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Remarks at the Congressional Picnic
June 18, 2003

The President. Listen, thank you all for coming. Laura and I and Dick and Lynne are so happy you all are here. And we're really happy it's not raining. [*Laughter*]

Audience member. [*Inaudible*]

The President. I bet you are.

First, we're so thrilled that Dennis Edwards and the Temptations Review has joined us tonight. We expect to see some serious rug-cutting or, in this case, grass-cutting. [*Laughter*]

We do want to thank the families who are here. We're so grateful for the wives and husbands of the Members of the Senate and the Congress for being so patient with your loved ones and for supporting them in their service to the United States of America. We want to thank the sons and daughters as well for understanding your dad and your mom are serving something greater than themselves in life.

I want to thank all the Members of Congress from both political parties for doing such a fine job on behalf of the United States of America. You know what I know: We're blessed to live in a great country. And one of the things that makes us great is we've got tremendous values. We believe in freedom, respect for others, personal responsibility. And today is a day for us all to come together and to celebrate those fantastic values and for us—for Laura and me and for Dick and Lynne—to thank you on behalf of a grateful nation for serving our country so well.

May God bless you and your families, and may God continue to bless the United States of America.

Enjoy yourselves.

NOTE: The President spoke at 6:10 p.m. on the South Grounds at the White House.

Remarks in Fridley, Minnesota
June 19, 2003

Thank you all very much. Forget the Spam; I like coming to Minnesota because of the people. [*Laughter*] Thanks for coming today, and I appreciate the warm welcome.

Speaking about sports teams, I had the honor of hosting some sports teams there in the White House this week, two of which happened to be from the great State of Minnesota. It seems like the folks up here know how to play hockey. I welcomed the men's and women's hockey national champs from the University of Minnesota-Twin Cities and University of Minnesota-Duluth. And I've got to tell you, I was impressed by the character of the people on those teams. I know you're proud of them. It's an honor to have met them. They told me I'm going to see them next year, so—[*laughter*]—just like I saw them last year. [*Laughter*]

But it's great to be here. I also want to thank the Hamiltons, Harold and Eleanor, for opening up their business to—[*applause*]. Harold told me that he started his business at the kitchen table. It's really what America is all about, when you think about it. Thirty years ago, Harold and Eleanor sat down at the kitchen table—it might have been before lunch or after lunch, I don't know which one—but they said, "Why don't we see if we can't create an opportunity for not only our family but for others, an opportunity to work."

That's what we call the entrepreneurial spirit. That's the spirit that enables Americans to realize if they work hard, they can achieve a dream. Good government recognizes the importance of the entrepreneurial spirit, and good government creates an environment in which the entrepreneur can flourish. And that's why I worked with the United States Congress to cut the taxes not only on the working people but on the entrepreneurs of America, so they can better realize their dreams.

I want to thank Governor Tim Pawlenty for doing in office what he told you he was going to do. I appreciate your State auditor. She, along with Tim, traveled from the airport. There was no road rage today. [*Laughter*] If you got caught—if you got caught in the motorcade, I'm sorry. [*Laughter*] But we made it in record time from the airport. [*Laughter*]

I appreciate other State leaders—the Lieutenant Governor is here; the speaker is here; the majority leader of the State house is here. Thank you all for coming. I'm honored you're here.

I just had a chance to not only visit with the owner of this fine company, but I had a chance to visit with other entrepreneurs—some of whom I'll mention in my address—and some of the good folks who work for the companies, good, hard-working Minnesota folks who are going to receive significant tax benefit, significant tax relief.

See, one of the things that I understand is, in Washington, DC, when we talk about money, we are not talking about the Government's money. We're talking about the people's money. And I had a chance to visit with some of the people whose money we're talking about, and what they intend to do with it. The message I heard over and over again from moms and dads was that they intend to save it for their children's future, and that's really important. It means people in this part of the world understand that a responsible society is one in which moms and dads understand their most important responsibility is to love their children with all your heart and all their soul.

I met Deborah Simonet. She's an application developer for 3M. She's a single mom. That's the hardest job in America, being a single mom. And she is saving for her son's college education. She gets pretty good tax relief, over $1,000 worth of tax relief, money that she gets to decide how to use, money she can allocate according to her needs.

I met the Steins, Jennifer and Terry. They've got five kids. They're a young family. He's working three jobs. She works a job at home, so she can not only put a little extra money on the table but take care of her kids as well. They're going to get good, substantial tax relief. For the sake of their children, they will have additional money. They get to decide to do with the money. It's their money, after all, to begin with.

And this tax relief plan that I worked with Congress to pass recognizes that when you've got an economic issue, you've got a people issue. And the more money people have in their pocket, the more likely this economy is going to grow.

There's been a lot made about the military might of the United States of America, and we're plenty tough. And we're plenty tough and plenty strong because we have a job to do, and that job is to protect America from the designs of terrorists who hate what we stand for. That is a charge we have been given. Protecting America is a charge we have been given, and it is a charge we will keep. And we have made it clear to people: If you harbor a terrorist, if you provide aid for a terrorist, you're just as guilty as any terrorist, and the United States of America will hold you to account.

We're bringing Al Qaida to justice. And for those we haven't brought to justice yet, we're hot on their trail. We're close by. We've got them on the run, and we'll keep them on the run. We sent a clear message

to the Taliban in Afghanistan: "If you harbor and train terrorists, you will be held to account." The Taliban is no more, and the people of Afghanistan are free, thanks to America and our friends and allies.

We sent a clear message to Saddam Hussein: "Disarm. The world has asked you to disarm for 12 solid years, and now is the time, for the security of America and our friends and for peace in the world, for you to disarm." And we gave him plenty chance to do so, and he chose to defy the United States and our friends and allies. The regime of Saddam Hussein is no more. America is more secure; the world is more peaceful; and the long-suffering people of Iraq are now free.

This Nation is plenty strong militarily, but it's not the true strength of America. The true strength of America is the fact that we've got millions of fellow citizens who are willing to love a neighbor just like they would like to be loved themselves. That's the real strength of this country, because we're a deep and compassionate nation. When we see suffering, whether it be here at home or abroad, we care.

So today when I landed, I met a fellow named Ron Strauss. He is a—works for Cargill Cares Volunteer Council. He's just one of thousands of people here in the State of Minnesota that understand their job is to help somebody who hurts. He volunteers time to make a difference in somebody's life. He is willing to serve his country and his community by helping mentor a child, or by starting a Boys or Girls Club, or being a Scout leader amongst young kids, setting a good example, teaching somebody to read. There's all kinds of ways in which you can help serve your Nation by loving somebody like you would like to be loved yourself. I want to thank Ron for coming. And I want to thank all who are volunteering to make Minnesota a compassionate State.

And if you're interested in serving, just go to USA Freedom Corps on the computer, pull it up on the Internet, and there's all kinds of ways for you to serve our Nation. No, this country is militarily strong, but our true strength is the heart of our fellow citizens.

We have faced challenge in this Nation. We faced challenges to our security; we faced challenges to our economic security as well. I mean, starting in early '01, this Nation was in recession, which is three quarters of negative growth, a recession which affected the Treasury of the United States of America but, more significantly, a recession which affected the pocketbooks of our American citizens. Too many people who wanted to work couldn't find a job.

And things started to get kind of righted, a little better. Then all of a sudden the terrorists hit us, and the attacks of September the 11th, 2001, affected the economy of the United States. It hurt our economy. But we were strong, and we were resilient.

And then we found out some of our fellow citizens were not responsible citizens because they cooked the books. They had a responsibility to shareholder and employee, and they didn't tell the truth. They had positions of responsibility as CEOs in corporate America, and they didn't assume those positions responsibly. And the corporate scandals affected the psychology of the country, kind of shook our confidence a little bit.

And then we had war. And when you hear about war all the time on your TV screens, the speculation of war and the discussion of war, it's not conducive to a confident tomorrow.

But we acted. We acted by holding corporate scoundrels to account. We said loud and clear, if you cheat the shareholder and your employees, you will be held responsible for those decisions.

The world is now more peaceful because we acted.

But we also acted in concert with many in the United States Congress by passing two significant tax relief packages. You see, we understand that when things are slow

in the economy, you've got to increase demands for good and services. And the best way to increase demand for good and services, so that somebody will produce a good or a service—and when somebody produces a good or a service, somebody is more likely to find work—is to let people keep more of their own money. That tax relief package we passed 2 years ago helped make the recession one of the shallowest in our Nation's history. And then I just finished signing another tax relief package, and that package is going to be good for a lot of folks. And I believe it's going to put wind at our back as this economy recovers from what has been a very tough period of time.

Right here in Minnesota, companies are adjusting withholding tables so that the working folks of this State will see more take-home pay. Tax relief not only means more take-home pay, but if you happen to be a mom or a dad with young children, you'll see the child credit go up from $600 a child to $1,000 a child. And a lot of those checks are going to be in the mail to you for the differential this July. As some of them like to say in Washington, the check's in the mail. [*Laughter*] In this case, it better be—[*laughter*]—or somebody's going to be looking for work. [*Laughter*]

As well, Congress is debating further relief for a family with children, further extension of the child credit. I urge them to complete the work on this legislation soon and get it to my desk.

As well, tax relief means a reduced marriage penalty. You see, we want the Tax Code to encourage marriage, not discourage marriage. Tax relief means lower rates on dividends and capital gains, now at 15 percent, to help more than a half a million Minnesota savers.

Tax relief means a lot for small business. You hear all the rhetoric coming out of Washington, DC, kind of class warfare rhetoric. But let me tell you why this tax relief is really good for American economy, besides encouraging more consumer spending and better consumer confidence: because most small businesses pay tax at the individual income-tax rate. If you're a Subchapter S or a sole proprietorship, you pay tax based upon what the individual pays. And so therefore, when I talk about tax relief, really what I'm talking about is more money into the treasuries of small businesses. And after all, that's important because 75 percent of the new jobs in America are created by small businesses all across this country.

This tax relief package allowed for higher expense deduction for small businesses, from $25,000 a year to $100,000 a year. And if a small firm invests more than $100,000, it will then qualify for a 50 percent bonus depreciation. Let me tell you what all that means. It means people are more likely to buy equipment. If there's an incentive for capital expenditure and confidence is coming back, people are more likely to make that expenditure.

Just ask the Hamiltons. Here at Micro Control, they've got 140 employees—up from 2, 30 years ago. And so the fundamental question is, can those folks stay working, or can he add jobs? One of the ways you add jobs is to make the workforce more productive. And one of the ways you make the workforce more productive is you add equipment, which makes your workers more productive.

And so I asked Harold, I said, "You've seen the tax bill; you've seen what—I'm sure you've looked at the consequences of what this means for your company." He said, "Yes, it means it's more likely we're going to hire a mechanical shaker." I didn't know what it meant. [*Laughter*] But I do know this, somebody is going to have to manufacture the mechanical shaker, which means somebody in some other plant is likely to find a job. He assures me the mechanical shaker makes his workforce more productive, which means not only the workers here are going to be likely to stay at work, but it may just mean he has to hire additional people to make that machine work. The Tax Code, the tax relief

plan, has encouraged Harold and his wife to make additional investment, which is good for the economy.

I met Brian Dahl. He and his business partners purchased Capital Wood Products 12 years ago, and they moved it to St. Paul in the year 2000. What he wants to do to stay competitive is to purchase additional software. The tax bill that I signed provides incentives for Brian to purchase software so that his company is more productive. As he purchases the software, somebody has got to make it and sell it to him, and that somebody—means that they're more likely to stay at work.

You see, when you provide incentives to the Tax Code and people make rational decisions because of those incentives, it has an effect beyond the wall of the company just making the decisions. It ripples throughout the economy. If you're interested in job creation, which is what I'm interested in, I want to see good public policy that encourages jobs to be created in the private sector. And that's exactly what we have done.

Tim Rashleger is with us, with Milltronics Manufacturing. I met a couple of his employees. He wants them to keep working; that's what he wants. He's a little worried about his company's future. He analyzed the tax bill and said—in his words, not mine—he said, "This could save our company." And not only that, he's going to make additional investments this year; I think he told me $250,000 worth of additional investments. The tax bill saves his company $26,000. That's a lot for Tim. It's good news for his employees. But there's a lot of Tims across the country, just not the Tim right here in this building. There are Tims all across America who are the entrepreneurs of this country, the job creators of this country, who are more likely going to expand their job base.

Listen, I'm interested in one thing. I'm interested in helping people find work. I want people who want to work to be able to find a job. The tax bill we passed understands the significance of small business in our society. The tax bill we passed is really good for the American economy and will make it more likely somebody is going to find a job.

In order to make sure this country is hopeful and the economy expands and people feel secure, we need to deal with health care. We're on the verge of doing something really important for our seniors. We're going to make Medicare a modern system. And it's been hard to do in the past. But in the year 2003, it can be done. I believe it can be done.

I met yesterday with a group of United States Senators from both political parties. The spirit is good there. The issue used to be called "Medi-scare" because people were afraid to talk about the issue because of the political ramifications. I hope we've put all that needless party politics aside and focused on doing what we want to do for our seniors and to have a health care system that is modern, a health care system which includes prescription drugs, and a health care system which gives seniors different choices so they can tailor their health care plans after their own needs. After all, Members of the Congress and their staffs have got the capacity to have choice in their health care systems. And my attitude is, if choice is good enough for the Members of the United States Congress, it's good enough for the seniors of the United States of America.

The other issue regarding health care is whether or not health care is affordable and available, and one reason it's not in certain communities is because there's too many lawsuits. We've got too many junk lawsuits that are running up the cost of health care.

Listen, we want to make sure anybody who is honestly injured ought to have their day in court, of course. And bad doctors ought to be held to account. But medical liability is like a lottery, and they're filing lawsuit after lawsuit after lawsuit, which causes premiums to go up, which means

your bills go up. And it means many doctors in hospitals practice preventative medicine, which means they prescribe more than is necessary in order to make sure they cover themselves in case of a lawsuit, which causes your costs to go up. And in a lot of places, docs just quit practicing, which is not good for America.

Medical liability is a national issue—it drives the Medicaid budget; it drives the Medicare budget; it drives the veterans budget—and it requires a national solution. We've got a good bill out of the United States House of Representatives. We need to get it out of the United States Senate. And I would urge you to contact your United States Senators, one of whom I think is a pretty good vote on this issue.

We're worried about regulation on small business in Washington, DC. We understand what regulation does to our small businesses. I believe in associated health care plans for small businesses, to allow small businesses to pool risk across jurisdictional lines so as to reduce the cost to small businesses and their employees. The House is taking this bill up today—timely subject. I hope they pass it. And when they do, the United States Senate must act for the sake of affordable health care for the employees of small businesses all across this country.

And finally, we've got another issue, and that's the issue of energy. For the sake of this economy, we need an energy plan. Listen, I came to this good State and laid out an energy plan for Congress to consider. It was a plan that said we can do a better job of conservation, and we need to do that. We need to unleash new technologies.

But we've got a—we've got a problem with natural gas here in America. The demand for natural gas is going up, but the supply isn't. And any time the demand for a product is going up and the supply is not going up, the price goes up. And our policy thus far on exploration for natural gas has not been very consumer-friendly. There's been a lot of false science put out about what exploration for natural gas would do to certain parts of our country.

We're a technologically capable nation. We can explore for natural gas and protect our environment. We need a energy policy. We need an energy policy that not only helps the economic security of the United States; we need an energy policy that helps our national security, an energy policy which makes us less reliant on foreign sources of energy.

And we've got a lot ahead of us to do, but I'm anxious to do the job that you want me to do. And I believe we can get that done. I believe it. Listen, I've seen this great spirit of this country. I've seen the determination of the American people, the fierce courage of those who wear our uniform, the love and compassion of those who are neighborhood healers and helpers. Now, we're lucky people to live in America. There is no challenge that we can't overcome. There's nothing we can't do when we put our mind to it. And I firmly believe because of the character of the American people, this world will be more peaceful; America will be more secure; and the people that live in this country will be more hopeful.

I want to thank you all for coming today. May God bless you, and may God continue to bless the United States.

NOTE: The President spoke at 1:11 p.m. in the warehouse at Micro Control Co. In his remarks, he referred to Harold Hamilton, owner, Micro Control Co., and his wife, Eleanor; State Auditor Patricia Awada and Lt. Gov. Carol Molnau of Minnesota; Steve Sviggum, speaker, and Erik Paulsen, majority leader, Minnesota House of Representatives; former President Saddam Hussein of Iraq; Brian Dahl, owner, Capital Wood Products; and Tim Rashleger, owner, Milltronics Manufacturing.