

employers to reduce the amount of taxes withheld from paychecks, meaning that by April 1st, a typical family will begin taking home at least \$65 more every month. Never before in our history has a tax cut taken effect faster or gone to so many hard-working Americans.

But as important as it was that I was able to sign this plan into law, it is only a first step on the road to economic recovery. And we can't fail to complete the journey. That will require stemming the spread of foreclosures and falling home values and doing all we can to help responsible homeowners stay in their homes, which is exactly what the housing plan I announced last week will help us do.

It will require stabilizing and repairing our banking system and getting credit flowing again to families and businesses. It will require reforming the broken regulatory system that made this crisis possible and recognizing that it's only by setting and enforcing 21st century rules of the road that we can build a thriving economy.

And it will require doing all we can to get exploding deficits under control as our economy begins to recover. That work begins on Monday, when I will convene a fiscal summit of independent experts and unions, advocacy groups and Members of Congress to discuss how we can cut the trillion dollar deficit that we've inherited. On Tuesday, I will speak to the Nation about our urgent national priorities, and on Thursday, I'll release a budget that's sober in its assessments, honest in its accounting, and lays out in detail my strategy for

investing in what we need, cutting what we don't, and restoring fiscal discipline.

No single piece of this broad economic recovery can, by itself, meet the demands that have been placed on us. We can't help people find work or pay their bills unless we unlock credit for families and businesses. We can't solve our housing crisis unless we help people find work so that they can make payments on their homes. We can't produce shared prosperity without firm rules of the road, and we can't generate sustained growth without getting our deficits under control. In short, we cannot successfully address any of our problems without addressing them all. And that is exactly what the strategy we are pursuing is designed to do.

None of this will be easy. The road ahead will be long and full of hazards. But I am confident that we as a people have the strength and wisdom to carry out this strategy and overcome this crisis. And if we do, our economy and our country will be better and stronger for it.

Thank you.

NOTE: The address was recorded at approximately 3:45 p.m. on February 20 in the Blue Room at the White House for broadcast on February 21. The transcript was made available by the Office of the Press Secretary on February 20 but was embargoed for release until 6 a.m. on February 21. In his address, the President referred to H.R. 1, which was assigned Public Law No. 111-5.

Remarks to the National Governors Association

February 23, 2009

Thank you very much. Everybody, please have a seat.

First of all, thanks for not breaking anything last night. *[Laughter]* Thank you also for waiting until I had left before you started the conga line. I don't know whether Rendell was responsible for that or—but I hear it was quite a spectacle. *[Laughter]* But Michelle and I just had a wonderful time last night, and I hope all of you enjoyed it. And it was a great kick-off of

what we hope will be an atmosphere here in the White House that is welcoming and that reminds everybody that this is the people's house. We are just temporary occupants. This is a place that belongs to the American people, and we want to make sure that everybody understands it's open.

Almost 3 months ago, we came together in Philadelphia to listen to one another, to share ideas, and to try to push some of our

ideological rigidity aside to formulate a recovery plan that would bring some relief to your States and to the American people.

And I want to thank so many of you who were active throughout this process to get the American Recovery and Reinvestment Act done. I don't want to single out too many folks, but Governor Rendell, Governor Douglas, worked tirelessly. We had people like Governor Patrick and Governor Schweitzer, Schwarzenegger, Crist, who were out there consistently promoting the plan. And as a consequence, we got this passed through Congress in record time.

And because of what we did together, this plan will save or create at least 3.5 million jobs, in every State across the country. It will keep your police officers on the beat, your firefighters on the job, your teachers in the classroom. It will provide expanded unemployment insurance and protect health care for your residents who have been laid off. And beginning April 1st, it will put more money back into the pockets of 95 percent of your working families.

So this plan will ensure that you don't have to make cuts to essential services that Americans rely on now more than ever. And to show you that we are serious about putting this recovery plan into action swiftly, I'm announcing today that this Wednesday, our administration will begin distributing more than \$15 billion in Federal assistance under the Recovery Act to help you cover the costs of your Medicaid programs, I know, something that is going to be of great relief to many of you.

That means that by the time most of you get home, money will be waiting to help 20 million vulnerable Americans in your States keep their health care coverage. Children with asthma will be able to breathe easier, seniors won't need to fear losing their doctors, and pregnant women with limited means won't have to worry about the health of their babies. So let me be clear, though: This is not a blank check. I know you've heard this repeatedly over the last few days, but I want to reiterate it. These funds are intended to go directly towards helping struggling Americans keep their health coverage. We want to make sure that that's what's happening, and we're going to work with you closely to make

sure that this money is spent the way it's supposed to.

We will get the rest of this plan moving to put Americans to work doing the work America needs done, making an immediate impact while laying the foundation for our lasting growth and prosperity.

These are the steps that we're taking to help you turn this crisis into an opportunity and pave the way for future prosperity. But I know that many of you, rather than wait for Washington, have already made that happen in your States. You are innovators, and much of the work that you've done has already made a lasting impact and change in people's lives. Instead of debating the existence of climate change, Governors like the 7 of you of you working together in the Western Climate Initiative, and the 10 of you who are working together on the Regional Greenhouse Gas Initiative are leading the way in environmental and energy policy. Instead of waiting around for the jobs of the future, Governors like Governor Gregoire and Governor Granholm have sparked the creation of cutting-edge companies and tens of thousands of new green jobs. And instead of passing the buck on accountability and efficiency, Governors like Martin O'Malley and Governor Kaine have revolutionized performance management systems, showing the American people precisely how their governments are working for them.

The point that I made yesterday, or last night, is something that I want to reiterate though. You shouldn't be succeeding despite Washington; you should be succeeding with a hand from Washington, and that's what we intend to give you in this administration. In return, we'll expect a lot from you as the hard work of making the recovery plan's promise a reality begins.

And that's why I'm announcing today that I'm asking my Vice President, Joe Biden, to oversee our administration's implementation efforts. Beginning this week, Joe will meet regularly with key members of my Cabinet to make sure our efforts are not just swift, but also efficient and effective. Joe is also going to work closely with you, our Nation's Governors, as well as our mayors and everyone else involved in this effort, to keep things on track. And the

fact that I'm asking my Vice President to personally lead this effort shows how important it is for our country and our future to get this right, and I thank him for his willingness to take on this critical task.

In the coming weeks, we're also going to appoint some of the Nation's best managers and public officials to work with the Vice President on this effort. And I'm pleased to make the first of those announcements today with the appointment of Earl Devaney as the Chair of the Recovery Act Transparency and Accountability Board. Where did Earl go? There he is. Stand up, Earl, so everybody can see you.

For nearly a decade as Inspector General at the Interior Department, Earl has doggedly pursued waste, fraud, and mismanagement. He has the reputation of being one of the best IGs that we have in this town. And Joe and I can't think of a more tenacious and efficient guardian of the hard-earned tax dollars the American people have entrusted us to wisely invest. I pointed out just when I saw him, I mean, he looks like an inspector there. [Laughter] He's tough, you know; he barely cracks a smile. Earl is here with us today. I thank him for his willingness to take on this difficult new assignment.

And I expect each of you to approach implementation of this recovery plan with the same seriousness of purpose and the same sense of accountability, because the American people are watching. They need this plan to work, and they expect to see their money spent in its intended purpose.

And that's why we've created recovery.gov, a web site so that every American can go online to see how their money is spent and hold their Federal, State, and local officials to the high standards that they expect. And I want to applaud Governors Kaine, Patrick, and Strickland for already having created their own recovery implementation web sites to allow for the monitoring and accountability at the local level. I encourage every one of you to follow suit.

Let me be clear: We cannot tolerate business as usual, not in Washington, but also not in our State capitals. With Mr. Devaney's leadership, we will use the new tools that the Re-

covery Act gives us to watch the taxpayers' money with more rigor and transparency than ever.

If a Federal agency proposes a project that will waste that money, I will put a stop to it. But I want everybody here to be on notice that if a State government does the same, then I will call them out on it, and use the full power of my office and our administration to stop it.

We are addressing the greatest economic crisis we have seen in decades by investing unprecedented amounts of the American people's hard-earned money. And with that comes an unprecedented obligation to do so wisely, free from politics and personal agendas. And on this I will not compromise or tolerate shortcuts. The American people are looking to us for leadership, and it falls on us now to reward their faith and build a better future for our country. And I have every confidence that we can all do this.

Let me make one last point and then I'm going to bring Joe up. There has been some healthy debate over the last few weeks, last few days, about this stimulus package, even among the Governors. And I think that's a healthy debate. And that keeps me on my toes; it keeps our administration on our toes. But I just want us to not lose perspective of the fact that most of the things that have been the topic of argument over the last several days amount to a fraction of the overall stimulus package. This sometimes gets lost in the cable chatter.

For example, I think there are some very legitimate concerns on the part of some about the sustainability of expanding unemployment insurance. What hasn't been noted is, is that that is \$7 billion of a \$787 billion program, and it's not even the majority of the expansion of unemployment insurance. So it is possible for those who are concerned about sustaining a change that increases eligibility for part-time workers to still see the benefit of 30 billion-plus that is going even if you don't make the change.

So the reason I make that point is, I just want to make sure that we're having an honest debate and presenting to the American people a fulsome accounting of what is going on in

this program. You know, when I hear people say, “Well, there’s a lot of waste in this program,” well, from my perspective at least, keeping teachers in the classroom is not wasteful. From my perspective, tax cuts to 95 percent of working families is not wasteful. From my perspective, providing all of you additional resources to rebuild roads and bridges and levees and dams that will enhance the quality of life of your State, but also make it more economically competitive, that’s not wasteful.

And so if we agree on 90 percent of the stuff, and we’re spending all our time on television arguing about 1, 2, 3 percent of the spending in this thing, and somehow it’s being characterized in broad brush as wasteful spending, that starts sounding more like politics. And that’s what right now we don’t have time to do.

So I will always be open to honest disagreements, and I think there are some legitimate concerns that can be raised on a whole host of these issues. And you’re responsible at the State level, and if the Federal Government gives you something now, and then 2 years later it’s gone and people are looking to you and starting to blame you, I don’t want to put you in that posi-

tion. And so you need to think about how this money is going to be spent wisely.

What I don’t want us to do, though, is to just get caught up in the same old stuff that inhibits us from acting effectively and in concert. There’s going to be ample time for campaigns down the road. Right now we’ve got to make sure that we’re standing up for the America people and putting them back to work.

All right.

NOTE: The President spoke at 10:29 a.m. in the State Dining Room at the White House. In his remarks, he referred to Gov. Edward G. Rendell of Pennsylvania; Gov. James H. Douglas of Vermont; Gov. Deval L. Patrick of Massachusetts; Gov. Brian D. Schweitzer of Montana; Gov. Arnold A. Schwarzenegger of California; Gov. Charles J. Crist, Jr., of Florida; Gov. Christine O. Gregoire of Washington; Gov. Jennifer M. Granholm of Michigan; Gov. Martin J. O’Malley of Maryland; Gov. Timothy M. Kaine of Virginia; and Gov. Theodore Strickland of Ohio. The transcript released by the Office of the Press Secretary also included the remarks of Vice President Joe Biden.

Remarks at the Fiscal Responsibility Summit *February 23, 2009*

Thank you everybody. Please have a seat. Thank you very much. Thank you to Mark and Bob and to Peter. It is wonderful to see the Speaker here. And we’ve got our representatives; I don’t see Harry here, but we’ve got Dick Durbin in his stead. Mitch, thank you for being here; John Boehner, to all the congressional leadership, thank you.

My administration came into office 1 month ago in the depths of an economic crisis unlike any that we’ve seen in generations. And we recognized that we needed to act boldly, decisively, and quickly, and that’s precisely what we did.

Within our first 30 days in office, we passed the most sweeping economic recovery package in history to create or save 3.5 million new jobs, provide relief to struggling families, and lay the foundation for long-term growth and prosperity. And I had an opportunity to talk to the Nation’s Governors today, and both Republicans

and Democrats have ideas about how they are going to use that money to make sure that people are put back to work and that we can stem some of the job loss that’s taking place.

I also laid out my housing plan to break the cycle of falling home values and rising foreclosures that’s devastated so many communities. And we put forth a financial stability plan to start shoring up our banks so we can free up credit and jump-start lending and restore confidence in our financial system.

These are all extraordinary, but necessary, measures to address this economic emergency, and as has already been noted, they will come at a cost. This administration has inherited a \$1.3 trillion deficit—the largest in our Nation’s history—and our investments to rescue our economy will add to that deficit in the short term. We also have long-term challenges—health care,