The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 359, ELIMINATING TAXPAYER FINANCING OF PRESIDENTIAL ELECTIONS

Ms. FOXX, from the Committee on Rules, submitted a privileged report (Rept. No. 112–5) on the resolution (H. Res. 54) providing for consideration of the bill (H.R. 359) to reduce Federal spending and the deficit by terminating taxpayer financing of Presidential election campaigns and party conventions, which was referred to the House Calendar and ordered to be printed.

COMMUNICATION FROM THE DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from the Honorable NANCY PELOSI, House Democratic Leader:

JANUARY 25, 2011.

Hon. JOHN BOEHNER,
Speaker of the House, U.S. Capitol, Washington, DC.

DEAR SPEAKER BOEHNER: Pursuant to Section 114(b) of the John C. Stennis Center for Public Service Training and Development Act (2 U.S.C. 1103), I hereby appoint the Honorable Terri A. Sewell of Alabama to the Board of Trustees for the John C. Stennis Center for Public Service Training and Development for a term of six years.

Sincerely,

NANCY PELOSI,
House Democratic Leader.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. After consultation among the Speaker and the majority and minority leaders, and with their consent, the Chair announces that, when the two Houses meet tonight in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those immediately to his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House. Due to the large attendance that is anticipated, the rule regarding the privilege of the floor must be strictly enforced. Children of Members will not be permitted on the floor. The cooperation of all Members is requested.

The practice of reserving seats prior to the joint session by placard will not be allowed. Members may reserve their seats only by physical presence following the security sweep of the Chamber.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 8:35 p.m. for the purpose of receiving in joint session the President of the United States.

Accordingly (at 2 o'clock and 33 minutes p.m.), the House stood in recess until approximately 8:35 p.m.

□ 2039

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 39 minutes p.m.

JOINT SESSION OF CONGRESS PURSUANT TO HOUSE CONCURRENT RESOLUTION 10 TO RECEIVE A MESSAGE FROM THE PRESIDENT

The Speaker of the House presided.

The Deputy Sergeant at Arms, Mrs. Kerri Hanley, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Virginia (Mr. CANTOR);

The gentleman from California (Mr. MCCARTHY);

The gentleman from Texas (Mr. HENSARLING);

The gentleman from Texas (Mr. SESSIONS);

The gentleman from Georgia (Mr. PRICE);

The gentlewoman from Washington (Mrs. MCMORRIS RODGERS);

The gentleman from Texas (Mr. CARTER);

The gentlewoman from California (Ms. PELOSI);

The gentleman from Maryland (Mr. HOYER);

The gentleman from South Carolina (Mr. CLYBURN);

The gentleman from Connecticut (Mr. LARSON);

The gentleman from California (Mr. BECERRA);

The gentleman from New York (Mr. ISRAEL); and

The gentlewoman from Alabama (Ms. SEWELL).

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the President of the United States into the House Chamber:

The Senator from Nevada (Mr. REID);

The Senator from Illinois (Mr. DURBIN);

The Senator from New York (Mr. SCHUMER);

The Senator from Washington (Mrs. MURRAY);

The Senator from Michigan (Ms. STABENOW);

The Senator from Alaska (Mr. BEGICH);

The Senator from Vermont (Mr. LEAHY);

The Senator from Kentucky (Mr. MCCONNELL);

The Senator from Arizona (Mr. KYL);

The Senator from Tennessee (Mr. ALEXANDER);

The Senator from Wyoming (Mr. BARRASSO);

The Senator from South Dakota (Mr. THUNE); and

The Senator from Texas (Mr. CORNYN).

The Deputy Sergeant at Arms announced the Dean of the Diplomatic Corps, His Excellency Roble Olhaye, Ambassador from the Republic of Djibouti.

The Dean of the Diplomatic Corps entered the Hall of the House of Representatives and took the seat reserved for him.

The Deputy Sergeant at Arms announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Chief Justice of the United States and the Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Deputy Sergeant at Arms announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 5 minutes p.m., the Sergeant at Arms, the Honorable Wilson Livingood, announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

(Applause, the Members rising.)

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

(Applause, the Members rising.)

The PRESIDENT. Mr. Speaker, Mr. Vice President, Members of Congress, distinguished guests, and fellow Americans:

Tonight, I want to begin by congratulating the men and women of the 112th Congress as well as your new Speaker, JOHN BOEHNER. And as we mark this occasion, we are also mindful of the empty chair in this Chamber, and we pray for the health of our colleague and our friend, GABBY GIFFORDS.

It's no secret that those of us here tonight have had our differences over the last 2 years. The debates have been contentious; we have fought fiercely for our beliefs—and that's a good thing. That's what a robust democracy demands. That's what helps set us apart

as a nation. But there's a reason the tragedy in Tucson gave us pause:

Amid all the noise and passions and rancor of our public debate, Tucson reminded us that, no matter who we are or where we come from, each of us is a part of something greater, something more consequential than parties or political preference. We are part of the American family. We believe that, in a country where every race and faith and point of view can be found, we are still bound together as one people, that we share common hopes and a common creed, that the dreams of a little girl in Tucson are not so different than those of our own children, and that they all deserve the chance to be fulfilled.

That, too, is what sets us apart as a nation.

Now, by itself, this simple recognition won't usher in a new era of cooperation. What comes of this moment is up to us. What comes of this moment will be determined, not by whether we can sit together tonight, but whether we can work together tomorrow.

I believe we can and I believe we must.

That's what the people who sent us here expect of us. With their votes, they have determined that governing will now be a shared responsibility between parties. New laws will only pass with support from Democrats and Republicans. We will move forward together or not at all—for the challenges we face are bigger than party and bigger than politics.

At stake right now is not who wins the next election—after all, we just had an election. At stake is whether new jobs and industries take root in this country or somewhere else. It's whether the hard work and industry of our people is rewarded. It's whether we sustain the leadership that has made America, not just a place on a map, but a light to the world.

We are poised for progress. Two years after the worst recession most of us have ever known, the stock market has come roaring back. Corporate profits are up. The economy is growing again—but we have never measured progress by these yardsticks alone. We measure progress by the success of our people, by the jobs they can find, and the quality of life those jobs offer, by the prospects of a small business owner who dreams of turning a good idea into a thriving enterprise, by the opportunities for a better life that we pass on to our children.

That's the project the American people want us to work on. Together.

We did that in December. Thanks to the tax cuts we passed, Americans' paychecks are a little bigger today. Every business can write off the full cost of the new investments they make this year; and these steps, taken by Democrats and Republicans, will grow the economy and add to the more than 1 million private sector jobs created last year, but we have to do more. These steps we have taken over the last 2 years may have broken the back of this recession; but to win the future, we'll need to take on challenges that have been decades in the making.

Many people watching tonight can probably remember a time when finding a good job meant showing up at a nearby factory or a business downtown. You didn't always need a degree, and your competition was pretty much limited to your neighbors. If you worked hard, chances are you'd have a job for life, with a decent paycheck, good benefits, and the occasional promotion. Maybe you'd even have the pride of seeing your kids work at the same company.

That world has changed, and for many, the change has been painful.

I've seen it in the shuttered windows of once booming factories and the vacant storefronts of once busy Main Streets. I've heard it in the frustrations of Americans who have seen their paychecks dwindle or their jobs disappear—proud men and women who feel like the rules have been changed in the middle of the game.

They're right. The rules have changed.

In a single generation, revolutions in technology have transformed the way we live, work, and do business. Steel mills that once needed 1,000 workers can now do the same work with 100. Today, just about any company can set up shop, hire workers, and sell their products wherever there's an Internet connection. Meanwhile, nations like China and India realized that, with some changes of their own, they could compete in this new world, and so they started educating their children earlier and longer, with greater emphasis on math and science. They're investing in research and new technologies. Just recently, China became the home to the world's largest private solar research facility and the world's fastest computer.

So, yes, the world has changed. The competition for jobs is real, but this shouldn't discourage us. It should challenge us.

Remember, for all the hits we've taken these last few years, for all the naysayers predicting our decline, America still has the largest, most prosperous economy in the world. No workers are more productive than ours. No country has more successful companies or grants more patents to inventors and entrepreneurs. We are home to the world's best colleges and universities, where more students come to study than anyplace on Earth.

What's more, we are the first nation to be founded for the sake of an idea—the idea that each of us deserves the chance to shape our own destiny. That's why centuries of pioneers and immigrants have risked everything to come here. It's why our students just don't memorize equations but answer questions like ''What do you think of that idea? What would you change about the world? What do you want to be when you grow up?''

The future is ours to win, but to get there, we can't just stand still. As Robert Kennedy told us, ''The future is not a gift. It is an achievement.'' Sustaining the American dream has never been about standing pat. It has required each generation to sacrifice and struggle and meet the demands of a new age.

Now it's our turn.

We know what it takes to compete for the jobs and industries of our time. We need to out-innovate, out-educate, and out-build the rest of the world. We have to make America the best place on Earth to do business. We need to take responsibility for our deficit and reform our government. That's how our people will prosper. That's how we'll win the future—and tonight, I'd like to talk about how we get there.

The first step in winning the future is encouraging American innovation. None of us can predict with certainty what the next big industry will be or where the new jobs will come from. Thirty years ago, we couldn't know that something called the Internet would lead to an economic revolution.

What we can do—what America does better than anyone else—is spark the creativity and imagination of our people. We are the nation that put cars in driveways and computers in offices, the nation of Edison and the Wright brothers, of Google and Facebook. In America, innovation doesn't just change our lives. It is how we make our living.

Our free enterprise system is what drives innovation; but because it's not always profitable for companies to invest in basic research, throughout our history, our government has provided cutting-edge scientists and inventors with the support that they need. That's what planted the seeds for the Internet. That's what helped make possible things like computer chips and GPS. Just think of all the good jobs, from manufacturing to retail, that have come from these breakthroughs.

Half a century ago, when the Soviets beat us into space with the launch of a satellite called Sputnik, we had no idea how we would beat them to the Moon. The science wasn't even there yet. NASA didn't exist. But after investing in better reach and education, we didn't just surpass the Soviets; we unleashed a wave of innovation that created new industries and millions of new jobs.

This is our generation's Sputnik moment.

Two years ago, I said that we needed to reach a level of research and development that we haven't seen since the height of the Space Race; and in a few weeks, I will be sending a budget to Congress that helps us meet that goal. We'll invest in biomedical research, information technology, and especially clean energy technology—an investment that will strengthen our security, protect our planet, and create countless new jobs for our people.

Already, we are seeing the promise of renewable energy. Robert and Gary Allen are brothers who run a small Michigan roofing company. After September 11th, they volunteered their

best roofers to help repair the Pentagon, but half of their factory went unused, and the recession hit them hard. Today, with the help of a government loan, that empty space is being used to manufacture solar shingles that are being sold all across the country. In Robert's words, ''We reinvented ourselves.''

That's what Americans have done for over 200 years: reinvented ourselves. And to spur on more success stories like the Allen Brothers, we've begun to reinvent our energy policy. We're not just handing out money. We're issuing a challenge. We're telling America's scientists and engineers that, if they assemble teams of the best minds in their fields and focus on the hardest problems in clean energy, we'll fund the Apollo Projects of our time.

At the California Institute of Technology, they're developing a way to turn sunlight and water into fuel for our cars. At Oak Ridge National Laboratory, they're using supercomputers to get a lot more power out of our nuclear facilities. With more research and incentives, we can break our dependence on oil with biofuels and become the first country to have 1 million electric vehicles on the road by 2015.

We need to get behind this innovation; and to help pay for it, I'm asking Congress to eliminate the billions in taxpayer dollars we currently give to oil companies. I don't know if you've noticed, but they're doing just fine on their own. So, instead of subsidizing yesterday's energy, let's invest in tomorrow's.

Now, clean energy breakthroughs will only translate into clean energy jobs if businesses know there will be a market for what they're selling. So, tonight, I challenge you to join me in setting a new goal: By 2035, 80 percent of America's electricity will come from clean energy sources. Some folks want wind and solar. Others want nuclear, clean coal, and natural gas. To meet this goal, we will need them all, and I urge Democrats and Republicans to work together to make it happen.

Maintaining our leadership in research and technology is crucial to America's success; but if we want to win the future, if we want innovation to produce jobs in America and not overseas, then we also have to win the race to educate our kids.

Think about it. Over the next 10 years, nearly half of all new jobs will require education that goes beyond a high school education; and yet, as many as a quarter of our students aren't even finishing high school. The quality of our math and science education lags behind many other nations. America has fallen to ninth in the proportion of young people with a college degree. And so the question is whether all of us—as citizens and as parents—are willing to do what's necessary to give every child a chance to succeed.

That responsibility begins not in our classrooms but in our homes and communities. It's family that first instills the love of learning in a child. Only parents can make sure the TV is turned off and homework gets done. We need to teach our kids that it's not just the winner of the Super Bowl who deserves to be celebrated but the winner of the science fair. We need to teach them that success is not a function of fame or PR but of hard work and discipline.

Our schools share this responsibility. When a child walks into a classroom, it should be a place of high expectations and high performance, but too many schools don't meet this test. That's why, instead of just pouring money into a system that's not working, we launched a competition called Race to the Top. To all 50 States, we said, ''If you show us the most innovative plans to improve teacher quality and student achievement, we'll show you the money.''

Race to the Top is the most meaningful reform of our public schools in a generation. For less than 1 percent of what we spend on education each year, it has led over 40 States to raise their standards for teaching and learning. These standards were developed, by the way, not by Washington, but by Republican and Democratic Governors throughout the country. Race to the Top should be the approach we follow this year as we replace No Child Left Behind with a law that is more flexible and focused on what's best for our kids.

You see, we know what's possible for our children when reform isn't just a top-down mandate but the work of local teachers and principals, school boards and communities.

Take a school like Bruce Randolph in Denver. Three years ago, it was rated one of the worst schools in Colorado, located on turf between two rival gangs; but last May, 97 percent of the seniors received their diplomas. Most will be the first in their families to go to college. And after the first year of the school's transformation, the principal who made it possible wiped away tears when a student said, ''Thank you, Mrs. Waters, for showing . . . that we are smart and we can make it.''

That's what good schools can do, and we want good schools all across the country.

Let's also remember that, after parents, the biggest impact on a child's success comes from the man or woman at the front of the classroom. In South Korea, teachers are known as ''nation builders.'' Here in America, it's time we treated the people who educate our children with the same level of respect. We want to reward good teachers and stop making excuses for bad ones; and over the next 10 years, with so many Baby Boomers retiring from our classrooms, we want to prepare 100,000 new teachers in the fields of science, technology, engineering, and math.

In fact, every young person listening tonight who is contemplating their career choice: If you want to make a difference in the life of our Nation, if you want to make a difference in the life of a child, become a teacher. Your country needs you.

Of course, the education race doesn't end with a high school diploma. To compete, higher education must be within the reach of every American. That's why we've ended the unwarranted taxpayer subsidies that went to banks, and used the savings to make college affordable for millions of students—and this year, I ask Congress to go further and make permanent our tuition tax credit, worth $10,000 for 4 years of college. It's the right thing to do.

Because people need to be able to train for new jobs and careers in today's fast-changing economy, we are also revitalizing America's community colleges. Last month, I saw the promise of these schools at Forsyth Tech in North Carolina. Many of the students there used to work in the surrounding factories that have since left town.

One mother of two, a woman named Kathy Proctor, had worked in the furniture industry since she was 18 years old, and she told me she's earning her degree in biotechnology now, at 55 years old, not just because the furniture jobs are gone, but because she wants to inspire her children to pursue their dreams, too. As Kathy said, ''I hope it tells them to never give up.''

If we take these steps, if we raise expectations for every child and give them the best possible chance at an education from the day they are born until the last job they take, we will reach the goal that I set 2 years ago: By the end of the decade, America will once again have the highest proportion of college graduates in the world.

One last point about education.

Today, there are hundreds of thousands of students excelling in our schools who are not American citizens. Some are the children of undocumented workers, who had nothing to do with the actions of their parents. They grew up as Americans and pledge allegiance to our flag. Yet they live every day with the threat of deportation. Others come here from abroad to study in our colleges and universities, but as soon as they obtain advanced degrees, we send them back home to compete against us. It makes no sense.

Now, I strongly believe that we should take on, once and for all, the issue of illegal immigration, and I am prepared to work with Republicans and Democrats to protect our borders, enforce our laws, and address the millions of undocumented workers who are now living in the shadows. I know that debate will be difficult. I know it will take time; but tonight, let's agree to make that effort, and let's stop expelling talented, responsible young people, who could be staffing our research labs or starting a new business, who can be further enriching this Nation.

The third step in winning the future is rebuilding America. To attract new businesses to our shores, we need the fastest, most reliable ways to move people, goods, and information—from high-speed rail to high-speed Internet.

Our infrastructure used to be the best, but our lead has slipped. South Korean homes now have greater Internet access than we do. Countries in Europe and Russia invest more in their roads and railways than we do. China is building faster trains and newer airports. Meanwhile, when our own engineers graded our Nation's infrastructure, they gave us a ''D.''

We have to do better.

America is the nation that built the transcontinental railroad, brought electricity to rural communities, constructed the Interstate Highway System. The jobs created by these projects didn't just come from laying down tracks or pavement. They came from businesses that opened near a town's new train station or the new off-ramp.

So, over the last 2 years, we have begun rebuilding for the 21st century a project that has meant thousands of good jobs for the hard-hit construction industry, and tonight, I am proposing that we redouble those efforts. We will put more Americans to work repairing crumbling roads and bridges. We will make sure this is fully paid for, attract private investment, and pick projects based on what's best for the economy, not politicians.

Within 25 years, our goal is to give 80 percent of Americans access to high-speed rail. This could allow you to go places in half the time it takes to travel by car. For some trips, it will be faster than flying—without the pat-down. As we speak, routes in California and the Midwest are already underway.

Within the next 5 years, we will make it possible for businesses to deploy the next generation of high-speed wireless coverage to 98 percent of all Americans. This isn't just about faster Internet or fewer dropped calls. It's about connecting every part of America to the digital age. It's about a rural community in Iowa or Alabama where farmers and small business owners will be able to sell their products all over the world. It's about a firefighter who can download the design of a burning building onto a handheld device, a student who can take classes with a digital textbook, or a patient who can have face-to-face video chats with her doctor.

All these investments—in innovation, education, and infrastructure—will make America a better place to do business and create jobs; but to help our companies compete, we also have to knock down barriers that stand in the way of their success.

For example, over the years, a parade of lobbyists has rigged the Tax Code to benefit particular companies and industries. Those with accountants or lawyers to work the system can end up paying no taxes at all, but all the rest are hit with one of the highest corporate tax rates in the world. It makes no sense, and it has to change.

So, tonight, I'm asking Democrats and Republicans to simplify the system. Get rid of the loopholes. Level the playing field, and use the savings to lower the corporate tax rate for the first time in 25 years—without adding to our deficit. It can be done.

To help businesses sell more products abroad, we set a goal of doubling our exports by 2014, because the more we export, the more jobs we create here at home. Already, our exports are up. Recently, we signed agreements with India and China that will support more than 250,000 jobs here in the United States; and last month, we finalized a trade agreement with South Korea that will support at least 70,000 American jobs. This agreement has unprecedented support from business and labor, Democrats and Republicans—and I ask this Congress to pass it as soon as possible.

Now, before I took office, I made it clear that we would enforce our trade agreements and that I would only sign deals that keep faith with American workers and promote American jobs. That's what we did with Korea, and that's what I intend to do as we pursue agreements with Panama and Colombia and continue our Asia Pacific and global trade talks.

To reduce barriers to growth and investment, I've ordered a review of government regulations. When we find rules that put an unnecessary burden on businesses, we will fix them, but I will not hesitate to create or enforce commonsense safeguards to protect the American people. That's what we've done in this country for more than a century. It's why our food is safe to eat, our water is safe to drink, and our air is safe to breathe. It's why we have speed limits and child labor laws. It's why, last year, we put in place consumer protections against hidden fees and penalties by credit card companies and new rules to prevent another financial crisis, and it's why we passed reform that finally prevents the health insurance industry from exploiting patients.

Now, I have heard rumors that a few of you still have concerns about our new health care law, so let me be the first to say that anything can be improved. If you have ideas about how to improve this law by making care better or more affordable, I am eager to work with you. We can start right now by correcting a flaw in the legislation that has placed an unnecessary bookkeeping burden on small businesses.

What I'm not willing to do is to go back to the days when insurance companies could deny someone coverage because of a preexisting condition. I'm not willing to tell James Howard, a brain cancer patient from Texas, that his treatment might not be covered. I'm not willing to tell Jim Houser, a small business man from Oregon, that he has to go back to paying $5,000 more to cover his employees. As we speak, this law is making prescription drugs cheaper for seniors, and is giving uninsured students a chance to stay on their parents' coverage.

So I say to this Chamber tonight, instead of re-fighting the battles of the last 2 years, let's fix what needs fixing, and let's move forward.

Now, the final, critical step in winning the future is to make sure we aren't buried under a mountain of debt. We are living with a legacy of deficit spending that began almost a decade ago; and in the wake of the financial crisis, some of that was necessary to keep credit flowing, save jobs, and put money in people's pockets.

But now that the worst of the recession is over, we have to confront the fact that our Government spends more than it takes in. That is not sustainable. Every day, families sacrifice to live within their means. They deserve a government that does the same.

So, tonight, I am proposing that starting this year we freeze annual domestic spending for the next 5 years. Now, this would reduce the deficit by more than $400 billion over the next decade, and will bring discretionary spending to the lowest share of our economy since Dwight Eisenhower was President.

This freeze will require painful cuts. Already, we have frozen the salaries of hardworking Federal employees for the next 2 years. I've proposed cuts to things I care deeply about, like community action programs. The Secretary of Defense has also agreed to cut tens of billions of dollars in spending that he and his generals believe our military can do without.

I recognize that some in this Chamber have already proposed deeper cuts, and I'm willing to eliminate whatever we can honestly afford to do without, but let's make sure that we're not doing it on the backs of our most vulnerable citizens, and let's make sure that what we're cutting is really excess weight. Cutting the deficit by gutting our investments in innovation and education is like lightening an overloaded airplane by removing its engine. It may make you feel like you're flying high at first, but it won't take long before you feel the impact.

Now, most of the cuts and savings I've proposed only address annual domestic spending, which represents a little more than 12 percent of our budget. To make further progress, we have to stop pretending that cutting this kind of spending alone will be enough. It won't.

The bipartisan Fiscal Commission I created last year made this crystal clear. I don't agree with all their proposals, but they made important progress; and their conclusion is that the only way to tackle our deficit is to cut excessive spending wherever we find it—in domestic spending, defense spending, health care spending, and spending through tax breaks and loopholes.

This means further reducing health care costs, including programs like Medicare and Medicaid, which are the single biggest contributor to our long-term deficit. The health insurance law we passed last year will slow these rising costs, which is part of the reason

that nonpartisan economists have said that repealing the health care law would add a quarter of a trillion dollars to our deficit. Still, I'm willing to look at other ideas to bring down costs, including one that Republicans suggested last year: medical malpractice reform to rein in frivolous lawsuits.

To put us on solid ground, we should also find a bipartisan solution to strengthen Social Security for future generations, and we must do it without putting at risk current retirees—the most vulnerable—or people with disabilities, without slashing benefits for future generations and without subjecting Americans' guaranteed retirement income to the whims of the stock market.

And if we truly care about our deficit, we simply can't afford a permanent extension of the tax cuts for the wealthiest 2 percent of Americans. Before we take money away from our schools or scholarships away from our students, we should ask millionaires to give up their tax break. It's not a matter of punishing their success. It's about promoting America's success.

In fact, the best thing we could do on taxes for all Americans is to simplify the individual Tax Code. This will be a tough job, but Members of both parties have expressed an interest in doing this, and I am prepared to join them.

So now is the time to act. Now is the time for both sides and both Houses of Congress—Democrats and Republicans—to forge a principled compromise that gets the job done. If we make the hard choices now to rein in our deficits, we can make the investments we need to win the future.

Let me take this one step further.

We shouldn't just give our people a government that's more affordable. We should give them a government that's more competent and more efficient. We can't win the future with a government of the past. We live and do business in the information age, but the last major reorganization of the government happened in the age of black and white TV. There are 12 different agencies that deal with exports. There are at least five different agencies that deal with housing policy.

Then there's my favorite example: The Interior Department is in charge of salmon while they're in freshwater, but the Commerce Department handles them when they're in saltwater. I hear it gets even more complicated once they're smoked.

Now, we've made great strides over the last 2 years in using technology and getting rid of waste. Veterans can now download their electronic medical records with a click of the mouse. We're selling acres of Federal office space that hasn't been used in years, and we'll cut through redtape to get rid of more, but we need to think bigger.

In the coming months, my administration will develop a proposal to merge, consolidate, and reorganize the Federal Government in a way that best serves the goal of a more competitive America. I will submit that proposal to Congress for a vote—and we will push to get it passed.

In the coming year, we will also work to rebuild people's faith in the institution of government. Because you deserve to know exactly how and where your tax dollars are being spent, you'll be able to go to a Web site and get that information for the very first time in history. Because you deserve to know when your elected officials are meeting with lobbyists, I ask Congress to do what the White House has already done: put that information online. And because the American people deserve to know that special interests aren't larding up legislation with pet projects, both parties in Congress should know this: If a bill comes to my desk with earmarks inside, I will veto it. I will veto it.

A 21st century government that's open and competent. A government that lives within its means. An economy that's driven by new skills and new ideas. Our success in this new and changing world will require reform, responsibility, and innovation. It will also require us to approach that world with a new level of engagement in our foreign affairs.

Just as jobs and businesses can now race across borders, so can new threats and new challenges. No single wall separates East and West. No one rival superpower is aligned against us, and so we must defeat determined enemies wherever they are and build coalitions that cut across lines of region and race and religion, and America's moral example must always shine for all who yearn for freedom and justice and dignity; and because we've begun this work, tonight we can say that American leadership has been renewed, and America's standing has been restored.

Look to Iraq, where nearly 100,000 of our brave men and women have left with their heads held high; American combat patrols have ended; violence is down; and a new government has been formed. This year, our civilians will forge a lasting partnership with the Iraqi people while we finish the job of bringing our troops out of Iraq. America's commitment has been kept. The Iraq war is coming to an end.

Of course, as we speak, al Qaeda and their affiliates continue to plan attacks against us. Thanks to our intelligence and law enforcement professionals, we are disrupting plots and securing our cities and skies; and as extremists try to inspire acts of violence within our borders, we are responding with the strength of our communities, with respect for the rule of law, and with the conviction that American Muslims are a part of our American family.

We have also taken the fight to al Qaeda and their allies abroad. In Afghanistan, our troops have taken Taliban strongholds and trained Afghan Security Forces. Our purpose is clear: by preventing the Taliban from reestablishing a stranglehold over the Afghan people, we will deny al Qaeda the safe-haven that served as a launching pad for 9/11.

Thanks to our heroic troops and civilians, fewer Afghans are under the control of the insurgency.

There will be tough fighting ahead, and the Afghan Government will need to deliver better governance, but we are strengthening the capacity of the Afghan people and building an enduring partnership with them. This year, we will work with nearly 50 countries to begin a transition to an Afghan lead, and this July, we will begin to bring our troops home.

In Pakistan, al Qaeda's leadership is under more pressure than at any point since 2001. Their leaders and operatives are being removed from the battlefield. Their safe-havens are shrinking, and we sent a message from the Afghan border to the Arabian Peninsula to all parts of the globe: We will not relent, we will not waver, and we will defeat you.

American leadership can also be seen in the effort to secure the worst weapons of war. Because Republicans and Democrats approved the New START treaty, far fewer nuclear weapons and launchers will be deployed. Because we rallied the world, nuclear materials are being locked down on every continent so they never fall into the hands of terrorists.

Because of a diplomatic effort to insist that Iran meet its obligations, the Iranian Government now faces tougher sanctions, tighter sanctions, than ever before; and on the Korean Peninsula, we stand with our ally South Korea and insist that North Korea keeps its commitment to abandon nuclear weapons.

This is just a part of how we are shaping a world that favors peace and prosperity.

With our European allies, we revitalized NATO and increased our cooperation on everything from counterterrorism to missile defense. We have reset our relationship with Russia, strengthened Asian alliances, and built new partnerships with nations like India. This March, I will travel to Brazil, Chile, and El Salvador to forge new alliances across the Americas.

Around the globe, we are standing with those who take responsibility, helping farmers grow more food, supporting doctors who care for the sick, and combating the corruption that can rot a society and rob people of opportunity.

Recent events have shown us that what sets us apart must not just be our power—it must also be the purpose behind it.

In South Sudan, with our assistance, the people were finally able to vote for independence after years of war. Thousands lined up before dawn. People danced in the streets. One man who lost four of his brothers at war summed up the scene around him. ''This was a battlefield for most of my life,'' he said. ''Now we want to be free.''

We saw that same desire to be free in Tunisia, where the will of the people proved more powerful than the writ of a dictator. And tonight, let us be clear: The United States of America stands with the people of Tunisia, and supports the democratic aspirations of all people.

We must never forget that the things we've struggled for and fought for live in the hearts of people everywhere, and we must always remember that the Americans who have borne the greatest burden in this struggle are the men and women who serve our country.

Tonight, let us speak with one voice in reaffirming that our Nation is united in support of our troops and their families. Let us serve them as well as they have served us—by giving them the equipment they need, by providing them with the care and benefits that they have earned, and by enlisting our veterans in the great task of building our own Nation.

Our troops come from every corner of this country. They're black, white, Latino, Asian, Native American. They are Christian and Hindu, Jewish and Muslim—and yes, we know that some of them are gay. Starting this year, no American will be forbidden from serving the country they love because of who they love. And with that change, I call on all of our college campuses to open their doors to our military recruiters and the ROTC. It is time to leave behind the divisive battles of the past. It is time to move forward as one Nation.

We should have no illusions about the work ahead of us. Reforming our schools, changing the way we use energy, reducing our deficit—none of this will be easy. All of it will take time, and it will be harder because we will argue about everything—the cost, the details, the letter of every law.

Of course, some countries don't have this problem. If the central government wants a railroad, they build a railroad no matter how many homes get bulldozed. If they don't want a bad story in the newspaper, it doesn't get written.

And yet, as contentious and frustrating and messy as our democracy can sometimes be, I know there isn't a person here who would trade places with any other nation on Earth.

We may have differences in policy, but we all believe in the rights enshrined in our Constitution. We may have different opinions, but we believe in the same promise that says this is a place where you can make it if you try. We may have different backgrounds, but we believe in the same dream that says this is a country where anything is possible—no matter who you are, no matter where you come from.

That dream is why I can stand here before you tonight. That dream is why a working class kid from Scranton can sit behind me. That dream is why someone who began by sweeping the floors of his father's Cincinnati bar can preside as Speaker of the House in the greatest nation on Earth.

That dream—that American dream—is what drove the Allen Brothers to reinvent their roofing company for a new era. It's what drove those students at Forsyth Tech to learn a new skill and work towards the future, and that dream is the story of a small business owner named Brandon Fisher.

Brandon started a company in Berlin, Pennsylvania, that specializes in a new kind of drilling technology; and one day last summer, he saw the news that halfway across the world, 33 men were trapped in a Chilean mine, and no one knew how to save them; but Brandon thought his company could help, and so he designed a rescue that would come to be known as Plan B. His employees worked around the clock to manufacture the necessary drilling equipment, and Brandon left for Chile.

Along with others, he began drilling a 2,000-foot hole into the ground; working 3 or 4 days at a time without any sleep. Thirty-seven days later, Plan B succeeded, and the miners were rescued. But because he didn't want all the attention, Brandon wasn't there when the miners emerged. He had already gone back home, back to work on his next project. Later, one of his employees said of the rescue, ''We proved that Center Rock is a little company, but we do big things.''

We do big things.

From the earliest days of our founding, America has been the story of ordinary people who dare to dream. That's how we win the future.

We are a nation that says, ''I might not have a lot of money, but I have this great idea for a new company. I might not come from a family of college graduates, but I will be the first to get my degree. I might not know those people in trouble, but I think I can help them, and I need to try. I'm not sure how we'll reach that better place beyond the horizon, but I know we'll get there. I know we will.''

We do big things.

The idea of America endures. Our destiny remains our choice. And tonight, more than two centuries later, it is because of our people that our future is hopeful, our journey goes forward, and the state of our Union is strong.

Thank you, God bless you, and may God bless the United States of America.

(Applause, the Members rising.)

At 10 o'clock and 16 minutes p.m., the President of the United States, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Deputy Sergeant at Arms escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet; the Chief Justice of the United States and the Associate Justices of the Supreme Court; the Dean of the Diplomatic Corps.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 10 o'clock and 20 minutes p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. CANTOR. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered printed.

The motion was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DUNCAN of South Carolina (at the request of Mr. CANTOR) for January 24 on account of airline mechanical failure.

ADJOURNMENT

Mr. CANTOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 21 minutes p.m.), the House adjourned until tomorrow, Wednesday, January 26, 2010, at 10 a.m.

OFFICE OF COMPLIANCE NOTICE OF ADOPTION OF SUBSTANTIVE REGULATIONS AND SUBMISSION FOR CONGRESSIONAL APPROVAL

OFFICE OF COMPLIANCE,
Washington, DC, January 24, 2011.

Hon. JOHN A. BOEHNER,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: On March 21, 2008, the Board of Directors of the Office of Compliance adopted and submitted for publication in the Congressional Record final regulations implementing section 4(c)(3) of the Veterans Employment Opportunities Act of 1998 which extends to the Congress certain rights, protections, and responsibilities under section 2108, 3309 through 3312, and subchapter I of chapter 35 of title 5, United States Code. On December 10, 2010, the Senate agreed both to S. Res. 700 to provide for the approval of final regulations that are applicable to the employing offices and covered employees of the Senate, and to S. Con. Res. 77 to provide for approval of final regulations that are applicable to the instrumentalities of the Congress, i.e., the employing offices and employees other than those offices and employees of the House and the Senate. Both S. Res. 700 and S. Con. Res. 77 included technical corrections to the regulations. On December 15, 2010, the House agreed to S. Con. Res. 77, covering the instrumentalities, and in addition approved H. Res. 1757, to provide for the approval of the final regulations that are applicable to employing offices and covered employees of the House. H. Res. 1757 also included technical corrections. On December 22, 2010, the House agreed to H. Res. 1783 amending the technical corrections of H. Res. 1757 and the Senate agreed to S. Res. 705 amending the technical corrections of S. Res. 700.