big supporter of the Affordable Care Act, because when you look at a country where 17 million people have health insurance who didn't have it before and a ton of people are protected against preexisting conditions, I do not want to go back. In fact, I was at the Iowa State Fair last week and a grandpa said, 'Meet my grandson, three years old, and his name is Jude.' So I was immediately singing, 'Hey, Jude' to him. And I said, 'Tell me about Jude.' And he said, 'Well, this kid's three years old, but he's already had five heart operations up in Children's Hospital in Omaha. And if it weren't for the Affordable Care Act, he wouldn't have been able to get the operations. We couldn't have afforded it. And he'd never be able to get insurance for the rest of his life. Now he can. And then the dad stepped up, and he was a big guy – big farmer – he, like, grabbed me by the shoulders and he said, 'tell me you're going to do what you can to maintain these protections.'

And I said, you know, we're not going backwards. But we do need to go forwards, and we do need to make improvements. And one of the things that's not been that workable in the Affordable Care Act is small businesses being able to take the tax credit for providing health insurance to their employees. It is complicated; it is too challenging to actually get a benefit that we wanted small businesses to be able to get. So Hillary's proposal is, let's make the ACA work better for small businesses by making that tax credit program more robust, but also just easier to access.

And then finally, we've got to make it easier to work with the federal government. You know, a couple of the businesses around the table are businesses that have significant business contracting with the federal government – at least two, although maybe it turns out there's more as we get into it. And whether it's acquisition or whether it's just getting answers, you know, if you're a small business, you don't have the phalanx of accountants, lobbyists, and lawyers that can figure out the maze. You kind of have to usually figure it out yourself. And you ought to have a responsive federal government, so when you have a question about a program or a financing strategy – you know, here's an SBA program. Do I qualify for this or not? You ought to be able to get a definitive answer and get it fast. And so we've got some proposals about making that interaction between small business and federal

government simpler. A lot of different federal agencies touch on small business. Department of Labor, small business administration – there's a lot of different agencies. It can be a maze if you're small. We want to make it easier.

Now, let me do a little bit of contrast on the other side, make one more point, and then we'll open it up. We – on the other side – we're facing a guy who has not been a friend of small businesses. You might have read some of the press about this. Donald Trump has a – kind of a track record of, frankly, stiffing small businesses, like my dad's, or like Hillary's dad's. Businesses, you know, sign up with excitement. Contractors, architects, marble installers, drywall installers, landscape professionals, to work on major projects. Whether it's casinos or golf course headquarters and clubhouses. And then, what they find so often – and there's many examples of this – they get to the end of a deal with Donald Trump, and then Trump says, okay, I got what I need, I'm going to pay you 10 cents on the dollar.

Hold on a second, now. What about my contract here? What about the work I did? What about that I paid my employees, what about that I bought all the materials? But Trump has perfected the strategy of knowing that small businesses can't afford the big lawyers. So he will say, 'yeah, you've got a contract. Sue me if you want, but we'll wear you down in court.' And he's used that strategy again and again to basically stiff small businesses. Some have actually gone out of business or gone bankrupt because they believed Donald Trump. We ought to do things that make it harder for big businesses to use that kind of a strategy to punish small businesses, or just push them aside. That's something that we want to do.

We also really want to talk about taxes. Because, Trump, his economic plan has not been particularly specific. Hillary Clinton has this five-point economic plan, and then this small business piece that we're rolling out today. Very specific. Go to HillaryClinton.com online, and you can look at the specifics of the plan, including how it will be paid for. Donald Trump has tended to say, 'We're going to be great, believe me.' But he doesn't give you the details. But there is one area where he has given the details. And that's a tax plan. And I just want to talk about that for a second.

Donald Trump has rolled out a tax shelter that is highly unusual, that combines immediate expensing of investments, which is actually, for small businesses, part of the Hillary Clinton plan, but it combines it with the immediate deductibility of all interest, if you debt-fuel your investments. Economists say don't mix those two things. Paul Ryan, the House Speaker, has a plan, but he says you can't do both of those, because if you do both, you end up with debt-fueled businesses – real estate businesses, especially, like Donald Trump's, getting a negative tax rate. And that's not even no taxes. It's the taxpayer subsidizing their debt toward the investment. That would be a massive mistake, to provide a negative tax rate for the biggest companies in the country if they're debt-fueling real estate or other investments. We call this the King of Debt loophole, since Donald Trump likes to brag that he's the king of debt.

There's another line that's coming out now that kind of shows his business acumen, since he's kind of making the case that he's a good businessman. He has highly unusual expenditures, even in this campaign. So, as an example, Donald Trump is renting space in one of his buildings to his campaign, and the campaign is paying Donald Trump personally for the space. Once he started to fundraise dramatically – he was self-funding a while, but

once he started fundraising dramatically, he immediately tripled the rent payment that his campaign was paying him personally. So once donors were writing checks to the campaign, Trump said, 'Wow, I can get more money personally out of this.'

The campaign's kind of being run in a little bit of a – you know, not ask what your country can do for you – not ask what you can do for your country, but, hey, what can this campaign do for me? And that's not a business practice, frankly, that should make us feel too warm and fuzzy. So these are some examples on the tax side – on the business side – what I've been saying is, Hillary Clinton will be a 'you're hired' president. Donald Trump will be a 'you're fired' president. The words that we know him by. Maya Angelo once said, 'If somebody shows you who they are, believe them.' And I think Donald Trump has shown us who he is.

The last thing I'll say is about Donald Trump's tax returns. My wife Anne and I, we released 10 years of tax returns two Fridays ago. Hillary Clinton and Bill Clinton have released their tax returns dating back to 1977. Donald Trump said earlier, 'Anybody running for president should release their tax returns.' He said earlier that he would release his tax returns. But now he's unwilling to do that. Now, there's a lot of speculation about why. Is it because he doesn't want to show how little taxes he's paying, how stingy he's been to charity or to his employees, who he's in hock to, who he's in debt to? There's some suggestion that Trump entities have sizable loans, for example, they owe money to the Bank of China and other institutions.

Now, all that may be fine, but the reason the presidential and vice presidential candidates release tax returns is because you have a right to know. You may be a Democrat, Republican, Independent, you have a right to know. A president – the words a president says on the teleprompter one day can make the stock market go up or down. It can increase the portfolio value of the president, or drive it down. It can increase or drive down your pension holdings. We ought to have a right to know what somebody has, what taxes they're paying, and who they're in in hock to. And I'll say this. I'm a proud dad of a child in the military. Donald Trump – Thank you.

But we've got a lot of military folks here. And people who care – and everybody cares about the military, everybody cares about veterans. Donald Trump says, 'I'm going to be great for the vets. I'm going to be great for the military.' Well – but he's always – he's had a habit of bragging during his entire life, how, I try to use every angle I can to avoid paying any taxes. A couple of times he's had to release tax returns to get casino licenses, and they showed that he pays virtually no taxes. Now, I know nobody here loves paying taxes. I know [...] – but I know if I support the military, if I support vets, if I support teachers and others, that's part of your patriotic and responsible duty. So if you're going around bragging about, you do everything you can to avoid paying taxes, and now all of a sudden you say, well, I'm going to be great for the military, I'm going to be great for vets, I've got real problems with that. You can't stiff military and vets your whole life, and suddenly say what a great commander in chief you're going to be.

The last thing I want to say is this. On the small business side – then we'll just jump right into the roundtable. Hillary and I have noticed one really cool thing, as we've traveled around the country, about the Latino business community. The Latino community is very much a *dueño y dueña*, small business, *empresa pequeña*, community. Really active

startup, small business culture. And often the small business and Latino community are more than just economic engines; they're real community hubs. Hubs for dialogue, hubs for education about voting, about issues of public policy, about everything.

So we are launching as part of the small business initiative today something that we're calling *Nuestros Negocios, Nuestra América*, which is basically an organizing tool. We're going to engage the small business and Latino community as kind of community validators to reach out to voters, educate voters, be a place where people can get campaign material and get their questions asked. And we're really excited about this, and it really was kind of an organic idea that came up as the campaign was out in the community and saw how this small business culture is such a just inherent part of our *pueblos* in this country.

I worked in Honduras many years ago. I always say that when I was there, these values of *fe, familia, y trabajo*, faith, family, work, were just so powerful. And frankly, they were the values that my parents taught me. They were not just Honduran values; they're American values. And this work and small business culture thing is really important. So we're rolling out this proposal today.

But with that, thanks for letting me talk a little bit about this five-point plan that we're rolling out on small businesses. And maybe beginning with Ed or Michael, if you guys want to say a word. And then we're just going to jump in. And again, we want to hear what's working. And maybe, especially for the business owners, when you talk for the first time, make sure you tell everybody, here's what my business is."