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Rauner: Small Business Built America

Julie Kemp Pick

Gov. Bruce Rauner has been in office for 18 months but his time in office is more “like 15 years in dog years,” he told a crowd of small-business owners and their suppliers and employees on Oct. 5 in Highland Park.

“Government in Illinois really has been getting in the way of companies,” he said. “The taxing business is too much and the regulating business is too much. The red tape in Illinois is restrictive. We’re going to change this very fundamentally. We’re going to reduce the government cost in bureaucracy, so the tax burdens on your businesses can come down over time.”

The Job Creators Network (JCN) hosted the “Bring Small Businesses Back” event featuring Winnetka resident Gov. Rauner on Oct. 5 at Studio 41 Home Design Showroom.

“Small-business entrepreneurs built America and small-business entrepreneurs create the prosperity of America and I’m all in to help our small-business owners become much-bigger-business owners,” said the governor. “That’s what America is all about, and two thirds of new jobs created in America are created by small businesses. Creating an environment for small businesses to thrive should be the No. 1 priority of every elected official at every level of government.”

The JCN is a national business advocacy organization that educates

employers, the media, legislators and the public. “One of our primary missions is our Employer to Employee education program called E2E,” said Elaine Parker, chief communications officer, who served as the master of ceremonies.

The governor explained the three initiatives that are now in place: “We’re reducing the cost of government; we put in contracts with the unions inside government that have never been done before and we’re paying people more in the government, but based on productivity,” he said. “You save tax payers a dollar – we’ll give you 10 cents of that dollar. You get more, but based on what tax payers win – you win. It’s never been done in Illinois history, and is dramatically changing the productivity, the morale and the effectiveness of state government.”

Gov. Rauner pointed out that in the years following the recession, some neighboring states have been successful in creating a substantial number of manufacturing jobs:

“Since the recession ended about six or seven years ago, Wisconsin created 44,000 manufacturing jobs and Indiana added 84,000 manufacturing jobs. They’re half our size. Do you know how many jobs Illinois has added since the recession ended? Zero – we’re not competitive,” he said. “We’re not helping companies. Our workers comp costs, liability in-

surance, property taxes, our red tape and regulations are stifling business. We’re changing that in a big way together with your advocacy. I have to compliment The Job Creators Network in getting that message out there in a way, so the people in Illinois know what’s at stake and how important it is to create an environment for job creators to thrive. We are going to make this part of Illinois booming in the next couple of years.”

Alfredo Ortiz, president and CFO of JCN, said the “Bring Small Businesses Back” bus five-week tour will hit 19 different states and involve speaking with about 10 governors.

“The community that we’re all talking about is not just a small-business community. There are 85 million people in this country that are impacted by the success or failure of small businesses, 20.5 million small-business owners that are part of that community and about 5.6 million of those small-business owners who employ roughly 10 people each,” he said. “About one-third of our population is dependent on the success or failure of small businesses. The scary part is we did a poll of national small-business owners at the beginning of this year and we found that two-thirds said that over-regulation and over-taxation were the key reasons that were holding back the success of our small businesses, and about one-third said lack of access to

credit. That's why we decided to go on tour and get public attention and get small-business owners to stand up knowing that they have a voice."

Ortiz explained that JCN is working with State Representative Randy Hultgren (R-IL 14th District) to introduce HR5374, the "Bring Back Small Businesses Tax Reform Act," to "hopefully bring back tax relief for small-business owners that actually rolls back taxes down to 10 percent for the first \$150,000 and up to 20 percent for a million dollars. Our research shows that small-business owners will re-invest those dollars back into their businesses," he said.

Parker introduced Lou Silver, owner of Studio 41, which is part of the Logan Square Aluminum Company. The third-generation company was founded more than 50 years ago by his father Isaac Silver, a native of Poland who immigrated to the U.S. from Israel.

Silver has a large manufacturer in Chicago as well as many Studio 41 locations. Though he has employees who have been with him for 40 years "we're always hiring more people and with the governor's help I'm really motivated and excited." Silver and his wife Robyn Silver are thrilled that their three children are involved in the family business. His son EJ Silver manages the downtown Studio 41 store, while Zak Silver manages the Highland Park store where Caleigh Silver also works.

Parker said Greg Wozniak emigrated from Poland in 1989. He started both Glenview Doors, whose showroom is at Studio 41, and the home building company Globex Developments.

Wozniak thanked the governor and Alfredo Ortiz for "helping us come together as small-business owners." He also thanked his cus-

tomers and suppliers. "Some of you have as few as four or five employees and everyday you work really hard to make sure you can meet payroll the following week," he said. "The No. 1 reason for small businesses is passion. The more access to capital we have, the less taxes we pay, the more money we put back into our companies."

Gov. Rauner answered a few questions from customers and suppliers in the audience:

Brent Hamachek of Northbrook said he works with several lifelong Democrats who voted for Rauner, and their concern is that he's been working quietly behind the scenes. "Everyone in this room knows there's one man who has turned the state of Illinois into Caligula's Rome, and it feels like you need to do more to rally the citizens of this state to be more public, to call us to arms, to tell us what you need, so we can help you fight," he said. "I'm just wondering if there's any plan in the remaining time in your administration to be more public, to rally us and tell us what to do to take the state back?"

Gov. Rauner explained that during his first 18 months he's been traveling the state seven days a week and given between four and eight speeches a day on this subject, but getting the message out at scale has been his "greatest frustration." His goal is to get the message out "simultaneously through a lot of different channels by using social media and entrepreneurs more," he said.

He continued, "The simple fact is that Illinois has been mismanaged for a long time. This is not a partisan issue, or a Democrat or Republican issue. My wife's a Democrat, we have many Democratic supporters. There's no opponent in two-thirds of the elections for the General Assembly in this cycle. We need term limits

on elected officials so they don't stay in any one office for too long. We could create a new system for future work that's more flexible and affordable. Your point is exactly right – we've got to get the message out."

Rob Klein, a Deerfield labor lawyer, said his firm represents hundreds of closely owned companies that are small businesses, "although our definition is a little different than yours. A typical client does \$50 million to \$250 million in sales and has 100 to 600 employees." Klein said his clients are interested in the same issues, from property tax reform to workers comp reform, and in small business "it's very difficult to get one human resource person to look at all these laws and handle them. The question is how are you going to be able to accomplish this in light of the political standing right now in the state?"

Governor Rauner said, "In they end we have to deliver real results for the people in Illinois. The states around us have made pro small-business reforms, and they're growing and showing results. They have balanced budgets and an expanding tax base and rising family incomes. Some folks have said we don't want to compete with Texas, that would be a race to the bottom, while Texas factory workers make more than Illinois factory workers and we're supposed to be the pro-workers state. They make more in Texas, because Texas is growing, which creates higher family incomes. Your average small-business owner is busy and they're not lobbyists and they don't know who to call. They're focused on how to survive some years and grow other years, so getting involved in politics is not really what small-business owners do. Bringing the voice of small businesses together is why I'm so excited about the Job Creators Network."