

NATIONAL SMALL BUSINESS PARTY
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NATIONAL SMALL BUSINESS PARTY
2016 PLATFORM

Introduction

According to a recent survey¹, small businesses agree that policymakers in general do not comprehend the issues impacting small business. This report found that small business owners are registered Republican but “overwhelmingly” (78%) will vote for the candidate who best serves the interests of small business regardless of the candidates’ party affiliations. Overall, this reports states that 70 million people in the United States “run or work” for small businesses which represents one in four of our voting population. More significantly,99.7% of employer firms in the U.S. are small employers.² While small business is often referred to as the backbone of our nation’s economy, Congress remains spineless in tackling issues directly affecting small business.

The National Small Business Party believes it can best provide a collective voice for those 78% of voters and the 70 million people engaged in owning and operating U.S. small businesses. As the report further indicates, small businesses are more concerned with economic and fiscal issues and health care and tax reform versus national security and social issues. However, as a national political party, we can weigh in more effectively on all subject matter issues and fight to instill a level of fairness tolerable to both small and large businesses and significantly reduce the negative impacts current regulations have on business owners, stakeholders, the workforce, and public policy in the United States.

We believe the three parties represented in Congress fail in helping small businesses and do not cultivate any passion to address our specific needs or truly know what they are. The voters whose viewpoints neither align with the Republican or Democratic National Platform agenda consider their political views as bipartisan and typically state their party affiliation as Independent. According to a CNN 2012 Study, 38% of Americans consider themselves as Independents. However, the New Independent Party Platform is remiss in specifically addressing issues impacting small business owners.

The Republican National Party Platform “condemn[s] the Supreme Court’s ruling in *United States v. Windsor*”³ and supports the traditional union of one man and one woman, only. Therefore, the Republican party maintains that those engaging in homosexuality, the lesbian, gay, and transgender populations, should not be afforded any legal familial rights. Many American small business owners represent this “out-cast” group of the Republican Party. All

¹ New Survey on Politics of Small Business, June 29,2016, A Report Produced by National Small Business Association. www.nsba.biz

² Ibid

³ Republican Party Platform 2016, p. 11

Americans, no matter their sexual predisposition, should not be deprived their Constitutional rights and rights afforded by the Declaration of Independence.

Conservative Republicans, such as those that align with the Independent American Party (P), support a free enterprise government that includes eliminating the US Department of Education, OSHA, the National Endowment of the Arts, as well as eliminating all entitlement programs.⁴ The Platform states that there is no Constitutional authority for federal entitlement programs...[and] assert[s] that the responsibility for personal welfare should be assumed first by the individual and family, then by church and other charitable organizations.”⁵ We oppose such conservative arguments of the . With single parents in need of flexible work hours, many Americans start home-based businesses. This statement is most true for disabled Americans, who “are nearly twice as likely to be self-employed as the general population.”⁶ We want to encourage entrepreneurialism at every level and need more government funded programs, enabling banks to lend to newly formed companies and subsidize the cost of childcare.

As for both the 2016 Democratic National (draft) and Republican National Platforms, there is insignificant agenda dedicated to Small Business, addressing only generic issues with no specific focus. At present, out of the three parties represented in U.S. Congress, only two seats represent the New Independent Party, one of which belongs to Senator Bernie Sanders (VT), who chose to run under the Democratic Platform in his 2016 presidential campaign. The many millennials in support of Sanders demonstrate a preference of a non-traditional party affiliation. This trend is also captured in the 2014 PEW Research report.⁷ The report states that millennials describe themselves as “political independents,” “fiscally conservative” but overall an “extremely liberal population in support of gay marriage, abortion and marijuana legalization.”

What the PEW Research report inadvertently suggests the dire need for a new non-traditional party to emerge. With all three political platforms remiss on addressing small business issues and the conservative Republicans’ all too restrictive policies on who gets what when and how, most Americans, especially our millennials and those engaging, working for and owning small businesses, will happily choose the National Small Business Party as their political affiliation.

Regulatory Reform

⁴ American Independent Party Platform – 2012, p. 7

⁵ Ibid

⁶ 2016 Republican National Platform., p. 38

⁷ Yahoo News. Divided America: Diverse Millennials Are No Voting Monolith.

<https://www.yahoo.com/news/divided-america-diverse-millennials-no-voting-monolith-050750023--election.html>

None of the three parties' platforms, for example, mention the RFA, H.R. 527, SBREFA, Executive Order 13272, or how they intend to support the US Small Business Administration's (SBA) Office of Advocacy. In 2015, the US House of Representatives passed the "Small Business Regulatory Act (H.R. 527)," but it has yet to pass the US Senate, failing four roll calls with amendments. This bill was introduced to prevent any regulators from bypassing the requirements of the Regulatory Reform Act (RFA) enacted over years ago and allow any concerns of negative impact to small businesses to be raised by the Office of Advocacy of the U.S. SBA. HR 527, if enacted, would grant additional authority to the Office of Advocacy to make federal agencies "assess the impact of the new regulations on small businesses and consider alternatives to reduce burdens."⁸ The NSBP supports HR 527.

The RFA at present, however, only allows examination of entities directly impacted by any new regulation does not consider any indirect ramifications, which are often just as important. The RFA also does not permit any "analysis of interim final rules or any expansion to include the IRS "to allow for greater small business consideration in federal rulemakings."⁹ A component of the RFA is FRFA, Final Regulatory Flexibility Analysis. However, under RFA, federal agencies are not required to present any cost savings in FRFA. Often, improper certifications occur under the RFA, as agencies are not required to include any data to support their analysis.¹⁰ Without disclosing such supporting data, federal regulators can promulgate arbitrary rules and regulations that are self-serving and bad for small businesses and our economy. NSBP will correct this deficiency.

Other acts the NSBP will reform include the SBREFA, Small Business Regulatory Enforcement Fairness Act (SBREFA). This Act implemented federal community outreach panels to discuss regulation impacting small businesses with regard to the Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA) and Consumer Financial Protection Bureau (CFPB), but not Fish and Wildlife.¹¹ SBREFA has provided rare access for small businesses to directly influence decisions on federal regulation. However, it has remained unclear who these small businesses are, whether they represent consensus, and where they stand in regard to big business agendas. NSBP would ensure a consensus and mandatory disclosure, allowing not rare access but open access to small business representation.

The NSBP will also expand Executive Order 13272, Proper Consideration of Small Business Entities in Agency Rulemaking that bolstered the power of RFA when issued in 2002, 16 years after the birth of the RFA.¹² In 2016, 14 years later the only RFA reform proposed is now HR 527, still pending approval in the Senate. The NSBP will not let decades of help escape small

⁸ The Small Business Advocate, US Small Business Administration Office of Advocacy, Special Anniversary Symposium Edition, May-June 2016, Vol. 35, No. 4 p. 3

⁹ Ibid, p. 7

¹⁰ Ibid, p. 7

¹¹ Ibid, p. 9

¹² Ibid, p. 8

business owners and will create the impact to make effective regulatory change happen on a real-time occurring basis.

None of the platforms of the three parties represented in Congress today make any mention of addressing and amending the NAICS¹³ codes for small business. Again, the federal government determines size standards for small business without having to provide the factual data to substantiate its findings. For example, a general contractor at the federal level is considered a small business if its annual sales, averaged over three years, do not exceed \$36.5 million. This needs to be increased since general contractors typically subcontract most of their work and only a small portion of their annual sales is self-performed—roughly 20%. The NSBP will obtain disclosure on who or what regulatory panel at present ultimately determines our size standards and what data and input, if any, from small business are considered in the final decision-making process to create the necessary reform.

We believe the NSPB is to have the determining voice for size standards. At \$36.5 million in annual sales how can a small business capture relevant market share and be impactful in the community in which they live and serve? Once their small business threshold is breached, the general contractor has to compete against big business that will most likely protest each bid and legally lasso the newly formed "large business," driving them to the point of evisceration, or back at best to being a small business. The NSBP believes that small business general contractors' NAICS codes should be capped at a minimum of \$100 million annual sales with consideration of a sales average over five years instead of three.

Additionally, none of the three parties mention the U.S. SBA Bond Guaranty Program and how this agency is critical in providing the financial backing to entice surety companies to bond¹⁴ small business contractors including minority, women and veteran owned firms, who lack sufficient liquidity and net worth to qualify for surety bond support on a stand-alone basis. This program enjoyed some much-needed reform afforded to it in the American Reinvestment Act of 2008. However, more reform is needed as the fee charged to contractors for SBA support is costly and must be paid up front prior to approval of any bonds. The SBA fee is \$7.29 per thousand of the contract price. Thus, on a \$1 million contract the SBA fee is \$7,290.00. The NSBP believes this fee should not be higher than \$3.50 per thousand and free to certified

¹³ North American Industry Classification System (NAICS)-the "standard used by federal Statistical agencies in classifying business establishment for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy"
www.census.gov/eos/www/naics

¹⁴ The Miller Act requires that the prime contractors for the construction, alteration or repair of federal buildings furnish a payment bond for contracts in excess of \$150,000. Other payment protections may be provided for contracts between \$30,000 and \$150,000. See Federal Acquisition Regulation (FAR) 28.102-1 to 28.2013-4.
http://farsite.hill.af.mil/reghtml/Regs/FAR2AFMCFARS/FARDFARS/FAR/28.htm?zoom_highlight=bonding#P66_10583

service-disabled veteran owned construction firms. (In 2019, the SBA fee was reduced to \$6.00 on a temporary basis.)

The NSPB believes that we need to assess the small business set aside programs of federal agencies that have procurement policies to carve out certain portions of their overall contract spend specifically to minority, vet-owned, HUBZone, and women owned firms. We believe the current levels are set arbitrarily and must be increased nation-wide in conjunction with an increase to the NAICS code size standard thresholds for all small businesses.

With regard to government contracting, the NSBP will institute procurement fairness, starting with the federal government's abusive practices on change orders and the arbitrariness present in triggering a Termination for Convenience¹⁵ clause to avoid paying for any damages, legal fees lost profits the small business contractor, or any contractor for that matter, incurs as a means of settlement.

For example, in Maryland, HB 403 and SB 826, The Change Order Fairness Act of the 2016 legislative session, passed unanimously. It requires that the State procurement agencies cannot force a prime contractor to start state-directed change order work unless the value of the work is agreed upon upfront prior to start of work. Provisions of this new law flow down to the prime contractor's subcontractors, as well. If the work must be performed and no agreed upon price is achievable, the prime contractor and State would implement a "force account" that requires the State to pay the prime on a time and material or unit price basis thirty days upon acceptance of work.

Prior to this new Maryland law that took effect on July 1, 2016, the prime contractor had no choice to perform the state-directed change order work without any written confirmation and typically was not paid until the work was completed. The State could (and often would) refuse to pay for the work, creating a disputed claim typically taking years to resolve.¹⁶

The federal government is under no mandate to pay for change order work they approve at the price it costs the prime contractor. The federal government will often wait until the work is completed and negotiate settlement of all change orders, at 40% of their value.

Given that the federal government, like many states, requires that prime contractors subcontract a percentage of their work to minority, veteran owned, women owned, or

¹⁵ <https://www.acquisition.gov/far/html/Subpart%2049.5.html>, Federal Acquisition Regulation. Subpart 49.5.

¹⁶ Maryland State Board of Contract Appeals in October 2015 entitled, *In The Appeal of Manuel Luis Construction Co., Inc. under SHA Contract No. BA6885184* pertaining to "a claim for recovery of damages incidental to alleged delay and loss of productivity occasioned by numerous changes made by the State after contract award."

HUBZone certified companies, such change order practices currently in regulatory play will doom these small businesses, who by the federal government's own definition are economically disadvantaged. Additionally, if the prime contractor belongs to one of these disadvantaged groups, then a whole society of small businesses could be by the federal government's stroke of a pen.

It is worthwhile to note in our platform that small businesses do not have the time or financial ability to fight for their legal and constitutional rights. Litigation against the federal government is extremely costly and absorbs the production mindset of the owner who becomes engrossed in fighting for his or her rights.

Litigation stymies small business where big business has the manpower and resources to litigate, settle and overcome quickly many financial hiccups. If the small business pursues a claim with the federal government to recoup change order cost and/or overturn a wrongful default of performance, the federal government has the right to use the Termination for Convenience clause of the Federal Acquisition Regulations (FAR) and only pay the contractor its lost labor and material cost with no reimbursement for costs such as reasonable legal expenses, damages and lost profit for work performed. This creates an overwhelming fear in small business owners when they embark on the legal recovery to be made whole and pursue their American Dream.

The fear of the government's power with regard to change orders and their ability to settle by triggering a Termination for Convenience clause, prevents many small businesses from pursuing federal government contracting which indirectly gives big business contractors the ability to capture more opportunity.

A prime contractor is able to submit a Request for Equitable Adjustment (REA) for delays, scope changes and damages caused by the federal government. The federal government has no time stamp as to when its contracting officer must respond to a REA. It is not uncommon for a contracting officer to take multiple years to respond, only to deny the REA in total. Once denied, the prime contractor is able to submit a claim and file suit against the federal government. This process takes time and money, a process combination that most small and economically disadvantaged prime contractors cannot afford. The National Small Business Party would implement regulation to require a response to a REA in less than 90 days having a detailed response from the contracting officer as to why the REA was denied in whole or part.

Further, the federal government does not require retention, money withheld or retained from a prime contractor's invoice, unless the contracting officer deems it necessary. There is no mandate for a prime to flow down this language to a subcontractor. The National Small Business Party fully supports a Federal Acquisition Regulation (FAR) mandate to flow down a "no retention" clause to subcontractors.

The NSBP can and will create fairness in regulations supporting small businesses.

Health Care

In approximately 6 years ACA [the Affordable Care Act], commonly known as Obamacare, has significantly changed the state of healthcare in the U.S. While the ACA has offered coverage to 20 million more Americans,¹⁷ National Health Care will bankrupt the U.S. at the expense of small businesses and most Americans.

A large impact on consumers is mandatory health insurance and the establishment of exchanges or 'Marketplaces.' States have the option of creating their own exchange or adopting the Federal Marketplace. Citizens without health insurance are assessed a fine and encouraged to use the exchange to purchase a health insurance plan. Although the goal of ACA was to reduce direct healthcare costs to consumers, premiums continue to rise along with out-of-pocket costs such as co-pays, deductibles, and branded pharmaceuticals.

Furthermore, impact on quality of care seems to have declined. Consumers are expected to be advocates for their own care and rely less on clinicians for direction. Complexities of healthcare have been an enigma for years; the new ACA legislation adds mysterious layers most citizens find arduous to navigate or understand.

Substantial changes in payers' (health insurance companies) benefit structures are very concerning. Clarity and value of benefits is more convoluted than ever. Novel-like benefit explanations, using legal and clinical language, create verbiage that is impossible to understand. Comparisons of plans, evaluating what plan or benefit is of most value based on a personal situation, and cost implications are nearly impossible to comprehend for the average American and small business owner.

The NSBP will fight to establish a health care system to affect simplification of health insurance benefits, clarity of value to health status, as well as transparency of process in the event an illness or accident occurs. With pharmaceutical companies earning billions annually, we will reverse this unjust reward by capping prescription drugs at an affordable cost and fight to lower deductibles.

Our children, from womb to age 18 to age 26 (if still in school), and seniors, age 65 and older, need to receive any medical services regardless of geographic location or financial standing. A healthy youth population means a healthier adult nation. Providing equal access to health care for our children will help eradicate racial tension. All children will receive the care they need. Our children are our nation's religion and need to be protected and nurtured.

Adding more pressure on our current health care system, baby boomers (born 1946 to 1964)

¹⁷ Democratic National Platform – 2016 Draft, p. 22

are turning 65 years old each day. Although not all long-term care needs are derived from the elderly, close to 65% are ages 65 and older. According to the 2009 Long Term Care Insurance Sourcebook, American Association for Long Term Care Insurance (LTC), it is projected that the age group of 65-year-olds and older will be more than twice as large in 2030 that it was in 2000, growing from 35 million to 71.5 million people.

In 2012, total spending (public, out-of-pocket and other private spending) for long-term care was \$219.9 Billion, or 9.3% of all U.S. personal health care spending, almost two-thirds of which was paid by the federal-state Medicaid program.¹⁸ This is projected to increase to \$346 billion by 2040.

NSBP recognizes that more affordable and tax-deductible LTC premiums for all Americans is an urgent financial matter for our growing population. We will strive to create a program where the Nation relies less on state and federal funding for this increased need.

We will strive to provide our seniors, age 65 and older, who are in need of medical care with affordable humane living conditions. There is too much neglect at elderly care facilities and not enough staff to accommodate the patients. Higher standards of care must be implemented. We also believe that funding and supporting families who want to home-healthcare their elderly members should be provided tax incentives in order to pay for medical assistance. Until a fully nationalized healthcare program can be funded and sustainable, the Affordable Care Act will remain for low income earners and working population ages 26 to 65. Group plans using the group's average age need to be reinstated for businesses. We will, however, work to eliminate the "Cadillac tax" of the Affordable Healthcare Act (ACA) that starting (if not stayed) in 2018 will impose an excise tax of 40% on employer sponsored health plans that cost more than \$10,200 for individual coverage and \$27,500 for family.¹⁹

The ACA "silver plans," the most common option on the government insurance exchanges, provide only a limited network of doctors causing individuals, who have chronic diseases or illnesses not covered by their silver plans, to pay out of pocket for specialized doctors not in network and for the costly medication they need.²⁰ Most Americans are unable to cover such costs. By initially limiting national health plans for certain age categories, we can better fund the "silver plans" to cover essential medical care and prevent substantial out-of-pocket expenses.

The NSBP believes that federal spending should increase to adequately fund medical research, drug addictions and mental health issues. We also believe in maintaining the reproductive rights of women with no impediments to safe abortions and the repeal of the Hyde

¹⁸ National Health Policy Forum (2014) The Basics: National Spending for Long-Term Services and Supports. Retrieved (January 2015) from http://www.nhpf.org/library/the-basics/Basics_LTSS_03-27-14.pdf

¹⁹ The Wall Street Journal, Cadillac Tax and Why Is Its in Trouble? Stephanie Armour and Richard Rubin, December 14, 2015, 12:44 pm ET www.blogs.wsj.com

²⁰ Republican National Platform 2016, page 36

Amendment.²¹ We believe in funding women’s health programs that enable women to make an informed choice and not one according to the beliefs of ruling politicians.

Doctors who enjoyed their private practice can no longer afford to remain as entrepreneurs. Their practices are being consumed by the local hospitals under the Accounting Cost Organization (ACO) component of ObamaCare. ACOs, such as health systems, hospitals and clinical practices are under new regulations, the most impactful of which is Value-Based Purchasing. Value-Based Purchasing, in a simple explanation, is the evaluation of care quality and payment, accordingly. Care quality provided by an institution is measured based on data from various sources including claims data and patient surveys. The data evaluation ensures best practices are followed; and, ACOs are subsequently paid according to how well they perform based on that data.

Performance is cost driven. Pricing and remedies that can be prescribed are set policies, limiting the doctors’ ability to fully perform their skill and options to care for their patients. We oppose the ACO’s cost savings practices that allow the hirer of part time doctors who are not board certified to avoid paying the cost of full-time board-certified doctors. And, while such cost cuts occur, health care executives continue to be offensively compensated.

We propose that federal subsidies be established to offset the cost of health care to small businesses in order to capture the workforce they need to compete against big business. This will, in turn, allow the small business to become sustainable, especially those small businesses that are economically disadvantaged.

Economic Fairness-Taxes

We believe that the family structure in America can no longer be broadly defined according to 1950 standards. We need to increase funding for family planning of single parent households to properly care for and educate their children, especially for single mothers, as historically women are paid much less than men.

At present, the federal government does not require an American to file any federal taxes if are 65 years and older and earn less than \$10,300, if are a dependent and earned income is less than \$6300 (or more than \$1000 for unearned income), or if you are a single taxpayer earning \$2500 or less per year.²² We will work to increase these thresholds.

In 1862, no one paid tax unless they were married, filing jointly and earning at least \$600, annually. At a \$600 to \$10,000 annual adjusted gross income (AGI), the married couple paid 3%

²¹ The Hyde Amendment – S. 142, 113th Congress, “To prohibit the expenditure of federal funds for abortions, and for other purposes, except for the “treatment of abortions related to rape, incest, or preserving the life of the mother.” www.congress.gov

²² www.irs.com

tax. If their AGI exceeded \$10,000 annually, they paid a 5% tax rate.²³ In 1862 \$10,000 is equivalent to \$232,558 today.²⁴ Today, the tax rate for married filing jointly is 10% for \$0 to \$18,550 in AGI. For single income earners, the tax rate today begins at 10% for \$0 to \$9,275. The IRS did not expand its tax rate beyond two tiers until after 1990. In 1990 IRS had two tax brackets, 15% for AGI up to \$19,450 and 28% for all AGI in excess of \$19,450. Now our tax structure has 7 brackets ranging from 10% to 39.6%.²⁵

We will aim to simplify the current tax structure, increase thresholds, tax exemptions, and personal deductions to help Americans save more and obtain a better quality of life.

For small businesses that are taxed as pass-through entities, the AGI of its business owner includes the income earned from their company's operations during the company's fiscal year. However, the small business owner cannot pocket that pass-through income as it is needed to maintain the company's operations, especially if the company's income is cyclical with many months not earning enough income to cover expenses. Adding the company's income to AGI unnecessarily floats the business owner to a higher tax bracket, creating an unforeseen tax burden. Often to pay this tax, the small business owner is forced to borrow from their bank line of credit, if they are fortunate enough to have one.

Not only must a small business owner pay a higher tax due to the inclusion of the company's income, it is subject to Alternative Minimum Tax (AMT) and an excessive Self-Employment Tax (SET) that can easily create a tax bracket of over 43% or higher once state corporate taxes are included. The NSBP will fight to eliminate the AMT and the additional 2% SET for small businesses that are pass-through entities.

The NSBP will crack down on tax abuse. For small businesses that are pass-through entities, we will fight for new regulation and propose the Tax Reinvestment Act for Small Business that will only tax business income if such income is taken as a distribution. If the small business owner elects to not take a distribution, the business income is not taxed on the condition that the business owner will reinvest those earnings to hire more employees and expand its operations. If the income of the company is not used for such allowed expenses to grow the business within a three-year period, the income will be taxed at the appropriate tax bracket.

The NSPB supports a no minimum tax rate increase for small businesses and rejects the proposed federal minimum wage increase to \$12 by 2024 without first implementing or considering other measures. We believe that the IRS should raise their thresholds for AGI. For example, a single person making \$20,960 AGI should not be required to pay any federal income tax. We believe that taxing anyone earning minimum wage is unconscionable.

²³ www.taxfoundation.org

²⁴ www.davemanuel.com - inflation calculator

²⁵ www.taxfoundation.org

Under current conditions, assuming a \$12 minimum wage, annual income would be \$24,960 based on a 40-hour work week at 52 weeks. AGI would be \$20,960, assuming a \$4,000 personal tax deduction, only, with the single earner paying \$3,144 in taxes.²⁶ NSBP believes that the IRS should increase the taxable threshold and not impose any federal taxes for individuals earning up to \$24,960 (or \$20,960 AGI) or less in annual income rather than burden any employer, especially small business, to pay a minimum wage of \$12.00. If the individual is earning a national minimum wage of \$7.25 today, then \$24,960 equates to 86 weeks of work, allowing the wage earner to work overtime and take on part-time work to absorb the extra 34 weeks in that year, if necessary. This will allow any employer to continue to hire students part time during school and summer months, interns and temporary personnel at reasonable wage rates.

Today, “roughly one in ten Americans between the ages of 16 and 24 is unemployed, more than twice the national average” and higher for minority populations. Raising the minimum wage will not solve but exacerbate this issue.²⁷ If small businesses, by the federal government’s size standard definition, are to consider the proposed minimum wage of \$12.00 from the current amount of \$7.25, the NSBP believes this will cause undue hardship forcing many small businesses to close.

By increasing the AGI tax thresholds, we reduce the need for the federal government to fund social programs and enable our citizens to be more self-sustainable.

We believe that small businesses that operate solely from their owner-occupied home or office space (whether condominium space or free-standing building) should no longer be required, upon the sale of that office space or home, to reinstate as income on their tax return any depreciation expense taken as a tax deduction in prior years. This will encourage more small businesses to purchase owner-occupied space and allow them to more fully embrace an American’s right to own property.

For large U.S. corporations based overseas, the NSBP will end all tax deferral on foreign profits. Regardless of where the profit is banked or deposited, all income earned by large corporations is to be taxed annually as it is earned.

In order to build incentives for Americans to save for retirement, the NSBP will fight to lower the income tax rate to a flat 15% and eliminate any capital gains tax for all eligible IRA distributions made by Americans ages 62 and older. The NSBP will also fight to allow early distributions, with a no payback requirement, to be made from any IRAs without any imposed penalty or capital gains tax if such distributions are necessary for a 10% down payment on an

²⁶ This example only considers the individual wage earner for simplicity. New thresholds would be calculated for married filing jointly, separately and for head of household.

²⁷ Democratic National Platform, Draft 2016, page 7.

IRA's owner new home purchase, necessary hospital surgical care and/or payment of college education tuition if the individual has no other financial resources.

The NSBP will work to effectively amend the RFA to include the IRS in its oversight and engage the Office of Advocacy in order to ease the tax burden of small businesses owners.

The NSBP opposes any taxation to religious or charitable institutions with all donations remaining tax deductible. We uphold the Johnson Amendment.

Subsidies

The NSBP believes that subsidies given to large businesses generally create economic waste, an over surplus of goods and services and environmental abuse. For example, regarding farming: "Subsidies can lead to chronic overproduction and dumping of surpluses on the global market, which often force smaller, non-competitive producers out of business. The abandoned land is then swallowed by larger conglomerate farms."²⁸

The NSBP will have impact on any decisions regarding subsidies to large corporations and provide an open disclosure to the factual data used to support the use of subsidies, such as any decisions that may have helped prevent the loss of over \$535 million given to Solyndra that put at risk "Obama's \$80 billion clean-technology program."²⁹

Access to Capital

While the Democrats support and the Republicans condemn the landmark 2010 Dodd-Frank Wall Street and Consumer Protection Act born out of great recession of 2008 financial reform to prevent another Lehman Brother debacle, the NSBP will review and reform any negative impacts this law may have for small businesses and any impediments it may have to accessing capital. While Dodd-Frank's main mission is to stop big banks from getting bigger to the point of being "too big to fail," the Republican Party Platform of 2016 says Dodd-Frank has caused a decline in a number of community banks, down from 13,000 community banks in 1985 to 1900 today. This is noteworthy as most agricultural loans and small business loans are made by community banks.³⁰ The NSBP will provide the factual data to support any negative impacts of this new law to prevent any access to capital barriers for small businesses.

²⁸ "The Family Farm Is Being Systematically Wiped Out of Existence In America," Michael Snyder, April 26, 2012.

²⁹ "Solyndra: Politics infused Obama Energy Programs," The Washington Post, Bill O'Leary, December 25, 2011. Solyndra received \$535 million from US Energy Department loan guarantee program in 2009 and a 25.1 million tax break from California's Alternative Energy and Advanced Transportation Authority. It declared bankruptcy in 2011.

³⁰ Republican National Party Platform, 2016, page 3.

The NSBP, as with the Democrats and Republicans, believes in reforming the Federal Reserve. We want to make it more transparent, requiring annual audits to implementing new safeguards to protect it from any political pressures. The NSBP will give small businesses a voice in how America’s banking is best managed, policed, and reformed and fight to prevent Wall Street and big business from gaining an upper hand with our money and financial resources. We do not subscribe to extremist views. Rather, we will be economically fair in our regulatory reform.

The NSBP supports many requirements of the Foreign Account Tax Compliance Act (FATCA) but not any unreasonable ability for government to make “warrantless seizure of personal financial information without reasonable suspicion or probable cause.”³¹ The costs involved to force the requirement to have all banks, including foreign banks, to provide account holder information of U.S. bank depositors to the IRS are overly burdensome and prevent foreign banks from extending any services to American bank holders.

Small businesses endeavor to give back to their communities. Any laws and regulations that stymy our growth or any impediments that prevent our ability to access capital on favorable terms inhibit our ability to help promote our communities and provide for better methods of education, decent wages, and quality of life for all our neighbors in need.

The restricted lending environment has forced small businesses to search for alternative sources for capital, such as factoring companies that mandate the use of confessed judgments. Many of these lenders purposely trigger defaults to use the confessed judgment to file erroneous UCC lines. NSBP has documentation to show that hundreds of thousands of small businesses have been affected in the last five years resulting in financial harm in the billions of dollars.³² At present, factoring lenders are not required to be licensed and have reportedly extended short-term loans with up to 400% in annualized interest. U.S Representative Nydia Velazquez (D-NY) said, “By ending confession of judgment in commercial lending, we can stop some of the abuses that are crippling honest small business owners.” NSBP will fight for laws to stop predatory lending.

Social Acceptance

The NSBP believes in religious toleration and acceptance of diversity including the LGBT community. We uphold the words of the Statue of Liberty: “Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tossed to me: I lift my lamp beside the golden door.” There are no qualifiers here, such as “only if you are a heterosexual Christian and a U.S citizen.”

³¹ Republican Platform 2016, page 13

³² Kinetic Capital, LLC – source that filed seven suits against predatory lenders and complaints with the FBI, FTC, Comptroller of the Currency, United States Small Business Administration, and more.

We want to support social programs that bridge the gap of economic disparity and give all citizens and legal immigrants the ability to achieve the American dream by funding programs to help job creation and improved housing but impose annual audits to grow accountability and eliminate any misuse or greed.

Over \$300 Million of the \$450 Million of the annual federal welfare spend assists single parent households. Yet sadly, according to the Census Bureau 2014 study, “65 percent of American children lived in households taking aid from one or more federal programs as of the fall of 2011.”³³ We believe in making welfare a benefit and not an entitlement program and implementing in TANF, Temporary Assistance for Needy Families, a work or career-educational requirement component. We want to promote economic independence and create confidence building to keep America strong.

Criminal Justice

The NSBP wants to end mass incarceration and reform sentencing by lessening or eliminating jail time for minor offenders, especially those who unknowingly violate the law without criminal intent. We believe in the Common Law’s Rule of Lenity.

We want to help fund and create a standard of performance through educational programs for law enforcement officers that consider the perils of racial profiling, terrorism and importance of community outreach.

We believe that use and production of medical marijuana should not be considered a criminal act and allow growers to be able to deposit funds and earnings in FDIC approved banks instead of finding ways to bypass unreasonable federal regulatory barriers.

Too much taxpayers’ dollars are spent on the death penalty appeal process by inmates on death row. To avoid unnecessary legal expenses incurred by our judicial systems, we do not support the death penalty.

First Amendment

- Faith-based Politics

While the current Republican platform seeks to eliminate the Johnson Amendment, we believe that church and state should be and remain separate. We do not support tax-exempt houses of worship from influencing partisan political campaigns or allowing our First Amendment’s free speech protection to minsters of faith. We do not support “turn[ing] houses of worship into

³³ “65 Percent of Children Live in Households on Federal Aid Program.” Cnsnews.com. Terence P. Jeffrey, December 10, 2014 4:44 AM EST

miniature political action committees”³⁴ while simultaneously allow them to enjoy their tax-exempt status.

- Union-based Politics

While the 2016 Republican National party supports faith-based politics, they do believe and try to justify that it is a violation of First Amendment to fund “political candidates through union dues and other mandatory contributions.”³⁵

While most union workers paying dues would tend to agree with their unions’ support of a particular candidate and whole heartedly agree with the Democratic National Platform agenda, the NSBP believes that it is highly improbable that union workers are being “forced to individually support individuals or ideologies that they oppose,”³⁶ much like any congregation would be forced in supporting their minister through collection plate donations and tithing. Therefore, we find the Republican stance flawed.

Nevertheless, the NSBP does not support union hedge fund money to fund any particular political candidate as it puts too much political power in the hands of big business to codify big business agenda given their endless funding sources from workers’ dues and contributions. We believe that political leaders supported by union hedge funds become agents for the union and large corporations rather than for our nation’s people.

Corporatism

Franklin Roosevelt defined fascism in the United States as the “domination of government by corporations.” As Robert F. Kennedy Jr. stated, “If communism is the domination of business by government then fascism is the domination of government by business. The narrow alley we walk between communism and fascism is free market capitalism and democracy.”³⁷ Small businesses are the backbone of our nation and drive our economy, but we are blocked by barriers effectively lobbied by big business. Perhaps fascism, as Kennedy states when he draws upon Mussolini’s analogy, “should be called ‘corporatism’ because it is the merger of state and

³⁴ MSNBC “Why Trump keeps focusing on the ‘Johnson Amendment,’ Steve Benen, July 22, 2016 2:04 pm, www.msnbc.com

³⁵ 2016 Republican National Party Platform, p.12

³⁶ 2015 Republican National Party Platform, .12

³⁷ Administration of Plunder, Robert F. Kennedy, Jr. September 18 Fighting Bob Fest speech,

www.fightingbob.org Fighting Bob Fest’s mission is informed by the belief that public participation in government has tragically eroded, that corporations dominate the policymaking process, and that elected officials systematically neglect the public interest as they purport to represent it. The Fest’s organizers further assert that freedom and justice are defended through education, and that the exchange of ideas promotes solidarity among progressives. To this end, Fighting Bob Fest strives to provide citizens with a forum for democratic participation, where frustrations with current policies can be constructively molded into calls to action.”

corporate power?"³⁸ We believe that representatives of large corporations or their lobbyists should not be appointed to any agency at any level of the federal government.

Corporatism is not trickling into our political system; it is firmly entrenched. Take for example the last two Administrations. Under GW Bush's Administration, corporatism was in play on many levels as indicated below:

"The connections between Monsanto and the new Bush administration are also very solid. G.W.'s pop, Bush Sr. appointed Clarence Thomas, a Monsanto attorney, to the Supreme Court. Thomas played a key role in the selection of G.W. as president. John Ashcroft, the current attorney general, was the top recipient of Monsanto contributions when he recently tried to get reelected to the U.S. Senate. Donald Rumsfeld, the current secretary of defense, was president of Searle Pharmaceuticals, now owned by Monsanto. Tommy Thompson, now the secretary of Health and Human Services, helped the biotech industry by getting the state of Wisconsin to set up a \$37 million biotech zone there. He received \$50,000 from the biotech industry for his reelection campaign. The current secretary of Agriculture, Ann Veneman, was on the board of directors of Calgene Pharmaceuticals, an affiliate of Monsanto. Recently, Linda J. Fisher, a former Monsanto official, was nominated by Bush to be second-in-command at the EPA. She was Monsanto's representative in Washington from 1995 to 2000 and coordinated the company's strategy to blunt resistance to genetically modified food" [1] See also GM lobby takes root in Bush's cabinet. Other high level government connections include Stansfield Turner, former Director of the CIA and member of the Monsanto Board and Earle H. Harbison former president of Monsanto and CIA officer for 19 years."³⁹

The Obama Administration followed suit and "appointed numerous people associated with Monsanto to high-level positions."⁴⁰ Obama also appointed Mary Jo White to head of the SEC who, for ten years prior, represented Wall Street as their defense attorney, Jeffrey Immelt, the former CEO of General Electric, who accepted government bailouts and sourced many jobs overseas to steer Obama's Council on Jobs and Competitiveness, Gene Sperling, of Goldman Sachs, to Chair the National Economic Council, Lawrence Summers, former director at D.E. Shaw and other large banks, to be a member of the National Economic Council, and William Daley, a former JP Morgan executive, to be Obama's Chief of Staff.⁴¹

The NSBP will stop abuses of corporatism and to make certain that our economy is founded upon the principles of economic fairness, not big business agenda alone.

American Farming

We believe that the family small business farm is vital to preserving America's heritage and a class of society that continues to beautify our nation's landscape since the colonial era. Many

³⁸ Ibid

³⁹ www.sourcewatch.org. Monsanto's High Level Connections to the Bush Administration.

⁴⁰ Monsanto Controls both the White House and the US Congress: No Matter who wins the Presidential Election Monsanto Benefits. Global Research, Josh Sager, May 24, 2014

⁴¹ "5 Obama Appointees with Wall Street Ties." www.care2.com. Kevin Matthews. April 8, 2003.

of our Founding Fathers were farmers. Since the dawn of Democracy, “small local farming communities financially supported entrepreneurs with local communities”⁴² who sold farm products and provided services to farmers. “Money was made, traded and for the most part [it] stayed in local communities”⁴³ by the sweat equity of the farm’s family members, who, in turn, engaged local labor.

According to the Department of Agriculture, in 1935 America had 6.8 million family farms. Today, that number is down to below 2 million with only 2% of Americans living on farms.⁴⁴ Other alarming facts⁴⁵ are:

- 330 (approximately) farmers abandon their farms every week
- 6% of farmers are under the age of 35
- 25% or less of all farms produce less than \$50,000 in annual gross revenues
- Between 1970 and today, the U.S. lost 88% of our dairy farms
- 80% of all U.S. corn is from genetically altered seeds produced by Monsanto

In addition, the federal government has increased farming regulation, making it too complex and costly for the family farm owner to implement, monitor or even understand. But, big agribusinesses can and soon will control all of our farming.

According to the 2016 Republican Party Platform they “oppose the mandatory labeling of genetically modified food,”⁴⁶ which suspiciously appears self-serving to big agribusinesses such as Monsanto.

With the number of abandoned farm lands increasing weekly, “The American Farmland Trust estimates an acre of U.S. farmland goes into development every two minutes...” with urbanization gobbling up the “iconic barns and sprawling rural landscapes...at an alarming rate.”⁴⁷ Further, the 2016 Republican Party Platform argues that the “U.S. Forest Service, within the Department of Agriculture [that] controls 200 million acres of land...should be used to the best economic potential for the nation.”⁴⁸ The NSBP is curious as to who would be the recipient of these freed up lands and will fight to reinstate fairness in farming.

For example, Oklahoma has on its ballot for this year’s presidential election, State Question 777. According to NSPB’s interview with Rick Dove, “Such laws were never necessary until

⁴² Personal Interview of Rick Dove, representative of the Waterkeeper Alliance.

⁴³ Ibid

⁴⁴ “The Family Farm is Being Systematically Wiped Out of Existence in America” Michael Snyder, April 26, 2012

⁴⁵ Ibid

⁴⁶ 2016 Republican Party Platform, p. 17

⁴⁷ “The Disappearing Family Farm.” <https://realtruth.org/articles/100607-006-family.html>

⁴⁸ 2016 Republican Party Platform, p. 18

industrial agriculture moved in and took farming away from small business family farms.” Perhaps this is Big Agribusiness’ beginning attempt to take over our U.S. Forest Service control of the 200 million acres of land? State Question 777, according to ballotpedia.org, “was designed to require the courts to apply the same standards to lawsuits concerning agriculture and livestock as in cases concerning free speech, gun ownership, and religious freedom.”

Big agribusinesses processing of meat involves a “huge admixture of animals” that tends to spread “E.coli...,” according to Eric Schlosser of Fast Food Nation. ⁴⁹Not only is meat processing a concern, but how the source of the meat is raised. For example, the U.S. inventory of swine today is 60 million, roughly the same number back in the early 1900s. However, as swine are slaughtered upon reaching 5.5 months old, the 60 million in swine population today turns over all too quickly. Where the 60 million hogs in the early 1900s were spread out over many small farms creating little environmental impact, today the population of swine is concentrated heavily on industrial farms such as Smithfield Foods, formerly a U.S. publicly traded corporation now owned by the WH Group, a China based corporation. International industrial farm producers located in the U.S. will soon eviscerate the small swine farms in America. North Carolina, alone, has experienced the loss of over 20,000 local family swine farms in the last 30 years. Today, North Carolina has 2500 industrial swine producers growing 10 million hogs a year. ⁵⁰

Imagine the fecal waste that the 10 million hogs in North Carolina, alone, produce in one year. The amount of hog waste resulting from concentrated populations of swine on industrial farms is highly toxic to our environment. Yet with all the subsidies paid to big businesses, they are not required to install sewer treatment plants to handle the waste that flows into tributaries that eventually lead to large waterways including the Chesapeake Bay. Those subsidies are funded in large part by the tax dollars paid by hard working Americans, who are then subjected to more tax by their states and local governments to help clean up the mess made by big business.

The NSBP will mandate that certain conditions be met for any and all subsidies to be paid to big business, including, but not limited to, the direct and indirect economic and environmental impacts that big businesses have on the surrounding communities in which it operates.

To help preserve local farming, NSBP supports a buy local program regulation to require large supermarket chains to establish a buy-local produce section in each store, as well as mandate that all imported meat be labeled as to country of origin.

Environment

Big business needs to be dedicated to America. We want our taxes to help the environment and have a collective voice in Congress to impede the greed often in play by big business and even

⁴⁹ “The Disappearing Family Farm.” <https://realtruth.org/articles/100607-006-family.html>

⁵⁰ Rick Dove, Waterkeeper Alliance

by our federal government, who has to-date provided little accountability for their polluting past and present practices.

According to the 2016 Republican Party Platform, the republicans “support the development of all forms of energy that are marketable in a free economy without subsidies”⁵¹....[and] the opening of public lands and the outer continental shelf to exploration and responsible production, even if these resources will not be immediately developed.”⁵² The republican platform pushes aside any concern for climate change, where the Democratic National Platform considers climate change an “urgent threat and a defining challenge of our time”⁵³...and supports “eliminating special tax breaks and subsidies for fossil fuel companies as well as defending and extending tax incentives for energy efficiency and clean energy.”⁵⁴

The NSBP believes that we can create new forms of energy without plundering our land and natural resources. Small businesses want to protect their communities with many concerned about their own carbon footprint. The NSBP believes that new forms of cheaper and more efficient energy sources do not require a greed stampede by big business; and, that the tax incentives for energy efficiency and clean energy are not just extended to big business concerns.

The NSBP, however, knows well that the federal government has past and present polluting practices, too. To cite one example, The Conowingo Dam under the supervision of the Army Corps of Engineers has not been dredged in 85 years.⁵⁵ During Hurricane Agnes, the over flooding of the dam spilled millions of cubic yards of sediment onto the Chesapeake Bay floor, essentially killing the bay. The federal response stated that all issues concerning toxic spillage were remedied soon after Hurricane Agnes. A 2014 report from the U.S. Army Corps of Engineers and the Maryland Department of the Environment states that a large majority of the pollution to the Chesapeake Bay during large storm events comes from runoff from pollution sources, mostly farms, located at the upstream drainage area and not from sediment trapped behind the dam.⁵⁶ The findings of this report were later disproven.

However, before and after pictures of Hurricane Agnes provided via a Freedom of Information request made by Carroll County, Maryland shows no further spillage. But the pictures were found to have little credibility given that the cloud formations of the two pictures matched identically. Later, the U.S. Geological Survey admitted to manipulating the pictures. Maryland’s Governor Hogan is leading a push to have the dam dredged. What is alarming is that

⁵¹ 2016 Republican National Platform, p. 18

⁵² Ibid. p. 19

⁵³ Democratic National Platform Draft 2016, p. 18

⁵⁴ Ibid. p. 19

⁵⁵ Report: Giant pool of silt looks scary, but it isn’t a major threat to the Chesapeake Bay. Washington Post. Darryl Fears. November 13, 2014

⁵⁶ Rothschild uses address to discuss Conowingo Dam, bay pollution. Carroll County Times.

Conowingo Dam is owned by Exelon Corp who only recently paid \$4 million to study the issues.⁵⁷ Corporatism is thriving.

Natural resources such as our nation's waterways cannot be abused and neglected by big business heightened by inaction or negligence of the federal government. The NSBP will dive deep into the environmental issues and require regulations for open disclosure and accountability of the federal government's negligent acts with sanctions imposed on those leaders failing in their duties and responsibilities.

The NSBP will protect America's endangered species against worldwide extinction and uphold the Endangered Species Act (ESA) and fight any big business lobbying efforts at the federal government level seeking to use methods such as eminent domain to justify the actions of big business in their wrongful consumption of land. However, NSBP believes that The Endangered Species Act must create criteria to determine when to eliminate an animal as an endangered species – at least on a bi-annual basis – for economic fairness and to dispel, for example, the 2016 Republican National Party Platform motives in stating that ESA's incorrect listing of certain species as endangered "threaten to devastate farmers, ranchers, and oil and gas production."⁵⁸

Immigration – A Path to Citizenship

In the early 1900s healthy immigrants were naturalized immediately upon exiting Ellis Island. They worked hard earning weekly pay in cash without the need to pay federal income tax and file taxes. Construction workers did not need to sign onerous contracts, agree to paid-if-paid language, pay for high cost insurance, submit CPA financial statements, and qualify for surety bonds. They worked, got paid in cash, and saved their earnings.

Today immigrants can wait up to a decade to earn their citizenship. Allowed to stay and work in America illegally as long as federal and state taxes are paid, they cannot vote or be enrolled in Social Security. We want to keep our law-abiding immigrants who embrace our heritage and consume our products in America. We agree with the Democrats to "guarantee government-funded counsel for unaccompanied children in immigration courts."⁵⁹

do not support building walls. Instead we support the national use of E-verify to verify the identity of employees, relieving sanctions and fines to be paid by employers. We need to fund more technological means in which to prevent and monitor illegal immigrants from entering our borders, especially those with criminal history, by creating economic sanctions against their home country. If hard working immigrants are here illegally, we should not separate families and instill fear but instead help expedite their naturalization process.

⁵⁷ Report: Giant pool of silt looks scary, but it isn't a major threat to the Chesapeake Bay. Washington Post. Darryl Fears. November 13, 2014

⁵⁸ 2016 National Republic Party Platform. P. 22.

⁵⁹ Democratic National Platform 2016 Draft, p. 12

Our immigration system is broken. We support reform of the Immigration and Naturalization Service (INS) by splitting its functions into two agencies, one focusing on enforcement and one exclusively devoted to service. New regulation would require the implementation of better training programs for Law Enforcement, Justice and Social Services Sectors in Cultural Competence, Human Rights, and Geopolitical conditions to ensure appropriate processing of cases.

We must remember our humanity and our history.

We support equitable asylum and refugee policies that treat people humanely. We support restoration of basic due process protections, so that immigrants are no longer subject to deportation for minor offenses and are eligible to receive safety net services supported by their tax dollars.

Non-criminal deportations are expensive and an ineffective use of resources. We recommend redirecting the staff, funds and energy to reforming the Immigration System so good hard-working people can live out of the shadows and be recognized for their contribution to our nation's growth.

Reports issued by the Small Business Alliance and Main Street Alliance echo our immigration concerns.

- Most small business owners – nine in ten – in the Small Business Majority report recognize that our current immigration system is tragically flawed, and the majority of respondents support a bipartisan effort to reform it. Similarly, the Main Street Alliance report shows strong small business support for immigration reform, with further emphasis on the role of immigrants in the economy and in communities.
- According to the Small Business Majority report, almost three-quarters of small business owners recognize the need to allow more high-skilled workers to enter the country to benefit the overall economy, while 64 percent agree that there is an economic need to allow more less-skilled workers to enter the U.S.
- Many small business owners (73 percent) in the Small Business Majority report see a need to revise the guest worker system by creating a new worker visa that would allow portability and mobility for workers to change employers as part of a protection from abusive employers, as well as a path to transition beyond temporary status.
- The Main Street Alliance report shows that two-thirds of small business owners support a roadmap to citizenship for immigrants already living in the U.S., and 61 percent favor a roadmap to citizenship for future immigrants over a temporary worker program with no path to citizenship. Most small business owners (three-fourths) in the Small Business Majority report support a pathway to citizenship for the 11 million undocumented immigrants currently in the U.S.

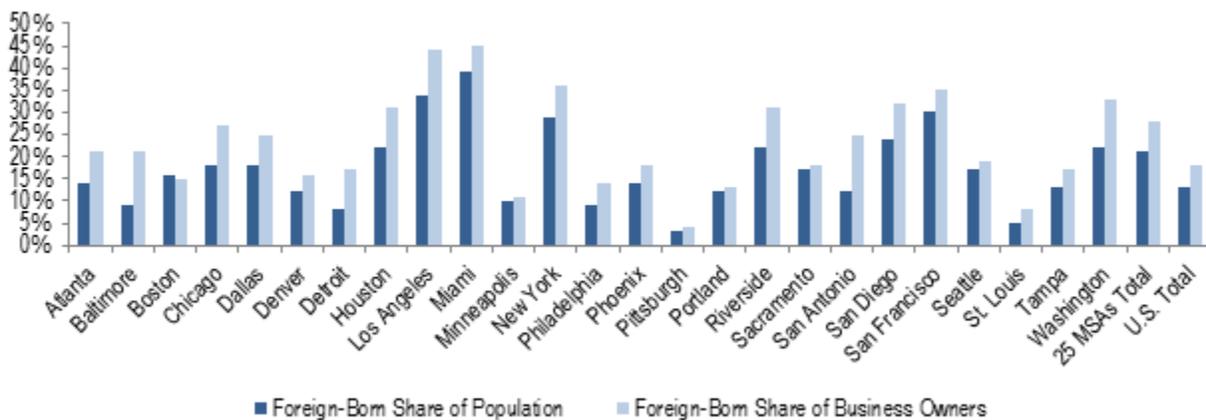
Furthermore, the Main Street Alliance report finds small businesses largely agree with the following three statements about immigration’s role in American communities, economy, and society:

- 82 percent agreed with the statement: “Generations of new Americans, both business owners and workers, have helped build strong local economies and communities. Today, outdated and out-of-touch immigration policies are hindering our economic progress. Addressing immigration is important.”
- 71 percent agreed with the statement: “Our immigration policies should encourage the economic integration of new American immigrants. This will strengthen the customer base for small businesses, bring new talent to the nation and help those businesses grow and create jobs.”
- 67 percent agreed with the statement: “Small business owners and their employees are like family. When an employee’s family is separated by our current immigration laws, it impacts morale and focus in the workplace. Keeping families together is important to ensure a productive and focused workforce for small businesses.”

Adding to the above, the Small Business Majority report shows that small business owners recognize that immigration and immigration reform are good for America (84 percent); and, that immigrant entrepreneurs help facilitate business and economic growth for the country (66 percent).

Of the 40 million immigrants living in the United States in 2012, slightly less than half (46 percent) were naturalized U.S. citizens and approximately 30% were unauthorized immigrants. Unauthorized or undocumented (illegal) immigrants in 2012 represented 3.7 percent of the total U.S. population and 5.2 percent of our labor force. But most notably, the share of entrepreneurs who are immigrants grew from 13.7 percent to 27.1 percent during 2012; and in 2010, immigrant business owners generated \$121.2 Billion in net business income, or 15 percent of all net business income in the U.S. Immigrant entrepreneurs are driving U.S. growth in transportation and food production. We support the expansion of the H-2A program for temporary agricultural workers to build a strong undercurrent for entrepreneurial success.

Immigrant Business Ownership in the 25 Largest Metropolitan Statistical Areas in 2010



Source: David Dyssegaard Kallick, *Immigrant Small Business Owners: A Significant and Growing Part of the Economy* (New York, NY: Fiscal Policy Institute, 2012).

The chart indicates that our immigrant population throughout the United States positively influences job growth in metropolitan areas and in many cases, spurs urban revitalization creating a tax base that was otherwise non-existent.

Immigrants contribute to the United States' economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the country's research universities. In 2009, according to the Partnership for a New American Economy, "non-resident aliens" comprised almost 41 percent of all masters and doctorate degrees in STEM fields. 40 percent of STEM master's degrees and 45 percent of STEM doctorates were awarded to "non-resident aliens".

To ensure that high-tech highly educated immigrants continue to contribute success in STEM, we support increasing the number of H-1B visas. We support building strong relationships between universities and the business community to enable our international students to keep driving the innovation and diversification that forged our great nation. For example, immigrants in the United States also contribute to the country's innovation economy by earning patents on new research, products, and ideas. According to the Partnership for a New American Economy, 76 percent of patents awarded to the top ten patent-producing U.S. universities in 2011 had at least one foreign-born inventor.

According to Regional Economic Models, Inc., an expansion of the high-skilled visa program could create an estimated 1.3 million new jobs in the U.S. by 2045. This expansion has the potential to add around \$158 billion to Gross Domestic Product by 2045.

Overall, we support an immigration process whereby good hard-working undocumented immigrants can become legalized and contribute to the economy formally by paying taxes. Immigration reform will also reduce human rights violations, which result from the underground economy of human trafficking and money laundering.

Education

K-12

We believe, that our K-12 school system needs to create innovative solutions to better educate children and promote educational fairness overall.

Based on the following data, our elementary and secondary schools nationwide are severely underfunded while the student population continues to increase, and the number of teachers remains static.

According to the U.S. Department of Education Common Core of Data's most recent table on Federal and State revenues for public elementary and secondary education dated 2007⁶⁰, revenues for public elementary and secondary education approximates \$555 Billion (of which \$254 Billion is funded by state government) and the average daily pupil attendance approximates 46 Million with a teacher population of 3.5 million. However, the Public School Revenue Sources of the National Center for Education Statistics' report on The Condition of Education⁶¹, states that through 2013, "total revenues for public elementary and secondary schools...increased to \$618 Billion...accompanied by a[n]...increase in total elementary and secondary public school enrollment...to 50 million..."

This means that the U.S. spends approximately \$12,300 per pupil per year (as of 2013). Further, it reports that "approximately 80 percent of current expenditures were for salaries and benefits for staff." **With the report stating \$620 billion in current expenditures and revenues at \$618 billion, our elementary and high school education is underfunded by \$2 billion, annually. Note that the tables only take into account the top 100 schools, not all U.S. K-12 schools.**

The National Center for Education Statistics' Digest of Education Statistics: 2014⁶², forecasts that through 2024 levels of total public elementary and secondary enrollment will reach at least 52.0 million...with 3.5 million full-time equivalent elementary and secondary teachers...engaged in classroom instruction. With the national population of elementary and secondary teachers and students, our student to teacher ratio will hover in the 15:1 range, a ratio strong enough to enable high quality education.

However, according to the 2012 Program for International Student Assessment (PISA), "Among 15-year old students, 29 education systems had higher scores than the United States in mathematics literacy, 22 had higher average scores in science literacy, and 19 had higher average scores in reading literacy."

Our school year was originally based to accommodate America's needs as an agrarian society. Long summer breaks are no longer needed so children can help cultivate farmland. Today this average 10-week summer break causes too much relearning of critical subject matter. The NSBP believes a new school year structure should be proposed.

We believe that school hours for children K-12 should begin by 8:30 and end by 5:00 pm to incorporate more time for health and fitness, financial literacy and home economic life lessons. Parents will be able to save on childcare costs and have peace of mind knowing their children are safe. Many impoverished children during summer break do not receive adequate nutrition and miss many meals.

⁶⁰ http://nces.ed.gov/ccd/tables/state_revenues_FY07.asp

⁶¹ http://nces.ed.gov/programs/coe/indicator_cma.asp

⁶² <http://nces.ed.gov/programs/digest/d14/>

According to a recent study on childhood obesity, most U.S. Schools do not require Physical Education or allow recess.⁶³

- Only Oregon and the District of Columbia provide the recommended amount of exercise per week for elementary and middle school students
- Only 19 states require elementary school children to exercise a certain amount of time during school and high school only six states
- Only 39 states require elementary school students to participate in exercise programs during the school day
- 40 states allow school officials to prevent student from exercise as punishment
- Most schools on average have only \$764 per year to spend on PE programs
- Based on the President's Council on Fitness, Sports, and Nutrition children and adolescents (ages 6-17) should get 60 minutes or more of physical activity per day.

Today, one in three (1:3) U.S. children are overweight or obese. In the last 30 years, childhood obesity has quadrupled in our adolescents.⁶⁴

The NSBP believes that the three weeks of the average 10-week summer break, children K-12 should be required to attend all day physical education (PE) or vocational camps from 8:30 to 5:00 pm. Schools K-12 are to receive additional funding for these programs. Children could elect to take PE at private camps that meet state certification requirements, if so desired. The PE camps would be able to teach various exercise disciplines and include lessons on diet.

Requiring summer PE or vocational camp attendance will drive success for small businesses serving this industry segment, as well. For example, according to the National Data and Statistics on Summer Camps:

- **Summer Camps are an \$18 billion dollar industry** (*2015 ACA Business Operations Report*)
- More than **14,000 day and resident camps exist in the U.S.**, 8,400 are resident (overnight) and 5,600 are day camps. (*2014 ACA Sites, Facilities, Programs Report*)
- Since 2002, the number of ACA day camps has increased by 69% and resident camps have increased by 21%. (*CRM Camp Statistics Report, June 2013*)
- Each year more than **14 million children and adults attend camp in the U.S.** (*2013 ACA Camp Compensation and Benefits Report*)
- Nonprofit groups including youth agencies and religious organizations operate approximately **9,500 camps, and 2,500 are privately owned independent for-profit operators.** (*2011 ACA Sites, Facilities, Programs Report*)

⁶³ http://www.phitamerica.org/PE_In_School.htm

⁶⁴ <http://www.cdc.gov/obesity/data/index.html>

- Camps **employ more than 1,500,000 camp staff** to work in various camp positions. *(2010 ACA Camp Compensation and Benefits Report)*
- In the past 10 years, there has been an increase in the use of international staff to expose campers to different cultures. Nearly **20% of staff are from other countries**. *(2010 ACA Camp Compensation and Benefits Report)*

According to ACA: *Youth Outcomes of the Camp Experience* report, parents cite the following as the most important reasons for sending their children to camp:

- Helps build self-confidence and self-esteem
- Provides a safe learning environment
- Builds social skills and friendships
- Instills good feeling and thoughts about themselves
- Promotes self-confidence or self-esteem
- Increases independence and leadership skills
- Spurs adventurousness and willingness to try new things

With a better mind and body, children K-12 will start the school year in an eager state to learn.

The NSBP believes that we need new definitions of success. Education leaders need to explore a more flexible ESSA (Every Student Succeeds Act) to achieve better state leadership and accountability and ultimately close the achievement gaps. Educators need to work with community leaders to create a range of meaningful project-based learning opportunities to provide relevant and meaningful curriculum that fosters entrepreneurship, innovation and vocational training. School curriculum should include programming as a new language requirement since the ability to write code is taking on an unprecedented (global) level of importance regarding robotics. Teachers have the ability to morph our children’s minds. The curriculum they produce should be evaluated on its impact on youth development, taking into consideration new learning models using neuroscience.⁶⁵

The NSBP believes that our education system for K-12 needs to be designed around “not yet proficient” students at every step of an academic school year to ensure success for every student. One way this can be achieved is through a teacher’s Personalized Professional Development (PDD) for licensure and certification. The old models of PDD that included seminar attendance selected by the administration on certain days are ineffective. Teachers are now learning on the go. We support next-gen learning models that allow teachers to co-design their own PDD through interactive online learning, service-based learning and real-time

⁶⁵ Content taken from <http://www.inacol.org/news/11-big-trends-for-2016-predictions-and-changes-ahead-in-k-12-education>

workshops that require a more hands-on approach. Only in this fashion do we believe that teachers will be able to keep up with the fast pace of today's society.

We believe that our K-12 schools should embrace mobile learning to prepare our children for the virtual work office environment. It will provide multiple pathways to learning. Mobile learning is growing globally. The instructional design of mobile learning requires that learning become more modular, contextual and "bite-sized" to provide flexibility and clear outcomes before moving to the next level of learning. Powerful tools are needed to ensure learners and teachers can connect, collaborate and communicate effectively in an academic setting on the go.

The NSBP clearly believes we could provide the solutions to fix our educational system. With the billions of federal dollars supporting the public-school system, the US Department of Education needs to mandate that states implement better policies and methods for education and reduce its federal regulation to stop zip codes from driving school student population. The US Department of Education continues to spend huge amounts of money on a broken system fully expecting to see better results. The NSBP wants to end this insanity spend.

Higher Education Costs & Student Loans

The Condition of Education reports that for first time, full-time students attending college in 2013-2014, "the average net price of attendance (total cost minus grant and scholarship aid) was \$12,750 at 4-year public institutions."⁶⁶ Nearly 50% of this population in 2013-14 received student loans.⁶⁷ As of 2012, the "average cumulative amount borrowed was \$26,400"⁶⁸ by 4th year undergraduate students ages 18 to 24. Total student enrollment in 4-year public institutions was 13.7 million in 2010 with declining enrollment of 3% between 2010 and 2014.⁶⁹

The federal government under Title IV of the Higher Education Act of 1965 provides federal grants, loans and work study programs and charges interest on their loans having a pay-back

⁶⁶ http://nces.ed.gov/programs/coe/indicator_cua.asp. NCES, National Center for Educational Statistics, Condition for Education, Price of Attending an Undergraduate Institution.

⁶⁷ http://nces.ed.gov/programs/coe/indicator_cua.asp. NCES, National Center for Educational Statistics, Condition for Education, Price of Attending an Undergraduate Institution

⁶⁸ http://nces.ed.gov/programs/coe/indicator_cua.asp. NCES, National Center for Educational Statistics, Condition for Education, Price of Attending an Undergraduate Institution.

⁶⁹ http://nces.ed.gov/programs/coe/indicator_cua.asp. NCES, National Center for Educational Statistics, Condition for Education, Price of Attending an Undergraduate Institution.

Maryland State Board of Contract Appeals in October 2015 entitled, *In The Appeal of Manuel Luis Construction Co., Inc. under SHA Contract No. BA6885184* pertaining to "a claim for recovery of damages incidental to alleged delay and loss of productivity occasioned by numerous changes made by the State after contract award."

period of 10 years. Table 331.95 of the Condition of Education shows that the federal government loans to students amounted to \$64.3 Billion, in addition to nonfederal loans of \$29 Billion and Parent Plus Loans of \$19.9 Billion as of 2012, all of which are interest bearing. Once you include student financial aid and grants, the total amount provided by the federal government to help fund higher education in 2011 was \$146 Billion.⁷⁰

The default rate on students paying back their federal student loans was 9.1% in 2010, the most current data provided by the Condition of Education. But, according to the Wall Street Journal's findings in 2016, "43% of the roughly 22 million Americans with federal student loans weren't making payments as of Jan 1."⁷¹ Using the best data we have, since nearly half the 13.7 million students who attended state colleges in 2010 took out loans, it is a safe assumption that 30% or more of these 22 million students attend state colleges.

To help students with defaulted loans, the Democratic National Platform 2016 Draft calls for restoration of the "prior standard in bankruptcy law to allow borrowers with student loans to discharge their debts in bankruptcy as a measure of last resort."⁷²

The NSBP wants to stop this harm to our young adult children. Rather than have our children incur credit harm by electing bankruptcy because they could not pay the interest-bearing student loans, rather than having the federal government fund approximately \$146 Billion for higher education, the NSBP believes that public higher education of degree earning 4-year institutions and at community colleges should be at no cost. This will eliminate the expensive administration oversight costs of the federal loan program, its grant and financial aid programs, costs of bankruptcy, and unnecessary bad credit history for our children.

Until this no-cost college education can come to fruition, NSBP believes that student loans are to be interest free if paid off within a ten-year period and be able to be discharged under certain conditions and not be subject to the US Supreme Court Decision of *Lockhart v. ED No. 04-881*. This decision barred the statute of limitations giving the federal government the ability to collect outstanding student loan debt "by administrative offset" which includes offset against any Social Security benefits.⁷³

⁷⁰ http://nces.ed.gov/programs/coe/indicator_tua.asp. NCES, National Center for Educational Statistics, Condition for Education, Financing Postsecondary Education in the United States. However current Secretary of Education DeVos in her most recent speech to Federal Student Aid's Training Conference stated that the amount of defaulted student loans as of 2013 is \$1 trillion.

<https://www.ed.gov/news/speeches/prepared-remarks-us-secretary-education-betsy-devos-federal-student-aids-training-conference>

⁷¹ "More than 40% of Student Borrowers Aren't Making Payments." Wall Street Journal. Josh Mitchell, April 7, 2016 1:05 PM

⁷² Democratic National Platform 2016 Draft. P. 20

⁷³ Lockhart v. United States

<https://drive.google.com/file/d/1a5kwD48vj9vfod022K6TuteW1k4u2eE8/view?usp=sharing>

The amount of defaulted student loans is costing U.S. taxpayers over one trillion; and, according to NSBP sources, the default rate on international student loans may be a major contributing factor. It is believed that many International students with student loans leave the U.S. before paying back their loans, loans guaranteed by the U.S. taxpayer. A U.S. citizen or permanent resident is not always required to be a co-signer. A U.S. bank cannot seek legal recourse forcing the international student to pay their balance before once they leave the U.S. See paragraph 4 of the FBI Complaint filed against the University of California (Regents).⁷⁴ NSBP believes that any international student with outstanding student loans must show evidence of repayment or present a bona fide co-signer before allowing to matriculate.

At present the student default loan statistics typically do not distinguish between non-residential and international students.⁷⁵ Due to allegations of fraud as to how the student loans are administered, a complaint was filed with the FBI and the General Accounting Office of the federal government has begun conducting an audit as noted above.

The NSBP supports a full FBI investigation against all university school systems to have the GAO office engage in a nationwide audit for fraud associated with federal student loan approvals and require that non-residents of the US and international students become two distinct categories for reporting purposes. Further, no institution should be able to self-insure the federal funding it receives for student loans without a surety bond to protect against malfeasance, as well as sufficient errors and omissions insurance to protect negligent acts, or a letter of credit to serve as collateral to protect U.S. taxpayers against wrongful acts.

The NSBP understands that implementing this change will take time and will seek interim relief for students. We will fight for regulation that prevents any interest on student loans if paid back within a 10-year period. We will fight to stop in-state tuition rates applied by public 4-year higher education degree earning institutions and give preference to residential applicants. Our children should be able to apply to higher education institutions that best fit their needs and aspirations with no out-of-state price differential.

⁷⁴ FBI Complaint

https://nam05.safelinks.protection.outlook.com/?url=https%3A%2F%2Fdrive.google.com%2Ffile%2Fd%2F16p0HeDQWd_b7Db-JSw8XhgF-1yyS5H3Q%2Fview%3Fusp%3Dsharing&data=02%7C01%7CLGore%40burfordcapital.com%7Cd0303d67b74942e5850e08d6f8f6135e%7Cc7e4ab57532b4fdc899cf6837dd63267%7C0%7C0%7C636970133108961975&sdata=uhw4J3SurN%2F7Udx1HZKU%2Bc4vZ8xEcU4Su99TgrkfAYU%3D&reserved=0

⁷⁵ https://drive.google.com/file/d/19_5jgS2sdSPu6tvyi8mnRwqbgdUF5QNr/view?usp=sharing – Summary of California State Audit Report

Equal Rights

The NSBP will fight to pass the Equal Rights Amendment and give women the platform and access to bring to bear their social injustice issues. We will fight to attain equal pay for women and for 4 months of paid leave to all parents to care for their new child or family's critical health issues. For single parents, we support paid leave up to six months who make less than \$25,000, annually.

Voting Rights

The NSBP is against re-districting to purposely favor one party. Rather, we propose a re-districting policy that would take place every eight years to ensure that members of Congress are not "grandfathered" into position without incurring any campaign competition. Our representatives in Congress need to embrace changing community dynamics and issues impacting our millennial population.

If E-verify technology can alleviate fines and penalties for employers who unknowingly hire illegal immigrants, the NSBP supports similar technology to prevent voter abuse to ensure that only U.S. citizens cast their vote only one time.

The NSBP does not subscribe to the current structure of the "winner-take-all method of electoral vote allocation" of Electoral College which was last codified by Twelfth Amendment in 1804. To-date, only Main & Nebraska use a proportional method in distributing their electoral votes, call the "Congressional District Method."⁷⁶ The NSBP is in favor of exploring revisions and possibly the elimination of the Electoral College.

The NSBP believes that the citizens of the United States should determine our leadership as the means and methods employed when we were a young nation no longer apply. In 1804 women could not vote. In 1804 our black population could not vote. In 1804 the only people who could vote were white men that owned property. The last legislation for voting rights was the Voting Rights Act of 1965 to secure voting rights for all minorities—voting rights that are controlled by an 1804 election process.

Present-day Electoral College is breaking the will of our people. The NSBP believes that election through popular vote, or at best a revision to take into account proportional votes, will eliminate the abuses of super PACs, promote more transparency in campaign financing and significantly diminish big business self-serving agenda from controlling our leadership and the abuses of 527 groups, groups having no caps or restrictions on contributions that are not regulated under state and or federal campaign finance laws.

We believe that primary elections should take place on the same date to prevent early withdraw of prime political presidential candidates from ballots.

⁷⁶ <https://www.270towin.com/alternative-electoral-college-allocation-methods/>

Technology and the Internet

The NSBP will fight to keep the internet free from any government regulation that allows collection of our private data. We support federal oversight to prevent cyber-attacks and best practices regulation for data-privacy protection that is cost effective and easily implemented for small businesses. Small businesses need federal guidance on what minimum practices and products to implement to safeguard against claims and sanctions when transmitting and storing sensitive data.

We believe that access to the internet is becoming controlled by big business and the cost of internet access and cable television is too expensive for even the average American to afford. The NSBP is supportive of new regulation that requires companies providing internet to cap their pricing with no term limits at an affordable level that an average wage earner can afford and increases special funding under Title I to give low income families free internet at home.

Gun Violence

The NSBP respects the rights of gun owners and supports the ability of U.S. Citizens to carry small handguns who meet certain qualifiers for protection purposes. We believe that responsible American gun owners understand the need to avoid gun violence. Too many black and impoverished communities are plagued by gun violence. Too many terrorists and distressed people have fired aim on innocent masses killing thousands. The NSBP supports federal regulation to expand background checks, to restrict use and ownership of assault weapons, to prevent people with violent criminal history and doctor-confirmed mental impairments from owning or using a gun, and to create a national registry of all guns sold in order to trace ownership on guns linked to crimes. This, in turn, will promote workforce safety.

Workforce

We believe in a safe working environment and for our right to work without being tied to onerous union contracts. We do not support Project Labor Agreements and the inability for union contractors to terminate their union agreements. Many union small business owners cannot afford to continue to pay union dues due to recessionary times, downturns in the economy and unexpected federal cuts to contract spending.

We believe federal employees should receive benefits and vacation time in line with the average American wage earner and be subject to expedient termination for poor performance. Federal worker union contracts that took hold in the 1960s are creating too much inefficiency, including high costs for services.

We want to open more access for women workers in construction by implementing advocacy for women's issues as a human resource requirement for businesses. Additionally, we want to create regulation to fund and support innovative products to specifically address women safety and privacy issues on jobs sites.

Global Leadership

The NSBP supports keeping our military strong. Small businesses are the backbone of the US Economy and work hard to keep alive the American Dream. Many U.S. soldiers are children of small business owners. We support our veterans and military families and will support to preserve and enhance the post 9/11 GI Bill, regulation to enable high quality health care services and funding for veteran owned state-of-the-art medical hospitals.

We support military efforts to defeat ISIS and all terrorist acts and will carefully review our foreign policy strategies for Iran, North Korea, Russia, Asia-Pacific, and the Middle East and the functions of the United Nations, especially its Human Rights Council's stance on the rights of women and the disabled. We support the North Atlantic Treaty Organization (NATO) that serves as a united front to deter our aggressors and support NATO troops in Poland.

Our global trade agreements with China and other countries that engage in unfair trade practices need revision to mandate fines and sanctions if certain labor and environmental standards are unmet, especially with regard to food safety and health of our American citizens working around the world. We also support any restrictions that prevent women's health care on a global basis including, but not limited to, repeal of the "global gas rule" and Helm's Amendment that "bars U.S. assistance to provide safe, legal abortion throughout the developing world."⁷⁷

We support the inclusion of Puerto Rico as our 51st state. Its local government has created instability coupled with a huge debt structure and will soon become a target for our foreign aggressors if Congress does not act quickly to provide the necessary aid and recovery plan.

The NSBP supports Obama's TTP (Trans-Pacific Partnership) initiative to strengthen economic ties by promoting the "digital economy through a free and open internet and commerce without borders" with 12 countries that include the U.S, Japan, Malaysia, Singapore, Brunei, Australia, New Zealand, Canada, Mexico, Chile and Peru. On a combined basis, we believe these countries would be formidable, with their collective population of 800 million, to create the necessary global benchmarks for the protection for the environment, workers' rights and human rights that are being brutally ignored by China and Russia.

Many small businesses enter in contracts and agree to firm fixed price contracts with little or no ability to escalate pricing on materials, such as steel. Federal tariffs are outside the control of any small business. We will work to make it unlawful for any small business to bear the burden of price escalations due to implementation of federal tariffs on federal contracts.

⁷⁷ Democratic National Platform 2016 Draft, p. 31

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Christopher LaFiura-1st Vice Chair—Social Media Investor for NSBP

Jennifer Lake-2nd Vice Chair—Provided Content on Health Education related to K-12
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Barbara Gassaway-3rd Vice Chair—Provided Content on Health Care (www.researchgrp.com)

Kara DiPietro – 4th Vice Chair—Provided content on predatory lending
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Content provided by key supporters:

Teresa Daytner – provided content on education and workforce safety (www.daytnercorp.com)

Veronica Cool-Provided Content on Immigration Policy (www.coolassociatesllc.com)

Valerie Frank-Solorzano- Provided Content on Long Term Health (life insurance agent)

Harold Huggins – Director, The Council for Education provided content on student loans
(www.cfored.com)