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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, March 23, 2001

The President's Radio Address

March 17, 2001

Good morning. For several months, economic indicators have pointed toward a slowdown, and now many Americans are beginning to feel its impact in your lives. The stock market is causing worries; high energy prices are straining family budgets; and some American workers and small-business people have been directly affected by layoffs and slowing retail sales. We have been hearing too much troubling economic news. It is time for the United States Congress to give Americans some good economic news: tax relief for everyone who pays income taxes.

This would be good news for families struggling to pay off debt and to save for the future. It would be good news for small businesses that need customers with money to spend. And it would be good news for our broader economy; good news for economic growth and job creation and consumer confidence.

The House of Representatives has already passed a large part of my tax relief plan. Now it is up to the Senate. It is only common sense to give our economy a boost in a slowdown. Yet tax relief is more than common sense; it is a matter of principle. My tax relief plan is also a tax reform plan. It corrects some of the worst, most unfair abuses in our current tax system. And I would be recommending these changes in any economic circumstance.

On principle, our Tax Code should reward hard work and overtime by men and women struggling to enter the middle class. Right now they face some of the highest marginal rates in the Tax Code. So we lower those rates to encourage their dreams.

On principle, our Tax Code should honor family. That's why we double the per-child tax credit and reduce the marriage penalty.

On principle, no one in America should have to pay more than a third of their paycheck to the Federal Government. So we reduce tax rates for everyone in every bracket.

On principle, every family, every farmer, and small-business person should be free to pass on their life's work to those they love. So we abolish the death tax.

These are not Republican principles or Democratic principles; these are principles that are shared by Americans in both parties, and Americans in no party. This is the reason my tax relief plan has so much momentum. Americans want our Tax Code to be reasonable and simple and fair. These are goals that unite our country, and these are goals that have shaped my plan.

The Senate should act quickly on my plan for two good reasons: First, tax relief is good news for our economy, which needs some good news. Second, my tax reform plan will treat everyone fairly.

If you agree with me, I hope you'll tell your Senator that you agree. Together we can help make our Nation more prosperous and our tax system more fair.

Thank you for listening.

NOTE: The address was recorded at 1:06 p.m. on March 16 in the Oval Office at the White House for broadcast at 10:06 a.m. on March 17. The transcript was made available by the Office of the Press Secretary on March 16 but was embargoed for release until the broadcast.

Remarks Prior to Discussions With Prime Minister Yoshiro Mori of Japan and an Exchange With Reporters

March 19, 2001

President Bush. It's my honor to welcome the Prime Minister of our close friend to the Oval Office. Mr. Prime Minister, welcome. This meeting is an important meeting because it gives us both a chance to confirm the importance of our relationship. We view Japan as a very strong friend and ally, and

that's the way it's going to be during my administration.

And we've got such a good friendship and such a strong alliance that we're able to overcome occasional problems that might arise. We can do so in the spirit of friendship. So I'm honored that the Prime Minister is here. We're going to have a—we'll discuss a lot of issues: we'll discuss our economies; we'll discuss trade; we'll discuss our alliance and how best to work together to keep the peace. I'm looking forward to a very fruitful and important discussion.

Mr. Prime Minister.

Prime Minister Mori. I have spoken to President Bush over the phone three times, but I am delighted today that I am able to have a face-to-face meeting with the President. In today's meeting, as the President just said, I would like to reaffirm the strong alliance between Japan and the United States and would like to discuss a very—a broad range of issues, including various issues in international affairs, and would like to set out the fundamental direction in which the Japan-U.S. alliance should head in the 21st century.

I would like to explain the various measures which our Government has taken so that the Japanese economy will have a fully sustainable economic growth. And I'd like to express my strong determination to pursue necessary policies for that. I'd also like to express to the President my hope that United States will take appropriate macroeconomic policies to deal with the U.S. economy that is slowing down.

Bank of Japan's Zero-Interest-Rate Policy

[*At this point, a question was asked in Japanese, and no translation was provided.*]

Prime Minister Mori. I, of course, will be explaining to the President the decision made by the Bank of Japan yesterday, and I sincerely hope that it will have—and I am certain that it will have a positive effect on our economy.

National Economy

Q. Mr. President, with both the Japanese and the American economies in such fragile states, could you explain how you see the interrelationship between the economies and what you'd like to see the Japanese Government do to address its problems and particularly in the financial sector?

President Bush. First, we've got to get our own economy growing the way I know it can. That's why I'm advocating tax relief and free trade regulatory relief. And I look forward to explaining to the Prime Minister that we do have a plan to give our economy a second wind. I'm very confident about our economy. I know it can beat expectations. I will explain that to him, as clearly as I can, about when our policies are in place, how optimistic I am about economic growth.

And secondly, I look forward to hearing Japan's view of reform, internal reform. I'm confident that's going to be a large part of our discussions today.

The interrelationship between our two economies is important. When you combine our economies, we represent about 40 percent of the gross domestic products of all the nations added up. And that's a very important—and therefore, our economies are very important to the world. And the stronger we are, the more likely it is there will be prosperity in other parts of the world. And so this is going to be a very important part of our discussion.

NOTE: The President spoke at 10:55 a.m. in the Oval Office at the White House. Prime Minister Mori spoke in Japanese, and his remarks were translated by an interpreter. A tape was not available for verification of the content of these remarks.

Joint Statement With Prime Minister Yoshiro Mori

March 19, 2001

President George W. Bush and Prime Minister Yoshiro Mori today reaffirmed the strength of the bilateral relationship between their two countries. The two leaders expressed their conviction that the U.S.-Japan relationship is rooted in friendship, mutual trust, and shared democratic values. They also concurred that these solid ties enable the two countries to deal with problems, such as the regrettable Ehime Maru accident. They noted that the U.S.-Japan alliance is the foundation of peace and stability in the Asia-

Pacific region. Agreeing that the U.S. presence remains vital to regional security, the leaders pledged to work together to further strengthen the alliance.

The two leaders, noting that the United States and Japan together account for roughly 40 percent of the world economy, reaffirmed the importance of working together to promote prosperity in their two countries and around the world. The leaders recognized the need to address the challenges facing their two economies. The Prime Minister reiterated his determination to continue pursuing appropriate economic policies and to promote vigorously structural and regulatory reform to revitalize the Japanese economy and strengthen the financial system, including through effectively addressing the issues of corporate debt and non-performing loans. The President reaffirmed the importance of taking appropriate policies to support sustainable growth in the United States, which will benefit both countries and the world economy. They agreed on the importance of promoting deregulation, restructuring, and foreign direct investment. They agreed to work together to seek new ways to enhance the U.S.-Japan dialogue to address global, regional, and bilateral economic and trade issues, and recognized that bringing views from outside the two governments into this effort would strengthen the bilateral relationship and improve economic performance in both countries. Both leaders also agreed to work together closely for the launch of a new WTO round this year.

President Bush and Prime Minister Mori recognized the growing threat from the proliferation of weapons of mass destruction and ballistic missiles. As part of a comprehensive strategy to meet such threats, they agreed on the importance of stepping up diplomatic efforts, including in the field of arms reduction. They also reaffirmed the need to take effective measures to address such threats, including defensive systems, strengthened proliferation controls, and counterproliferation measures. The two leaders noted with satisfaction that the United States and Japan are already conducting cooperative research on ballistic missile defense technologies. They agreed on the importance of close consultations on missile defense among allies and with other interested parties.

The two leaders noted that uncertainty in the Asia-Pacific region necessitates close bilateral cooperation, including a dynamic approach to bilateral defense consultation and planning. The two leaders reaffirmed the need to continue to carry out commitments under the 1996 U.S.-Japan Joint Declaration on Security and related undertakings, such as the new Guidelines for U.S.-Japan Defense Cooperation and the SACO process, that strengthen the alliance, and they agreed to continue to work closely on issues related to Okinawa. The leaders also agreed that strategic dialogue will be an important step in defining how the alliance can best promote stability and address new challenges that may emerge. They pledged to coordinate closely on pressing regional issues, and reaffirmed the particular importance of maintaining close consultations and coordination regarding North Korea, both bilaterally and trilaterally with the Republic of Korea.

The President and Prime Minister recognized the need for the United States and Japan to continue cooperation on global issues, taking note of the important achievements this cooperation has produced thus far. Noting that their two countries are the world's largest aid donors, the leaders agreed to strengthen joint efforts to address the transnational challenges of the 21st century. The two leaders expressed their commitment to promoting United Nations Security Council reform with the goal of strengthening its effectiveness. In this context, they agreed to continue to work together to obtain for Japan a permanent seat on the Security Council.

The President accepted with gratitude the Prime Minister's invitation for an early visit to Japan.

NOTE: An original was not available for verification of the content of this joint statement.

Remarks to the United States Hispanic Chamber of Commerce

March 19, 2001

Well, thank you very much, Abel. I don't know what you said, but—[*laughter*]—it worked.

I want to thank you very much for being here. I appreciate Mitch and Margaret and Ruben and Mark to be here to talk to you all and brief you about what we're trying to do here in the administration. And thank you all for your interest.

Before I begin, I do want to say hello to Hector, who is the designated nominee to the Small Business Administration. And George Herrera, thank you very much, *Jorge.* for your—[*applause*] And thank you all for what you do to make America a unique and wonderful place.

I don't think enough people in our country pay attention to the role of the small-business person, the incredible impact the Hispanic small-business person has on the country. I remember campaigning in California and Hector said, "You know, you've got an amazing statistic. There are thousands of Hispanic-owned small businesses in our State." And I said, "Oh, really, by thousands, what do you mean?" He said, "Would you believe 600,000?" And I said, "I do," because this is what America is all about, the idea of somebody having a dream. It doesn't matter what your background is, where you're from, if you work hard and dream big, you can realize your dream.

And that's what good public policy is all about, too. It firmly recognizes that the role of Government is not to create wealth but an environment in which the entrepreneurial spirit can flourish. And I want to talk to you about that today in terms of the U.S. budget.

But first, I want to confirm our commitment to free trade in this administration. I believe free trade is an incredibly important part of making sure the environment is hospitable to the formation of small businesses. And trade with Mexico is an integral part of making sure that our hemisphere is safe, secure, and prosperous.

I had a chance to reiterate that face to face with Vicente Fox, who is—he's going to provide good, strong leadership for Mexico. And I told him that a strong Mexico is in our Nations' best interests. It's in our Nations' best interests that Mexico be prosperous and vibrant. And the best way to do so is for there to be free and fair trade between our countries. This is a message I hope the Congress hears.

Our hemisphere, by the way, is not going to be an afterthought for this administration. It's one of the most important parts of our foreign policy, will be to promote prosperity and peace and freedom throughout this hemisphere.

And so part of making sure the environment is hospitable to a capital formation and the entrepreneurial spirit is trade. But another part is to make sure the Federal Government does not squash opportunity by being—overspending taxpayer money.

It's important that we budget wisely. And I want to talk a little bit about our budget, and I want to thank you all for paying attention to the debate in the budget, because it directly affects your lives.

First, the fundamental question a lot of people ask is, "Are we spending enough money to meet the needs of the Government?" And the answer is: Yes, we are. The budget I submitted to Congress increases discretionary spending by 4 percent. Now, keep in mind, that's greater than the rate of inflation; it's greater than, generally, the pay raises that the people who are paying the bills have received. In other words, we're spending quite a bit of money. And that 4 percent, when you look at the budget in terms of trillions, is a lot of money. It's a lot of money.

It allows us to set priorities. I mean, I have set priorities, which allows us to be fiscally responsible with your money. Education is a priority. Funding the defense budget, making sure our folks are paid better, who wear the uniform, is a priority. Medicare and Social Security are priorities. We doubled the Medicare budget, and we say to the Congress that the payroll taxes for Social Security will be only spent on Social Security. We've set priorities.

We've made it clear that education is important. We made it clear that health care is important. We made it clear that retirement systems are important, and we grew

the discretionary spending by 4 percent. Now, the reason there is some hollering up here is because last year they grew the discretionary budget by 8 percent. It's unbelievable how much money they spent on the way out of town. And we're saying, let's be realistic with the people's money.

On the Medicare and Social Security issue, these are more than just spending issues. These two are issues that are important for the future of the country and require the Congress and the President working together. Today the trustees issued their reports on the financial status of Social Security and Medicare. These nonpartisan reports underline and add an exclamation point to the need to reform and strengthen both.

Social Security and Medicare are vital programs, and they need major reforms. We must act and do so courageously. And that's part of my message to the Congress. These are issues that we need to work together on. Today's reports show health care costs are rising at a faster rate than was previously estimated. By 2016, expenses in both Medicare Part A and Social Security will be greater than the payroll taxes coming in to support them, and 2016 isn't very far down the road.

The financing deficit for the entire Medicare program, including Parts A and B, is larger than ever. We must respond and act with courage to keep Medicare and Social Security benefits secure. In the words of the Board of Trustees, both Social Security and Medicare need to be reformed and strengthened at the earliest opportunity, and that's what I'm going to ask both Republicans and Democrats to do on the Hill.

It's one thing to double the Medicare budget over 10 years. We need to work together to make sure the Medicare system responds to the needs of the elderly, to give elderly more choices, including prescription drug benefits, so we can say—firmly say, we're going to keep our promises to the elderly in America.

This requires a sense that—of urgency. We have only so many years to get the systems back on track. It's time to quit the posturing and time to reform the systems. And I'm prepared to spend the political capital, along with both Republicans and Democrats, to do so.

We have long-term commitments, and we'll keep them. And Medicare and Social Security have long-term problems that we're going to solve. Part of the Social Security reform must include allowing younger workers the option to take some of their own money and put it in the private markets, under safe conditions. In order to make sure that there is a Social Security system around tomorrow, we've got to get a better rate of return on the money in the Social Security Trust. And that means trusting people with their own money to make wise decisions as to how to get a better rate of return than the 2 percent in the Social Security Trust. I fully recognize that reforming Medicare and Social Security are going to require a new way of thinking in Washington, but it's time for there to be a new way of thinking in Washington.

There is also a lot of talk about paying down debt, as I'm sure the OMB Director will tell you. We pay down a lot of debt. We pay down $2 trillion of debt over the next 10 years. And that's important. It improves the balance sheet of our Government. But I want to remind the folks that there is more than just Government debt in our society. There is credit card debt that affects the ability of many of our citizens to be able to save, for example.

And when you couple high energy prices with credit card debt, there are some of our families in this country beginning to strain. And it seems wise and commonsense policy to meet our needs at the Federal level, pay down debt, and always remember, if we have any money left over, whose it is to begin with.

And so one of the things I'm asking Congress to do is to be fiscally sane with the people's money, pay down debt, set aside some money for contingencies, but with that money left over, not try to spend it on bigger Government but let it be spent on bigger family—on family needs. It's to pass it back to the people who paid the bills.

That's the fundamental debate taking place here in Washington. It's a debate as to whether or not, after we meet needs, we grow the Government or we trust people with their own money. And this is an issue of trust, and I want your help on the issue.

As I've said, it directly affects you, and let me explain how, besides the fact that if you

pay taxes you're going to get tax relief. And that's one of the principles of this debate. There are some in Washington who would like to have what they call targeted tax relief. It means the Federal Government gets to pick and choose the winners and losers. That's not the role of Government. The role of Government, in my judgment, is to be fair and even-handed, and it says if you pay taxes, you get relief. That's what the role of Government ought to be.

A lot of times in the rhetoric, people forget the facts. And the facts are that thousands of small businesses, Hispanically-owned or otherwise, pay taxes at the highest marginal rate, because most small businesses are not incorporated. They're sole proprietorships, or they're Subchapter S's, and they're subject to the 39.6 percent income tax rate.

And so when you hear us talking about dropping the top rate from 39.6 to 33 percent, I hope Americans understand the positive effect this will have on the small-business communities.

It is the message that I hope Congress joins me on in saying we understand how small businesses grow, and they grow by being able to have more cash flow to reinvest in their own business. The small-business person is an integral part of new employment in America. But more importantly, the small-business owner represents the great dreams of Americans. And the role of Government is to create an environment that encourages Hispanic-owned businesses, women-owned businesses, anybody-kind-of-owned businesses.

And the reduction of the top rate sends a clear message that we appreciate what you're doing, and we want you to continue to do it, and we want you to have some of your own money so that you can expand your businesses and more likely realize your dreams. That's what tax relief is all about.

We have met the needs of Government. We have paid down debt. We've set aside money for health care. We have set aside the money—the people's money for Social Security. And what we're saying is, after we've grown the budget by 4 percent, let's remember who paid the bills and remember what drives America, and it's the small-business community and the entrepreneur.

And so I'd like your help. I'd like your help by—if you contact your Senators, you might just put a word in for your own self. [*Laughter*]

And there's one other aspect of tax reform that I think is important. There's a lot of it, obviously: We drop all rates; we simplify the code; we increase the child credit from $500 to $1,000 per child, which is a very positive addition to the code because it makes the code more fair for people struggling to get ahead; we do something on the marriage penalty; and as importantly to you, we eliminate the death tax.

The death tax is a tax that causes the small-business owner to pay taxes twice, once as you build your business and then when you pass it on to your heirs. And it seems like to me that part of the American experience ought to make it easy for a mom or a dad, once he or she builds up his or her business, to pass it on to a son or a daughter. That's what America is all about, it's the ability to transfer.

And so I appreciate so very much you all being here to lend your voice—listen to what we have to say and to lend your voice for reason and common sense in Washington, DC. All the rhetoric sometimes tries to obscure reality, and there's a lot of name-calling at times and trying to frighten people one way or the other. But I think when people take an objective look at what we're trying to do, they'll realize this is a commonsense approach to your money, and it recognizes the great strength of America lies not here in Washington but in the hearts and souls of our folks, people who are willing to work hard, take risk, dream big, and realize the great American experience—but not only realize it but enrich it, to make it so much stronger and so much better.

I used to tell the folks in my great State of Texas, I said, I welcome the Hispanic influence in our State. It makes Texas a richer place, a stronger place, a place that I'm proud to call home. And that's the way I feel about America, too.

Thank you all very much.

NOTE: The President spoke at 1:15 p.m. in Presidential Hall in the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Associate Director of Public Liaison Abel

Guerra; Office of Management and Budget Director Mitchell Daniels, Jr.; Domestic Policy Adviser Margaret LaMontagne; Intergovernmental Affairs Director Ruben Barrales; Deputy Assistant to the President Marc Sumerlin, National Economic Council; Small Business Administrator-designate Hector V. Barretto; George Herrera, president and chief executive officer, U.S. Hispanic Chamber of Commerce; and President Vicente Fox of Mexico.

Remarks Following a Meeting With the National Energy Policy Development Group and an Exchange With Reporters

March 19, 2001

The President. Thank you all for coming. I appreciate the Vice President calling this meeting. It's a meeting to bring me up to speed as to what the committee that we put together to look at the energy situation in America, where we are. His group is making good progress. Obviously, this is an issue that this administration takes very seriously. We've assembled senior members of the Cabinet to analyze the situation and to come up with recommendations.

It is clear from first analysis that demand for energy in the United States is increasing, much more so than production is. And as a result, we're finding in certain parts of the country that we're short on energy. And this administration is concerned about it, and we will make a recommendation to the country as to how to proceed.

But one thing is for certain: There are no short-term fixes—that the solution for our energy shortage requires long-term thinking and a plan that we'll implement that will take time to bring to fruition. It not only includes good conservation but, as well, exploration for oil and gas and coal, development of energy sources that exist within our 50 States.

It also requires good foreign policy, and that's—in order to increase the amount of energy available for American consumers, we've to work closely with our neighbors to the north and the south, which we will do.

And so, Mr. Vice President, thank you. You've done good work, and we look forward to reporting to the Nation when your report is final.

OPEC Production Limits

Q. Mr. President, during the campaign you said that you'd be able to work with our allies in OPEC to get them to restrain the prices. Given what happened over the weekend, what went wrong? Do you consider it a direct rebuff to your administration's entreaty? And what are you going to do about it?

The President. The OPEC nations are responding to decreased demand. World demand, they think, is going to decrease, and therefore, they've responded with a million-barrel cut.

The piece of good news in their decision was that the Saudi minister made it clear that he and his friends would not allow the price of oil, crude oil, to exceed $28 a barrel. That's very comforting to the American consumer, and I appreciate that gesture. I thought that was a very strong statement of understanding, that high prices of crude oil will affect our economy.

Having said that, it's important for American consumers to understand that if we have a price spike in refined product, it's not going to be because of the price of crude oil being at $25 or $26 a barrel. It's going to be because we don't have enough capacity, refining capacity; we're not generating enough product. And that's another issue that we'll be dealing with, is how to make sure we can get refined product to our consumers.

Q. So this cut in production won't have an impact on gasoline prices this summer?

The President. We don't think so. We think that the major—the major impact on gasoline prices, if they go up, is a result of not generating enough supply—enough refined product to meet the demand of U.S. drivers. And we haven't built a refinery in 25 years in America. We're not generating enough gasoline to meet demands. It's the same as natural gas. We're not exploring for enough natural gas to meet demand; we're not building enough power generating plants to meet demand; and we're beginning to pay the price for it.

America has got to understand that energy is an issue, and we're going to deal with it.

Strategic Petroleum Reserve

Q. Mr. President, you say there are no short-term fixes, but are you considering, or will you consider short-term options in case there are shortages this summer, such as tapping into the Strategic Petroleum Reserve?

The President. We've been through that before. The Strategic Petroleum Reserve is meant for a national emergency when it comes to war. There are some things we can do. We can work with California, at the Governor's request, to expedite permitting. And Administrator Whitman has done an excellent job of working with California to encourage and enable California to more speedily build plants.

The energy crunch we're in is a supply and demand issue. And we need to reduce demand and increase supply. The best public policy is to understand that, and that's what we're going to do.

Hemispheric Energy Resources

Q. Mr. President, what about tapping Mexico's oil reserves? Have you thought about what that——

The President. Well, we had a good discussion. I had a very good discussion with Vicente Fox. And Secretary Abraham had a very good discussion with his counterpart from Mexico. Mexico has to make the decision as to whether or not they will be willing to allow foreign capital to explore for oil and gas in their country. That's the Mexican decision to make.

I encouraged the President to begin allowing foreign capital to explore for natural gas in Mexico. It would be to our benefit. Gas is hemispheric. An mcf of gas found in Mexico is beneficial for the United States and Canada, even though it's found in Mexico. And the Vice President and I have had discussions with Prime Minister Chretien about exploration for natural gas.

A good energy policy is one that understands we've got energy in our hemisphere and how best to explore for it and transport it to markets. So you bet, we've continued discussions with Mexico, as well as Canada.

Meeting With Black Ministers

Q. The black religious leaders that you met with this afternoon, they emerged from the meeting and were very highly complimentary of you and your faith-based plan. Were you encouraged about the meeting that you had with them as much as they were? And how crucial is their support to your Faith-Based Initiative?

The President. Well, the black ministers with whom I met are very crucial for helping change the neighborhoods and communities in which they live. Many of those preachers are bishops over churches that have got great programs and change people's hearts and provide hope in neighborhoods where there is no hope. So I view them not as agents of politics; I view them as agents of change. And they are supportive of our efforts to empower people to be able to make choices as to where to find services and help. And I am supportive of their efforts to provide help where help is needed. And I really appreciate them coming, so I was very encouraged by the meeting.

NOTE: The President spoke at 4:50 p.m. in the Cabinet Room at the White House. In his remarks, he referred to President Vicente Fox of Mexico; Gov. Gray Davis of California; and Prime Minister Jean Chretien of Canada. A tape was not available for verification of the content of these remarks.

Remarks to Women Business Leaders

March 20, 2001

Thank you. Thank you for being here. Please sit down. First Lady—it's got a nice ring to it. [*Laughter*] I'm proud of Laura. She is—she makes this White House special for me. She is—brings a lot of perspective to our household. She kind of reminds the President where he came from—[*laughter*]—and always makes sure my tie lies straight. But I'm proud of the job she's doing for America, and she's going to be a great First Lady.

And I am proud of the ladies behind me, as well. We've put together a great Cabinet. They're not afraid to speak their mind. They're smart. They're capable, and they represent America. And they're good; they're really good. We've got a great Cabinet, and

these good folks up here make a big difference.

And I've got a great staff, as well. And I appreciate Margaret LaMontagne being here. Margaret's the Domestic Policy Adviser to the President. And I've known her a long time. She's plenty capable, and she's spending a lot of time on education, which is one of the subjects I want to discuss with you today. And I appreciate you, Margaret.

I also want to thank Bonnie for your hard work and for putting this on. And I want to thank you all for coming. I know you all are going to Capitol Hill today. I hope you help us deliver a couple of messages. One is going to be on education. Another is on commonsense budgeting and tax relief, and why it's important to all people, particularly those who have decided to invest capital in the private sector. And I want to explain why this tax relief package will spur economic activity and entrepreneurship in America.

First, let me talk about education. I said it was my priority in the campaign. It is our priority in this administration. An educated child is one much more likely to realize his or her dreams. And we've got to do a better job of making sure every child—I mean every child—is educated.

One of things about this administration I think people will find is that we are consistent. We set out a set of principles and stand by them, that we don't try to figure out polls and focus groups—we don't use polls and focus groups to figure out where to head.

And there are some solid principles involved with our education plan. One of them is setting high standards and high expectations for every child. We believe if you have low expectations, you get lousy results. If you believe in the best in every single child and set high expectations, good folks will follow.

Secondly, we believe strongly in local control of schools. We believe in aligning authority and responsibility at the local level. Many of you, as you run your own businesses, know full well that when you separate accountability and responsibility or responsibility and authority, it creates an excuse for failure. "Oh, I would have done it a different way." And so we align authority and responsibility where it belongs, at the local level. And I hope you help Congress understand the importance to pass power out of Washington, to provide flexibility at the State and local level.

Thirdly, we believe strongly in a results-oriented system. A lot of times in education, people focus on process. We think the world needs to start focusing on results. People need to start asking the question, "What do you know?" not "How old are you?" In a world that asks the question, "How old are you?" oftentimes people just get shuffled through regardless of what they know. "If you're 12, you're here. If you're 14, you're here," and, "Let's just move you through." And those of us who have been involved in public education know full well who gets left behind—children whose parents don't speak English as a first language, for example, inner-city kids. It's so much easier to quit on children. We strongly believe that by insisting upon results, it will begin to change the mentality of public schools all across America.

And so, one, we've asked for more money for our budgets. We've increased education spending quite significantly. And we've said, in return, however, we expect States and local jurisdictions to measure, to show us whether or not students can read and write and add and subtract, to focus on every child since every child matters. We've got to end the process-oriented world of public schools.

And we firmly believe that through accountability not only can we diagnose and solve problems, but accountability serves as a catalyst for reforms. It's the accountability system that encourages local folks to say, "Wait a minute, the status quo is unacceptable. Let's try something else." It's strong accountability measures that will foster charter school movements, or public school choice movements, if necessary, to make sure not one single child gets left behind.

So we've got an education vision that says, there will be more money in the system, but let's make sure that we have high standards, local control of schools, and strong results-oriented systems. I firmly believe that when we get the system right, the results will begin to improve dramatically. And we've targeted some money. We've set aside $5 billion for a national reading agenda.

It's not the Federal Government telling you what to do, but the Federal Government saying, "Here's money available for K-through-two diagnostic tools, so that we can determine early in a child's career where that child may need extra help." There's teacher training money. One of the failures—one of the deficiencies—I wouldn't call it a failure, but deficiencies in the system is that oftentimes—our teachers are not given a—taught how to teach a curriculum that works. And we need to retrain teachers. So we've got money available to do that.

We've got intense—money available for after school programs or schools within schools to help young readers get up to speed early. We've set a goal that all children ought to be reading by third grade. And I look forward to working with the Congress, to make sure the program gets funded, and our Secretary of Education, to make sure it gets implemented in such a way as we don't erode local responsibility of schools.

So that's the education plan. Oh, there's a lot of discussion you'll hear about, "We can't measure. It's too much Government to measure." I just disagree. If we're spending money, we ought to get results for the money. But this isn't a national test; this is a test where local folks will design the test. The great State of Pennsylvania can design its own test. Texas designs its own test. But there needs to be a sense of accountability in the system. And then you'll hear people say, "It's racist to test." It's racist not to test. It's racist not to hold people accountable. Those who say it's racist to test must assume that certain children can't learn. We don't believe that. We believe all children can learn.

So the principles involved in the education reform are sound and solid, and they reflect what I hope you all agree with, that there is a better way. We need to challenge the status quo when we find our children trapped in schools that are just not going to teach and won't change.

Secondly, I want to talk about the budget. There's a lot of talk about the budget, of course. And I made some people nervous up here, to be frank with you, because I've decided that instead of increasing discretionary spending by 8 percent on an annual basis, which is a lot, when you're talking in terms of trillions, that we'll have spending increase at 4 percent, greater than the rate of inflation, larger than most people's pay raises last year. And it's caused some consternation, because the temptation is for people to appropriate when money's available.

I was in Council Bluffs, Iowa, and a grandmother stood up and she said, "You know," she said, "I've baked a lot of cookies in my day, and I've had children and grandchildren go through the house. And every time I leave them on the table, they get eaten." And that's kind of what happens to Federal taxpayers' money.

So I've presented a realistic budget to the Congress. It says, like many of you all do in your businesses, set priorities. I realize that—we've got to realize it's important to set priorities. Education is a priority. The military is a priority of mine, starting with making sure people get better pay and better housing.

Now, we have stepped back from some of the big appropriation requests, because I want Don Rumsfeld to take a full look at the military, to make sure military spending meets a military strategy that will help us keep the peace in the out years. And it's important to do that. It's important to make sure taxpayers' money is well spent and well focused on all areas of concern. And the Defense budget requires a good scrubbing and a good looking-at. And that's exactly what this administration is doing. But in the meantime, we need to send a clear signal to the men and women who wear the troop—who wear the uniform, the troops who wear the uniforms: We appreciate what you do on behalf of America, so we're going to pay you a little better and house you better and have a mission that is more focused, which is to be able to fight and win war and, therefore, prevent war from happening in the first place.

We've got money in the budget for Medicare. Our Medicare budget doubles over the next 10 years. And that's part of what's needed, but also—but we also need to make sure the system is modern, that it meets the needs of our seniors, it gives seniors a variety of options from which to choose, and all the options should include prescription drugs. So

there's money in the budget for Medicare. That's a doubling.

And we set aside all the money for Social Security for only one thing, and that is Social Security. Take all the payroll taxes and make sure it's only spent on Social Security, and by the way, its system needs to be reformed, as well. One of the major components of reform is to allow younger workers to take some of their own money and put it in safe and secure market-oriented investment vehicles which will yield a greater rate of return than the paltry 2 percent our money now gets in the Social Security Trust today.

And we pay down $2 trillion worth of debt in our budget. Somebody said, "Why don't you take all the excess money and pay down debt?" Well, first of all, excess money tends to be spent on bigger baselines of Government. And—but the 2 trillion is all that's retiring over the next 10 years—all that's to be retired over the next 10 years. And it doesn't make any sense to pay a premium to prepay debt, and so we're paying down all the debt that's available.

We set aside money for contingencies. And I know this is getting to be quite a long laundry list, but I'm trying to make a point that you all can help me make, is that we've increased discretionary spending by 4 percent; we pay down debt; we protect Social Security; we set aside one trillion over 10 years for contingencies; and there is still money left over. And that's where the fundamental debate comes in Washington, DC. There are those who want to increase the size and scope of the Federal Government. I believe—I believe we need to remember who paid the money in the first place, and I believe we need to pass it back.

Now, we drop all rates and simplify the code. Drop the bottom rate from 15 percent to 10 percent. We increase the child credit from 500 to 1,000, and the purpose of that is to make sure that those who work hard to get into the middle class are more likely to succeed. The Tax Code today penalizes people in the outskirts of poverty.

The marginal rate for folks coming from—a single mom—the example I like to use is a single mom making $22,000 a year who is struggling to get ahead and trying to raise her two children, which I also happen to believe is the toughest job in America. For every additional dollar she earns above the 22,000, she pays a higher marginal rate than someone making 200,000. And that's just not fair. And so we address the inequity in the Tax Code by dropping the bottom rate and increasing the child credit.

And we also drop the top rate, of course, from 39.6 to 33. If you pay taxes, you ought to get relief. Everybody who—but everybody benefits, I'm convinced, when the top rate drops because of the effect it will have on the entrepreneurial class in America. What the Congress needs to hear is that most small businesses are unincorporated businesses, sole proprietorships. Many are Subchapter S corps, who pay at the highest marginal rate. And when you drop the top rate from 39.6 to 33 percent, you encourage the growth of small businesses, whether they be women-owned small businesses or any other small businesses.

People like to deflect the debate. They like to turn it into a class warfare debate. And you all can help by explaining clearly to people that reducing the top rate will help with job creation and capital formation and, as importantly, will help highlight the American Dream. And that is, you can own your own business, that ownership is not limited to just a few.

And we're going to do something on the marriage penalty. And we need to eliminate the death tax. This is a realistic plan with the people's money. It's a plan that meets needs. Admittedly, it doesn't grow the budget the way people are used to in Washington. But it's time to change that attitude about how prolific we're going to be with the people's money. There needs to be a focus and a strategy and a discipline.

It seems like, at times, people forgot whose money it is we're dealing with up here. It's not the Government's money. The rhetoric sounds like, "Oh, we're going to"—it's Government's money. But the money is here in Washington because of the hard work of people—people working hard, people who care. The cash flow coming into the Treasury of the United States is exceeding expectations, even though we're in an economic slowdown, which says to me, somebody is being overcharged. [*Laughter*] And I know who it is.

And so that's what the debate is all about. And I'd like your help. You can influence Members of Congress, and people listen to you. And so I hope you take folks aside and say, "Be realistic about our money. Let's don't balloon the size of the Federal Government." And let's also remember that by giving people their money back, it will help provide a second wind for our economy.

Many of you know better than me that our economy is slowing down, and we've got some issues with which we'll deal. Yesterday, the Vice President brought to me an interim report on energy—we've got a problem with energy in America. Our demand is increasing, but our supplies aren't. And it doesn't take much economics to figure out what will happen.

And we're going to do something about it. This is going to be a very practical administration. We will view problems, analyze them, and deal with them. We'll be as upfront as we can with the American people. We'll explain when we can get something done quickly, and we'll explain when we can't get something done quickly. And we're not going to shirk from the problems with which we're confronted. And one of the problems is an energy crisis.

Another problem is a slowing economy, and we're going to deal with it. We'll deal with it in a forthright way. And part of it is good fiscal policy, which means when we give people their money back, it should serve as a stimulus to economic growth.

So this is a plan that not only brings fiscal discipline to the budgeting process; it's a plan that sets priorities. But it's also a plan that remembers how America grows, and it grows through entrepreneurship and the creation of small businesses and providing capital in the private sector for the expansion of jobs and the purchase of equipment. And that's what the plan is.

And I'd like your help. I'd like your help to sell it on the Hill. Two things I hope that you notice when you go up there is that I believe the country is beginning—or the Capitol is beginning to develop a culture of respect.

I want the Members—I fully recognize not everybody is going to agree with me, or us, and I respect that. I do. I may not agree with it, but I respect it. One of my jobs is to change the tone of Washington. Oh, occasionally, there's the voice out there that sounds a little disgruntled. But that's okay. That's part of a democracy. But our administration, or at least the people in my administration, will treat people with respect.

I respect those who don't agree with me on every single issue. I expect there not to be unanimity. And I believe by treating people respectfully, it is possible to do some positive things. This is a Congress that is beginning to get a sense of accomplishment. There is a culture of accomplishment in Washington. There's a bankruptcy bill that's working its way through the House and the Senate. There's an ergonomics—change in ergonomics regulations that I believe is positive, and I intend to sign today. There are some positive developments. Things are getting done.

And that's important. And that will be a little change from the way people have viewed Washington in the past. Washington seemed to be a place of bitterness and acrimony, and it doesn't have to be that way. It's important to change it not only to get good public policy done, but it's important to change the tone of Washington so that when people look at our Nation's Capital they understand that public service can be noble and positive. Just like these ladies up here understand.

And our job is bigger than just legislation. Our job is to set a good tone, a tone of respect, a tone of accomplishment for the Nation. And that's exactly what we're going to do. And I want to thank you all for being here to help us get it done.

Thank you.

NOTE: The President spoke at 10:50 a.m. in the East Room at the White House. The transcript released by the Office of the Press Secretary also included the remarks of the First Lady.

Remarks Prior to Discussions With Prime Minister Ariel Sharon of Israel and an Exchange With Reporters

March 20, 2001

President Bush. It's my honor to welcome the Prime Minister of our close friend and

ally to the Oval Office. Mr. Prime Minister, welcome.

We've just had a very frank and good discussion. Both of us reconfirmed our friendship, both talked about how best to keep the peace.

I assured the Prime Minister my administration will work hard to lay the foundation of peace in the Middle—work with our nations in the Middle East, give peace a chance. Secondly, I told him that our Nation will not try to force peace, that we will facilitate peace, and that we will work with those responsible for peace.

The Prime Minister and I had met before. I took a tour of the West Bank by helicopter, and he was the guide. It was a pretty interesting—it was a really interesting day for me. He's got a marvelous sense of history, and I learned a lot about our friend by touring the West Bank by chopper with you, Mr. Prime Minister.

You didn't think you were going to be the Prime Minister, and you probably darn sure didn't think I was going to be the President. But here we are, and we've got great responsibilities to work together, and I look forward to doing so.

Welcome, Mr. Prime Minister. Glad you're here.

Prime Minister Sharon. Thank you. I would like to thank you, President Bush, for inviting me to the White House. We've had a very constructive and frank discussion of strategic issues that are of the interest of the United States and Israel. And we discussed the peace process, what can be achieved, and how. We are, in Israel, we are all committed to peace. As one who saw in the past all the horrors of wars, I believe I understand the import of peace. And in Israel, all of us are committed.

But of course, the first thing and the most important one is to bring security to the citizens of Israel. That was the commitment that I took upon myself, Mr. President, and that is the first thing that we have to accomplish. Once we reach security, and it will be calm in the Middle East, I believe that we will start with our negotiations to reach a peace agreement.

We shared issues of common interest, and I think it was a very good conversation, a very frank one, and I think that we can look forward—can look ahead, how to achieve our common goals in the Middle East, together with deep cooperation and coordination.

And I would like you for your friendship to Israel. We have friends here, and you have friends there in Israel, which is a democratic country, a stable democracy which appreciate the values of democratic life. I'm sure that we can do many things together. And I would like to thank you for the cooperation of your government, of your own, for our future interests in the Middle East.

President Bush. Thank you, sir.

Jerusalem

Q. Mr. President, the Prime Minister last night expressed his faith in Jerusalem as Israel's eternal, undivided capital, under Israel sovereignty. Mindful of your campaign statements, how do you feel about this statement? Is that something that has U.S. support?

President Bush. Well, the status of Israel, I mean, the status of Jerusalem will be ultimately determined by the interested parties. During the campaign, I said we'll begin the process of moving our Embassy to Jerusalem.

National Economy

Q. Mr. President, yesterday you said that you were very confident about the U.S. economy. Today you said that it's slowing down. Which is it? Are you trying to have it both ways?

President Bush. I was talking about the long-term health of our economy is going to be very strong. And that's in Israel's interest, that our economy be strong. We've got some problems, some short-term problems, and if Congress were to act quickly on my tax stimulus package, it would make our recovery quicker.

Q. Is there any reason to believe that it will help in the short term?

President Bush. Oh, I think it will, and I think good fiscal policy and good monetary policy, good trade policy will help our economy. And we need an energy policy, too. But I hope the Congress acts quickly on a stimulus package that will improve our economy. People have got to know that I have got great faith in the American economy.

Palestinian Authority Chairman Yasser Arafat

Q. Mr. President, do you accept the idea not to invite Yasser Arafat, or are you going to invite him and meet with him here?

President Bush. Well, one of the things that the Prime Minister and I talked about is our engagement in the Middle East. I will do everything we can to help calm nerves, to encourage there to be dialog in a peaceful way. I haven't made up my plans on who I'm going to meet with yet. I do have some plans in place. I'm looking forward to meeting the King of Jordan, for example.

But one of the things that I will do is use whatever persuasive powers I have to create an environment in which peace can flourish. I've got great confidence in the Prime Minister, and so do the Israeli people. He got 66 percent of the vote. He did a little better at the polls than I did. [*Laughter*] You know what I mean, Mr. Prime Minister.

Future Middle East Negotiations

Q. Prime Minister Sharon, did you manage to convince the President Bush that you will not negotiate underfire? Do you think that this message is clear, and do you think that President Bush agrees with you about this issue?

Prime Minister Sharon. I didn't have to talk to President Bush about that. I think what I understand the policy of this great democracy, the United States, is that one should not surrender to terror and pressure and violence. And therefore, I don't have to work too hard on this thing. I even didn't try.

But I understand, and I believe that they do, and I appreciate that respect that—to that approach that one should never surrender to terror and that the free world should struggle against terror, local, regional, and international terror. And I'm sure that the United States leads such a struggle, and we are a partner in the struggle. I think that is in the interest of every democratic state, because in order to keep stability—and I'm a great supporter of the President's policy of keeping stability in the Middle East—the main danger to stability is terror. And that, I believe, will be—should be the common goal of every democratic country in the free world.

Q. Do you think that Arafat is the danger for the stability in the Middle East, Mr. Sharon?

Prime Minister Sharon. I don't think that I have to add about Arafat. Everyone knows what are the steps of terror and who is behind the steps. I don't think I have to add anything about that. It's clear.

NOTE: The President spoke at 1 p.m. in the Oval Office at the White House. In his remarks, he referred to King Abdullah II of Jordan. A tape was not available for verification of the content of these remarks.

Remarks to Central Intelligence Agency Employees in Langley, Virginia

March 20, 2001

Thank you, all. I learned that move from my mother. [*Laughter*]

Thank you very much, George. I appreciate your kind introduction. I also want to thank you for agreeing to continue to serve as the Director of the Central Intelligence Agency. You've done really good work here. The people that work here appreciate it, and I appreciate it, as well.

I also wanted to visit early in my administration to tell you all how much I value your work. The CIA and all the members of our intelligence community make a vital contribution to our Nation's security. I know this firsthand; I'm your customer. [*Laughter*] I see your product every morning at 8 o'clock sharp, and it's always first-rate.

I appreciate the work that goes into the briefing. I realize that the information inside it contains—represents the work of thousands of dedicated and daring men and women, at home and abroad. It is truly an honor to be among you and to be in this building.

I've flown into an airport once called George Bush. [*Laughter*] But I've never been in a Center like this. [*Laughter*] Seeing that sign on the way in, as you can imagine, made me feel really proud. But I was also struck by the contrast between today's world

and the world as it looked 25 years ago, when my dad was the DCI.

To say that a lot has changed is an understatement. Back then, America faced an overarching threat, and everything we did, from strategy to resource allocation, was oriented to defending against that threat. Today, that single threat has been replaced by new and different threats, sometimes hard to define and defend against; threats such as terrorism, information warfare, the spread of weapons of mass destruction and the means to deliver them. Back then, freedom was in peril. Today, freedom is taking root in more and more lands around the world.

In retrospect, the world of 1976 looks staid and static compared to the revolutions of change that characterize our times. But what hasn't changed, what isn't different is the fact that sound intelligence is still critically important to America's national security. The challenges are new, but we still need your work to help us meet them. The opportunities are new, but we need your help to take advantage of them. But perhaps most of all, in a world where change, itself, seems to be the only constant, we need your help to anticipate change and to shape it in a way that favors freedom.

Yours is a mission of service and sacrifice in a world of great uncertainty and risk. America's commitments and responsibilities span the world and every time zone. Every day you help us meet those responsibilities with your quiet excellence. And nothing speaks louder to your legacy of service and sacrifice than the 77 stars on the wall behind me.

The American people aren't told much about your labors. In fact, you might be the only Federal agency where not making the newspapers or network news qualifies as good news. [*Laughter*] This is by necessity. But you need to know your President knows about your fine contributions to our Nation's security. And you also need to know that Americans are proud of you and the vital work that each of you does for your country. The operations officers, the analysts, the scientists, the technical experts, the intelligence officers who work for other agencies—each of you is important to the cause of freedom. And for that I say, God bless you, and God bless America.

NOTE: The President spoke at 4:25 p.m. in the original headquarters building lobby at the George Bush Center for Intelligence.

Statement on Signing Legislation To Repeal Federal Ergonomics Regulations

March 20, 2001

Today I have signed into law S.J. Res. 6, a measure that repeals an unduly burdensome and overly broad regulation dealing with ergonomics. This is the first time the Congressional Review Act has been put to use. This resolution is a good and proper use of the Act because the different branches of our Government need to be held accountable.

There needs to be a balance between and an understanding of the costs and benefits associated with Federal regulations. In this instance, though, in exchange for uncertain benefits, the ergonomics rule would have cost both large and small employers billions of dollars and presented employers with overwhelming compliance challenges. Also, the rule would have applied a bureaucratic one-size-fits-all solution to a broad range of employers and workers—not good government at work.

The safety and health of our Nation's workforce is a priority for my Administration. Together we will pursue a comprehensive approach to ergonomics that addresses the concerns surrounding the ergonomics rule repealed today. We will work with the Congress, the business community, and our Nation's workers to address this important issue.

George W. Bush

The White House,
March 20, 2001.

NOTE: S.J. Res. 6, approved March 20, was assigned Public Law No. 107–5.

Exchange With Reporters at the George Bush Center for Intelligence in Langley

March 20, 2001

Visit to the Central Intelligence Agency

Q. Good briefing, Mr. President?

The President. It was really interesting. Our Nation is fortunate to have so many dedicated men and women serve the country, and a lot of really good folks who work here. They've got one thing in mind, and that is how to serve America, how to provide the best information possible so that we can live in a peaceful world.

There are a lot of people in this world that really resent our country and resent what we stand for. The good folks in this building are doing everything they can to provide enough information for us to be able to protect our way of life and protect our people. And I'm really touched by being here. And I'm so grateful for the hospitality, Mr. Director.

Situation in Macedonia

Q. Mr. President, a quick question on Macedonia. What should the United States do about the fighting that is taking place?

The President. Well, we're going to work with our allies to bring peace to that region. We're very much involved through the NATO process, and we'll work with the Macedonian Government to help Macedonia protect its own borders.

Q. Should the U.S. be giving the Macedonian military assistance?

The President. We'll work with NATO to develop a strategy that will help Macedonia protect herself.

NOTE: The exchange began at 6:26 p.m. at CIA headquarters. A tape was not available for verification of the content of this exchange.

Letter to Governor Angus S. King, Jr., on Disaster Assistance to Maine

March 20, 2001

Dear Governor King:

As requested, I have declared an emergency under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC 5121 (Stafford Act), for the State of Maine due to the emergency conditions resulting from record/near record snow on March 5–7, 2001. I have authorized Federal relief and recovery assistance in the affected area.

Emergency protective measures (Category B) under the Public Assistance program to save lives, protect public health and safety, and property will be provided. This emergency assistance will be provided for a period of 48 hours. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance will be limited to 75 percent of the total eligible costs in the designated areas.

The Federal Emergency Management Agency (FEMA) will coordinate Federal assistance efforts and designate specific areas eligible for such assistance. The Federal Coordinating Officer will be Mr. David Rodham of FEMA. He will consult with you and assist in the execution of the FEMA-State Disaster Assistance Agreement governing the expenditure of Federal funds.

Sincerely,

George W. Bush

NOTE: This letter was released by the Office of the Press Secretary on March 21.

Remarks at the American College of Cardiology Convention in Orlando, Florida

March 21, 2001

Thank you all. Thank you very much. George, thank you very much for your kind introduction. Doctor. Doctor. [*Laughter*] I'm honored to be here, and it's an honor to be your President.

I thought about inviting Vice President Cheney to travel with me today. [*Laughter*] He said he's seen enough cardiologists lately. [*Laughter*] I'm pleased to report that he's feeling great, and you'll be happy to know that when it comes to following doctor's orders, he's a model patient.

I appreciate so very much the leadership of this august organization having me here, and I appreciate the fact that they invited

my bigger little brother. [*Laughter*] I can't tell you how proud I am of Jeb. He is a really fine Governor of this important State.

I'm also pleased to be traveling with Members of the United States Congress from the State of Florida, John Mica, Ric Keller, and Dave Weldon. Thank you all for coming with me. Weldon informed me he's a doctor. He's representing your interests in the Halls of Congress.

And today we're in the hometown of the new Secretary of Housing, Mel Martinez. I'm proud that Mel is the first Cuban-American to serve in a President's Cabinet. Mr. Secretary, welcome home, but don't stay too long. [*Laughter*] You're going back to Washington with me; we've got a lot of work to do.

You know, I haven't been in front of so money people who poke and prod and examine since my last press conference. [*Laughter*] And I appreciate the chance to visit with so many distinguished doctors and their families. So many Americans live longer, healthier, and happier lives because of the important work you all do every single day. And I'm glad to have an opportunity to thank you in person.

Modern medicine continues to bring a revolution of hope and dignity into countless lives. The average life* expectancy in America today is 29 years longer than it was just a century ago. And those added years now have added vigor. Many forms of cancer, once incurable, are routinely treated and often cured. Diseases that grow more common with age, such as arthritis and osteoporosis, can be less debilitating than they once were. And heart disease, though still the leading cause of death in America for both men and women, is claiming fewer lives than ever before. Just 40 years ago, when patients were diagnosed with serious heart disease, treatment meant putting them in a hospital bed and trying to make them comfortable. Today, thanks to new surgeries, devices, and drugs, and thanks to doctors and researchers behind them, millions of Americans with heart disease live vigorous, productive lives. And Dick Cheney serves his country as Vice President of the United States.

This ongoing revolution in medicine is centered in America, and for good reason—medical advances depend on innovation, and innovation depends on freedom. America has wisely resisted efforts to place medicine and health care into the hands of central planners. Government-controlled health care may spring from the best of motives, but a cumbersome bureaucracy and one-size-fits-all approach stifle innovation and do not produce the best of results.

There is an appropriate role for Government in funding medical research, protecting consumers, and providing health care for our senior citizens. Our health care system is strong, and it can be stronger. And as we improve and reform it, we must always respect the freedom that makes America's health care system the best in the world.

This year we have a real opportunity to improve health care. Today I want to talk about protecting the doctor-patient relationships with a Patients' Bill of Rights. But first, I can't resist putting in a plug for my budget and for tax relief.

My budget funds our Nation's important priorities, including many health care priorities. We increase funding for education and for military pay and benefits. We set aside $2.6 trillion of payroll taxes over the next 10 years for Social Security and for only Social Security. We double funding for Medicare over the next 10 years and make sure that every dime that comes in for Medicare is spent only on Medicare.

And as you know better than most, Medicare urgently needs reform. At a time when prescription drugs are often the treatment of choice for heart disease and many other illnesses, 99 percent of employer-provided health care plans offer some form of prescription drug coverage; yet, Medicare does not. Often, Medicare does not cover new treatments and innovative technologies. The Medicare bureaucracy is rigid and difficult and too often treats doctors as if you have nothing better to do than fill out forms. To offer our seniors better coverage and better health care, Medicare needs new life and new vitality.

One of the leaders in the effort to modernize Medicare is a heart surgeon, Senator Bill Frist of Tennessee. He's joined with Democrat Senator John Breaux and Republican Congressman Bill Thomas to set out a

* White House correction.

framework for reform. And I'm committed to working with Congress to reform Medicare and to make sure that every senior has access to affordable prescription drug coverage.

My budget also proposes refundable tax credits to make health insurance more affordable for working families. I propose making it easier for small businesses to join together so that they can purchase better and more affordable health coverage for their workers. And we increase funding for community and migrant health centers, so that over the next 5 years we double the number of people served at community centers in rural and low income neighborhoods.

I've also asked Congress to increase funding for medical research, which gives hope to many who struggle with serious disease. My budget for next year requests an additional $2.8 billion for the National Institutes of Health, an important step toward our goal of doubling the budget for the NIH by the year 2003.

We've increased discretionary spending by 4 percent, greater than the rate of inflation. And after we fund important priorities in the ongoing operations of our Government, I believe we ought to pay down national debt. And so my budget pays down a record 2 trillion in debt over the next 10 years. And that sets up a $1 trillion contingency fund for emergencies or additional expenses. After funding priorities, after paying down debt, after setting up a contingency fund, we still have money left over.

And the fundamental question is, what do we do with it? Well, some in Congress want to spend it. They want to increase the size and scope of the Federal Government. That's not my vision. You see, I understand the surplus is not the Government's money; the surplus is the peoples' money. And I believe after meeting priorities, we need to send it back to the people who earned it in the first place. Not only are we not going to send it back; we don't need to take it in the first place.

This debate in Washington has moved beyond whether we should have tax relief, to how much it should be and who should get it. Now, to put it bluntly, some folks in Washington think all of the doctors in this room make too much money, and you shouldn't get any of your money back. That's a fact. I know you've worked hard to get to where you are. You spent long hours in training and school. You do important, life-saving work. You also pay a lot of taxes. And I think everybody, everyone who pay taxes, from the school teacher to the truck driver to the doctor, should get tax relief.

Be wary of those who talk about targeted tax cuts in Washington, those who want to pick the winners and losers. That's not my vision for Government. I don't believe the Government is to try to pick winners and losers in the Tax Code. The only fair way to do it is to say, "If you pay taxes, you ought to get relief." My plan helps those at the bottom end of the economic scale. It lowers the rate to 10 percent and doubles the child credit. In fact, the greatest percentage benefits in my plan go to those at the lowest end of the economic ladder.

But my plan also drops the top rate from 39.6 to 33 percent, because I believe on principle that nobody in America, nobody in this room, should pay more than a third of his or her income to the Federal Government. I hope you'll join me in making the case to Congress to enact a fiscally responsible budget and provide meaningful tax relief. It is necessary, and we can afford it. Don't be afraid of contacting a Senator of yours or a Member of the Congress. I'm sure they'd like to hear from you. [*Laughter*]

And there is another issue I hope you'll join me on, persuading those very same Members of both parties to work together to pass a comprehensive and meaningful Patients' Bill of Rights. I'm very familiar with this issue. When I was Governor of Texas, I had to veto a bad patients' bill of rights. And then I signed some good ones.

First, I was presented a bill that gave special interest treatment to selected HMO's, so I vetoed it. And then worked with our insurance commissioner to write new patient protections that I proudly signed into law the next legislative session. I don't want that to happen again. This time I hope we can get it right the first time.

Doctors and their patients should be in charge of medical decisions. I want to sign a Patients' Bill of Rights this year, but I will

not sign a bad one. And I cannot sign any one that is now before the Congress. So enacting a Patients' Bill of Rights this year is going to require some different thinking, a new approach, based on sound principles.

First, a Federal Patients' Bill of Rights must cover everyone, all patients in all private health plans. The standard should be strong enough to protect everyone, yet flexible enough to preserve the good work that has already been done in many States.

Second, we must guarantee all patients important rights: the right to get emergency treatment at the nearest emergency room; the right to see a specialist when they need one—say, just for an example, the right to see a cardiologist for a heart problem—women should be able to visit their gynecologist, and parents their children's pediatrician without going through a gatekeeper; all patients should have the right to participate in potentially life-saving clinical trials when standard treatment is not effective.

Third, if medical care is denied, patients should have the right to a fair and immediate review. People want health care quickly. They don't want to have to go through a legal, lengthy process to get it. I want to sign a bill that protects patients' rights with a strong, binding, independent review process. If your health plan denies you care, you should be able to appeal immediately to an independent, impartial review panel of medical doctors. And if they say you need the care, your health care plan must provide it. An effective medical review is the key to protecting patients' rights and the key to maintaining the doctor-patient relationship you work so hard to develop and preserve.

Fourth, a Patients' Bill of Rights should offer patients who have been harmed a meaningful remedy without inviting frivolous lawsuits. After independent review, if you have been harmed by your HMO's refusal to provide care, you have a legitimate complaint, and you should have recourse in court. With a strong, independent review process, most disagreements should not wind up in court. Our Federal legislation must allow the review process to work, not short-circuit it by inviting unnecessary lawsuits. With strong independent review, doctors make medical decisions, not the lawyers.

The fifth guideline for a Patients' Bill of Rights ensures that Americans will have access to affordable health care coverage. I want to sign protections that improve medical care, not make it impossible for patients to afford it or employers to provide coverage. Excess and frivolous litigation does harm to our health care system. It clogs the courts and consumes time and money. It undermines the trust between doctor and patient. It drives up insurance premiums for everyone.

We've enacted civil justice reforms in Texas to guard against frivolous litigation and excessive awards. To make sure health care coverage remains affordable, I will insist any Federal bill have reasonable caps on damage awards. And the caps in proposed legislation before Congress are too high and will drive up the costs of health care in America.

To encourage employers to continue to provide health care insurance for their employees, we must protect them from unnecessary litigation. Some proposals now before Congress fail to adequately address this problem and would even make it worse. Employers who decide up front they will not make medical decisions should not be required to go to court all the time to prove they were not involved in those decisions. And I will not support a Federal law that subjects employers to new multiple lawsuits in 50 different States.

With these principles as our guide, I believe we can enact a Patients' Bill of Rights in the Congress this year. This issue has been debated in Washington time and time again. Over the years, alliances have been formed, and divisions have deepened. I hope Members of Congress will join me in advancing this debate beyond the arguments of the past.

Just as doctors no longer treat heart disease with bed rest, we should not approach this year's Patients' Bill of Rights stuck in last year's rut. Just as innovative approaches in medicine spur new breakthroughs, a new approach in Washington offers the hope that we will share the credit for success. Americans deserve comprehensive patient protections, and a new, commonsense approach may be just what the doctor ordered.

On this issue, the rewards are far greater than shared political success. The real reward

will be knowing that we have helped put the healing powers of modern medicine within the reach of all who need them. Each of you holds that incredible power and upholds a great trust.

I appreciate the important work you do. You have my gratitude and my respect. And in the days ahead, I hope my plans for reform will have your support. Thank you for having me.

God bless. God bless America. Thank you all.

NOTE: The President spoke at 10:24 a.m. in the Orange County Convention Center. In his remarks, he referred to George A. Beller, immediate past president, American College of Cardiology, and Gov. Jeb Bush of Florida.

Remarks at a SENIORS FIRST Luncheon in Orlando

March 21, 2001

Thank you very much. Thank you for that warm welcome. I suspect you're cheering so loudly because I'm traveling in good company.

[*At this point, the President spoke in Spanish, and a translation was not provided.*]

I'm honored to be here with my brother, the Governor of Florida. He's a good man. You know something about—both of us share something in common: We picked a pretty darn good mother, and she's still telling us what to do. [*Laughter*] I'm listening all the time. He's listening about half the time. [*Laughter*]

What made me think of that is I saw Barbara sitting there. And then Mel Martinez—you all know Mel. [*Applause*] Yes. I think I made a pretty darn good pick when I named him to my Cabinet. I love Mel's story. He's a good man. [*Laughter*] He represents the really best about America, doesn't he—doesn't he—[*applause*]—that you can realize dreams in this country. And I'm so thrilled that he's agreed to sacrifice and serve the country. And he is a good man, as you know.

I'm honored to be traveling with Members from the United States Congress. We've got some Congressmen that are traveling with us today. These men are going to be responsible for working with our administration to make sure that we keep the promise to the elderly.

And so I want to tell you all that, for example, in our budget we doubled the Medicare budget over the next 10 years. And we're going to focus on making sure children are educated, too. We're going to focus on keeping the promise to the elderly, and then we're also going to make sure that the young have a good chance for realizing the American Dream by making sure the schools are strong at the local level, making sure children aren't left behind.

I know you all care about that a lot. Many of you have got grandchildren, and you want to make sure the public school system holds out the hope for every child, regardless of their background, regardless of where they're from. And that's our dream; that's our dream for the country.

This is a fabulous land. I'm so honored to be your President. It is a huge, huge honor for me. So I want to thank you for your warm greeting. I look forward to walking around and shaking your hands and thanking you in person.

God bless.

NOTE: The President spoke at 11:28 a.m. in the ballroom at the Sociedad de Orlando community center. In his remarks, he referred to his brother, Gov. Jeb Bush of Florida, and their mother, Barbara Bush.

Remarks to Catholic Leaders

March 21, 2001

Thank you all very much for that warm reception, and welcome to the White House—the people's house. It is such an honor to live here, and it's an honor for me to receive you all. And I look forward to thanking you in person for coming.

It's also a high honor for me to be on the podium with so many outstanding leaders of faith. I've had the honor of meeting many of the cardinals who are here and many of the bishops and archbishops from around the country. I've been struck by how humble the good folks are, how there's a universal love for mankind and a deep concern for those who are not as fortunate as some of us. The

Catholic Church is fortunate to have such strong, capable, decent leadership. And America is fortunate to have such strong leaders in our midst.

I want to thank the cardinals and bishops who are here, and thank you for your service and love for your fellow mankind.

I've been struck by a lot of things as I've had the opportunity to meet the leadership of the Catholic Church. I think the thing that has captured my heart the most is the not only universal care for the weak and the suffering but also the strong focus on making sure every child is educated.

And for those of you involved with the education system in America, thank you for your hard work. For those of you who are the administrators, thanks for providing great education. For those who give your hard-earned dollars to support the education systems around America, please continue to do so. [*Laughter*] Isn't that right, Bishop? [*Laughter*] It's an incredibly important part of the mosaic of a hopeful tomorrow.

I also appreciate the prayers of many of my fellow Americans. Many times layman and leader alike says, "Mr. President, we pray for you," and for that I'm most grateful. It does remind me that I think there's a great awakening in America; people are rediscovering the inspiration of faith in their lives and the importance of faith in our society. Faith gives our lives dignity, and faith gives our lives direction. Faith makes our Nation more just and more generous and welcoming.

All of you are part of the humanizing mission which is part of the "Great Commission" and the Pope John Paul II Cultural Center, which we will dedicate tomorrow, will bring this message to generations of Americans in this Capital of our Nation. The best way to honor Pope John Paul II, truly one of the great men, is to take his teaching seriously, is to listen to his words and put his words and teachings into action here in America. This is a challenge we must accept.

But you know something about our country? With the right focus and the right leadership, it's a challenge this Nation will accept, because this is a great land. The greatness of the country lies in the hearts and souls of our citizens. And again, I want to thank those of you who inspire and teach love and compassion and hope.

God bless you all.

NOTE: The President spoke at 5:18 p.m. in the East Room at the White House.

Statement on Proposed Legislation To Implement the Faith-Based Initiative

March 21, 2001

Earlier this year, I sent to the Congress my agenda to rally America's armies of compassion to address many of our toughest community challenges.

Government does not have a monopoly on compassion. And while Government cannot be replaced by charities, it should welcome them as partners, not view them as rivals.

Today, on a bipartisan basis, Members of the House and Senate took important first steps to advance this agenda to aid churches, synagogues, mosques, and communities in helping neighbors in need.

I welcome the bipartisan proposals that have been offered in the House by Representative J.C. Watts, Representative Tony Hall, and Speaker Dennis Hastert, and in the Senate by Senator Rick Santorum and Senator Joseph Lieberman. These new legislative initiatives demonstrate that momentum continues to build behind my agenda to rally America's armies of compassion. They represent a bipartisan consensus that Government must support our quiet heroes who are lifting lives and healing neighborhoods one heart and one act of kindness at a time.

I will continue to work in a bipartisan fashion with Congress to help those most in need by encouraging charitable giving and eliminating barriers to charitable works.

Remarks to the National Newspaper Association Government Affairs Conference

March 22, 2001

The President. Thanks for coming, and thanks for having me. Diane, I appreciate so very much the invitation. Ken, thank you for escorting me up here. And Jerry, thank you

for that kind introduction. I do remember the Fourth of July parade. I remember how hot it was. And next time, let's make it a Christmas parade. [*Laughter*] He comes from a great town in a State I love a lot.

You said you never thought you would be introducing me the last time you saw me. But I can assure you, in 1978 when I was running for the U.S. Congress and you were running the newspaper in Lamb County, Texas, you certainly didn't think you would be introducing me as President—[*laughter*]—because you had that funny feeling I wasn't even going to win the race for the U.S. Congress, which was true. [*Laughter*] It's amazing how life works.

One of the interesting things I did learn in that race, we had a lot of little bitty counties in far west Texas. And Jerry ran one of the newspapers; he worked for a man named James Roberts. Maybe some of you all got to know James over time. He's a fine, distinguished Texan. Lord rest his soul.

But he owned a string of little newspapers, in Andrews and Lamb County, and I think maybe in Muleshoe, Texas. And I can remember knocking on the doors of the newspapers when I was traveling the district. It was a magnificent place to learn about what was going on in each county. It gave me a chance to get a feel for what the people were really all about. I got to hear the gossip, got to maybe spread a little good news on my side. But I came away with a deep respect for the small newspapers that dominate the landscape of America. There's a real sense of community when you walk into those newspapers and sit down with the publishers and the editors and the writers. It's really the best of America in many ways.

I sound somewhat nostalgic about those days. I'm loving what I'm doing. It's interesting that I'm doing it, in spite of the fact that my first race for public office I came in second in a two-man race. [*Laughter*] Life has its interesting twists and turns. Life is unpredictable. But it turns out if you aim, work hard, and treat people with respect, keep your priorities straight, life can turn out pretty good. And it certainly has for me. I'm honored to be your President. I'm honored to be here to discuss some issues that are important to our country.

I want to thank my friend Tommy Thompson for having been here. Tommy is serving our Nation very well as the important Cabinet position. I got to know Tommy as a Governor. You got to know him as a Governor. And he's a fine man. He represents the kind of Cabinet I've put together—distinguished citizens, all of whom are here to serve our country, all of whom have put aside their personal comforts to do what's right for America.

I appreciate my friend Roy Blunt. I understand he's coming or has been here—a Member of the United States Congress, a fellow I'm working closely with to try to get some legislation through the legislative process.

I want to talk about a couple of things, and then I'd like to weave issues in, in context of the budget that I presented to the Congress. It's important for opinionmakers such as yourself to hear my side of the budget.

See, there's a lot of folks in Washington that would like to send out information that might cloud the picture so that they get to keep more of the taxpayers' money here in Washington. We're in the midst of a big debate, and it's a healthy debate, as to what to do with the people's money. That's what the budget is all about. Remember, the context I come from, though, is not to do with what to do with the Government's money; it's what to do with the people's money. All the talk about the surplus as the Government's money misses the point. They forget who pay the bills. Those who say that the surplus is the Government's money, forget where it comes from. And one of the things I'm not going to forget is where it comes from; I'm going to remember where it comes from. It comes from hard-working people. It comes from entrepreneurs, small-business owners, hardworking folks who pay the bills for this Government.

So we sent up a commonsense budget to the Congress. I say common sense because it sets priorities. When you run your businesses, you set priorities. That's sometimes the definition of success, is somebody who figures out how to set priorities and stay on those priorities. And that's what we did; we set some clear priorities. We funded public education, increased the funding of public education. It's the biggest increase of any Department in my budget.

Now, lest you forget where I came from, it's one thing to provide money at the Federal level, but I can assure you I'm a strong supporter of local control of schools. I believe that the best way to run the schools is to trust the local people. So we're increasing spending, but we're going to also increase power at the local level. One size does not fit all when it comes to the education of the children in America. We've got to have local control of schools; we've got to align authority and responsibility at the local level. And I'm working with Congress to do that.

But one of the cornerstones of reform for education is to hold people accountable for results. I'm a strong believer that in return for the receipt of taxpayers' money, States and local jurisdictions must develop accountability systems to tell us whether or not children can read. It's in your best interests, by the way, that we have a literate tomorrow. You're irrelevant if people can't read. [*Laughter*] And we need to start figuring out whether they can or cannot, early in a child's career. And so, the only way to do that is to measure.

Now, I'm against a national test because a national test would undermine local curriculum and local control of schools. But I am for saying, "In return for money, show us—show us whether or not children can read and write and add and subtract." Hold people accountable. Use the accountability system not as a way to punish but as a way to correct problems early, before it's too late.

And you mark my words, when you have a system based upon the principles of high accountability and high—of high standards and strong accountability and local control of schools, children will learn. And that's what this country needs. They need an education system that's responsive, results-oriented, that focuses on each child as a child, that challenges the process-oriented system that asks the question, "How old are you? Oh, if you're 10, we'll just put you here. And if you're 14, you go here. And if you're 16, you go here." It's time in America we start asking the question, "What do you know?" And if you don't know what you're supposed to know, we're all going to come together to make sure you do, early, before it's too late.

I'm so confident that we can achieve what we all want, an educated tomorrow. And it starts with having systems in place, systems in place that encourage reform, based upon accountability.

Another priority in the budget I sent is more pay for the military. I am concerned about morale and the troops. It was a big issue during the course of the campaign. I said, if you give me a chance to be the President, we'll begin by increasing morale two ways. One is, pay people more money. So, in our budget—we've increased the budget that I've submitted to Congress for better pay and better housing. And two, to have a Commander in Chief, who will clarify the mission of the U.S. military. And the mission of the United States military is to have our troops well prepared and well trained, to be ready to fight and win war and, therefore, prevent war from happening in the first place. The mission of the military must be focused, and the job of the Commander in Chief is to focus that mission. And that's what I've done.

There will be a lot of talk on Capitol Hill about increasing military budgets, and my answer is, let's make sure we have a strategic plan before we do so. Let's have a blueprint of what the future ought to look like. Let's make sure—not only make sure morale is high today, but as we begin to spend on weapons systems, let's make sure they fit into a plan so we can keep the peace as we go down the road. Many of the decisions that are made in the Defense Department today will affect how the military looks like 20 to 30 years from now. And I want to make sure that money is wisely spent and focused on how to keep the peace in the long run.

Another priority is retirement systems of Americans. And so the budget I set up says the payroll taxes are only going to be spent on one thing, and that's Social Security—that the Congress won't be using the payroll taxes for other programs. So—lockbox, I think, is the terminology they like to use up here. [*Laughter*] Rest assured, it's set aside only for Social Security.

And later on in the year, we're going to begin the process of debating how to make sure the Social Security System works as we go down the road. One of the things that—I went to a senior citizen center yesterday

in Orlando, Florida, home of the great Governor Bush. [*Laughter*] And a couple of folks said there, "Now, you're not going to be messing with my Social Security check." They didn't quite put it that eloquently. [*Laughter*] But I said, no.

Every time there's a campaign, there's a lot of noise and ads and stuff that try to frighten people into the voting booths. And by setting aside all the money that goes into Social Security for only Social Security, we can assure folks who rely upon Social Security that they're going to get their check.

But the fundamental question is, what happens to the younger workers, younger folks in America? Will there be a system available for them? And one of the things that we're going to start thinking about and encourage a lot of debate about is this notion about letting younger workers take some of their own money, some of their own payroll taxes, and invest them in the private markets to get a better rate of return on the money than we get now under the Social Security Trust.

You see, we've got to get a better rate of return on payroll taxes. Otherwise, there's not going to be enough people putting money in the system, compared to those who are taking it out of the system. I'm willing to think differently on the issue and encourage others to do so up here, as well.

Health care is a priority in our budget. We double the number, if we put enough money aside, double the number of folks who will be served by what's called community health centers. Perhaps you've got a community health center in your neighborhood. These are fundamentally important health care, delivery systems that enable the indigent, or other folks who are struggling with health care, to be able to get primary care. These are good programs, and it's an effective part of the delivery of health care.

We double the Medicare budget in the budget I submitted to the United States Congress. We've increased funding so we can double the NIH budget by 2003, from when that initiative first started. There's a lot of programs that we focus on.

We increase discretionary spending by 4 percent. That's greater than the rate of inflation. It's probably greater than the pay raises you gave the people working for you. It's a pretty healthy increase. But the problem is, they're not used to that kind of fiscal responsibility in Washington. The discretionary spending at the end of last year increased by 8 percent.

So you've got a new President who comes to town and says, "Why don't we be fiscally responsible with the people's money? Why don't we, instead of increasing spending by 8 percent, be reasonable, take a commonsense approach? Not try to be all things to all people at the Federal level." And that's where the squawking started. That's where people started getting nervous, because fiscal-responsible spending is something that they're not used to. But it's important. It's important to be responsible with the money. My point to you is, we can make priorities. Four percent of a budget that we're talking about of billions of dollars is a lot of money.

Now, there's a lot of talk about paying down debt, and we do so. The budget I submitted pays down $2 trillion of debt over a 10-year period of time. One of the things I want to try to remind Congress to think about is, there's not only debt at the national level; there's a lot of folks in your communities who have got credit card debt. There's all kinds of debt. And we pay down debt at the national level, but it's important to also remember, there are people struggling to get ahead, particularly with energy bills going up, the economy slowing down. We've got personal debt. And with people's money, it seems like, to me, we ought to encourage them to be able to manage their own accounts with some of their own money back.

I also am aware that sometimes things don't go as planned. So in the budget we submitted, there's one trillion over 10 years for contingencies. Now, you're probably saying to yourself, "He's talking about a lot of money," and I am. But incredibly enough, after meeting priorities and by slowing down discretionary spending to 4 percent and paying down debt and putting aside contingency money, there's still money left over—about $1.6 trillion. And the fundamental question is, what to do with it?

And the debate is this: Do we increase the baselines of our budgets, or do we understand where the money came from and let

the people keep it? I stand squarely on the side of letting the people keep it. I think it is so important for a couple of reasons: One, more money in people's pockets—more money in people's pockets will help provide a second wind for our economy; and, two, I trust people with their own money. I trust them more than I trust the Federal Government to make decisions on their behalf.

There is a fundamental, philosophical divide in Washington. It's basically, who do you trust? Who do you trust? I used to travel the country, and every time I'd go somewhere, there would be tax families at a stop. And I would say, well, so-and-so Smith family. And they would say, well, they pay, $3,000 of Federal income taxes, and under our plan in which everybody who pays taxes gets relief, they're going to save $2,000—that would be the example, say. And I would say, who would you rather spend the money? Once you meet priorities in Washington, DC, the debate is, who would you rather spend their $2,000, the Smith family or the Federal Government? And I'm coming down on the side of the family every time, and that's what the debate is about.

We've got pretty good cash flow coming into the Treasury. In spite of the fact the economy is slowing down in the first 4 months of the year, the cash flow was $40 billion more than anticipated—$40 billion more. It sounds like, to me, somebody is getting overcharged. And I'm asking Congress for the refund for the people, and that's what the debate is.

And so, the tax plan we submitted is based upon some principles, as well. First of all, you will hear a lot of talk up here about targeted tax cuts. Basically, what that says is, Congress wants to decide who gets a tax cut and who doesn't, obviously. They want to decide who the winners are and who is not a winner when it comes to tax relief. That is not my view of Government.

My view of Government is that everybody who pays taxes ought to get tax relief, that the United States Congress nor the Federal Government should try to say, okay, you pay, but you don't get anything, and you pay, and you do. That's not my vision of fairness and fair play when it comes to the Federal Government. So everybody who pays gets relief.

We drop all rates, and we simplify the code. Instead of five rates, there's four rates. We drop the bottom rate from 15 percent to 10 percent and increase the child credit from $500 to $1,000 per child. That's a very important part of the reform, because the Tax Code we have today is incredibly unfair to people who are struggling—what I like to call struggling—on the outskirts of poverty, people who are working hard to get to the middle class. And under this Tax Code—take the example of the single mother making $22,000 a year. The lady is raising two children. First of all, she has got the toughest job in America. And secondly, under her circumstances, for every additional dollar she earns, she pays a higher marginal rate on that dollar than someone who is successful. She starts to lose earned-income tax credit. She pays the 15-percent bracket, and she pays payroll tax. The marginal rate on her additional dollar is nearly 50 percent. And that is not fair. That's not what America is about. America is, the harder you work, the easier the middle class ought to become, and the more money you get to keep. And by dropping the bottom rate and increasing the child credit, we make the code much more fair to people at the bottom end of the economic ladder. And I think there's universal agreement about that point here in Washington.

I also strongly believe we need to cut all rates, including the top rate, from 39.6 to 33 percent. And there's a lot of rhetoric about that. I'm sure you've heard it. But it's very important for Congress to understand this fact: Most small businesses in America are unincorporated, or Subchapter S's. Most small businesses pay at the 39.6 percent rate. And by dropping the top rate to 33 percent, we stimulate small businesses in America; we encourage entrepreneurship.

One of the things I like to tell people is, the role of Government is not to create wealth. The role of Government is to create an environment in which the entrepreneur or the small-business owner can flourish. That's the role of Government. And dropping the top rate will provide more cash flow for small-business owners to be able to invest, to buy new printers, to employ more people.

Now, I've heard the rhetoric, but they're missing the point. The point is, how do we

encourage growth, particularly when the economy is beginning to slow down. And a good way to do so is to drop that top rate.

We also have got two other reforms that I want to mention to you. One is, we do something about the marriage penalty. Our Tax Code taxes marriages. It doesn't—I mean, penalizes marriage. It doesn't make any sense; so mitigate what the marriage penalty does. And we also eliminate the death tax.

I want to quote one of your own—publisher from Eufala, Alabama, the Tribune—Joel Smith. I hope I'm—if Joel is here, I hope I'm not embarrassing you. But sometimes, when we say things, words come back to haunt us. [*Laughter*] Well, not exactly haunt, in this case. [*Laughter*] Here's what he wrote: "I hope the President and Congress will repeal the death tax and help my family keep publishing our 72-year-old, twice-weekly newspaper." That's what he said. He represents the sentiments of hundreds of Americans who work hard to build up their asset base, with the dream of being able to pass it on to a family member.

It doesn't matter whether you're a newspaper publisher or a farmer or a rancher or a small-business person. Many folks have got the dream of working hard as they can to build up an asset base and to have the pleasure of knowing a family member is going to run the newspaper or manage the farm. And yet, our Tax Code makes it awfully hard for people to realize that dream. The death tax is unfair. It is unfair to tax a person's assets twice. And it's not fair to prevent people from passing their own business, their own property from one generation to the next. We've go to get rid of the death tax.

And so that's the rationale of the budget I submitted. And we're making progress, I think. It used to be, "Well, we're never going to have any tax relief." And now, the discussion is, how much and how soon. And as far as I'm concerned, the sooner, the better. And I look forward to working with both Republicans and Democrats to get this done. This is the right thing for America. It's the right thing for our country to have meaningful, real, fair tax relief.

There are a lot of other issues that, of course, I'm involved with. One of the biggest issues is, changing the tone in our Nation's Capital. It's not really an issue like we know it. It's not the kind of thing that requires a piece of legislation but does require an attitude, and it starts with the President.

We need more respect in our Nation's Capital. We need people that respect other's opinions. I used to remember looking up at Washington from Austin, Texas, and thinking about, surely there's a better way to have discourse on important issues than without the name calling and finger pointing and unnecessary politics on important issues that affect the people.

One of my hopes—and I believe we're making progress—is to convince people of both parties to treat each other with respect. And it starts with the President being respectful of somebody else's opinion. I hope that by changing the tone in Washington, we can change the tone in other places around the country, too, where we can prove that there can be respectful disagreement.

I know you and your newspapers try to do that all the time. You put out opinions, and you do so in a way that I'm confident is respectful. And it's important. It's important for our country to be a nation that honors—that respects other people's opinions. That's what democracy should be all about.

We're not all the same. We don't always agree, but we can do so in a way that brings honor to the process. And it's important to do that, as well, because our system is only as good as those who are willing to participate. And I hope—my hope of hopes is, once my stay is through up here—and by the way, I'm heading back to Texas once it's over—I hope somebody says, "Well, you know, I think I might try to enter the public arena. I'd like to try to serve my country." You don't have to try to serve your country as the President; you can serve your country as a school board member or as a county commissioner. There's all kinds of ways to serve our Nation.

It's important for those of us who have got the high honor and responsibility of public service to remember that there's something more than personal ambition involved. We have a responsibility to set a tone and to call upon the best. And that's my pledge to you. You may not agree with my budget or how I'm approaching things, but when it's all said

and done, I think you will agree with how I conduct myself in public office. It's a big responsibility.

I think there's a second change taking place up here. On the one hand, we've got a culture of respect developing; another is a culture of achievement. We're beginning to get some things done. Again, people may not agree with some of the things that are happening, but for example, the other day I signed a Senate resolution to change the ergonomic rules. Both Republicans and Democrats came together. Some people liked it; some people didn't like it; but nevertheless, it happened quickly. It's a good piece of public policy, as far as I was concerned. It's the ability for our Government to analyze regulations and to put a cost-benefit analysis to them. And the cost in this case looked far to exceed the benefits, and therefore, Congress acted.

I believe we're going to see that happen. I believe people—that there's going to be a culture of success and results. My job as your President is to share success, is to say to both parties that are involved, "Come together and get some things done." And I'll do my best to explain to the people that you were involved.

See, there's a time for politics, and there's a time for policy. And the way I view it is, once you get sworn in, that the politics is over. In my case, it took a little longer. [*Laughter*] And now it's time to do the people's business. And I believe we're making progress.

I want to thank both the Republicans and the Democrats who are joining in this effort. I hope America's taking notice. It's the right thing to do, and it's the right way to conduct the people's business. I'm honored you let me come by to visit with you. I'm honored to be your President.

God bless you all.

[*At this point, the President was presented with a T-shirt.*]

The President. It will play good in Crawford, Texas. [*Laughter*]

NOTE: The President spoke at 10:47 a.m. in the Regency Ballroom at the Hyatt Regency Washington on Capitol Hill. In his remarks, he referred to Diane Everson, president, Kenneth H. Rhoades, vice president, and Jerry Tidwell, board member, National Newspaper Association; and Gov. Jeb Bush of Florida.

Exchange With Reporters on Capitol Hill

March 22, 2001

Expulsion of Russian Diplomats

Q. Relations with the Russians in trouble, headed for trouble?

The President. No, the actions we took yesterday speak for themselves. I'm confident that we can have good relations with the Russians. There are some areas where we can work together. But we made the right decision yesterday.

Q. Will Moscow expel some United States diplomats?

The President. I have no idea with Moscow is going to do.

Q. Should they—is that appropriate? When will you meet with any of Russian——

The President. All I can tell you is that the actions we took yesterday speak for themselves. It's the right decision to make, and having said that, I believe we can have a working relationship with the Russians. I intend to have a working relationship with the Russians. I suspect the first time I'll have a chance to sit down with Mr. Putin is when I head overseas to the G–7-plus-1, but our Government made the right decision yesterday.

Q. Mr. President, what about concerns that this takes us back to a cold war mentality or strategy?

The President. We made the right decision yesterday. I was presented with the facts; I made the decision; it was the right thing to do. And having said that, I believe that we'll have a good working relationship with the Russians. But we did the right thing yesterday.

NOTE: The exchange began at 11:15 a.m. at the Hyatt Regency Washington on Capitol Hill. In his remarks, the President referred to President Vladimir Putin of Russia. A tape was not available for verification of the content of this exchange.

Remarks at the Dedication of the Pope John Paul II Cultural Center

March 22, 2001

Your Excellency, thank you very much. You will be pleased to hear, my mother is still telling me what to do. [*Laughter*] And I'm listening most of the time.

Cardinal Maida, thank you for your vision, and thank you for your smile. What a great smile. Cardinal Szocka, thank you very much for your hospitality. And Cardinal McCarrick, let me congratulate you on becoming a cardinal last month. Though we're both new to our jobs, I'm the only one who is term limited. [*Laughter*] I may be just passing through, and I may not be a parishioner, but I'm proud to live in your archdiocese. I'm pleased to join with all the church leaders and special guests here today to dedicate the cultural center. It is my high honor to be here.

When Cardinal Wojtyla spoke here at Catholic University in 1976, few imagined the course his life would take or the history his life would shape. In 1978 most of the world knew him only as the Polish Pope. There were signs of something different and deeper.

One journalist, after hearing the new Pope's first blessing in St. Peter's Square, wired back to his editors: "This is not a Pope from Poland; this is a Pope from Galilee." From that day to this, the Pope's life has written one of the great inspiring stories of our time.

We remember the Pope's first visit to Poland in 1979, when faith turned into resistance and began the swift collapse of imperial communism. The gentle, young priest, once ordered into forced labor by Nazis, became the foe of tyranny and a witness to hope.

The last leader of the Soviet Union would call him "the highest moral authority on Earth." We remember his visit to a prison, comforting the man who shot him. By answering violence with forgiveness, the Pope became a symbol of reconciliation.

We remember the Pope's visit to Manila in 1995, speaking to one of the largest crowds in history, more than 5 million men and women and children. We remember that as a priest 50 years ago, he traveled by horse-cart to teach the children of small villages. Now he's kissed the ground of 123 countries and leads a flock of one billion into the third millennium.

We remember the Pope's visit to Israel and his mission of reconciliation and mutual respect between Christians and Jews. He is the first modern Pope to enter a synagogue or visit an Islamic country. He has always combined the practice of tolerance with a passion for truth.

John Paul, himself, has often said, "In the designs of Providence, there are no mere coincidences." And maybe the reason this man became Pope is that he bears the message our world needs to hear. To the poor, sick, and dying, he carries a message of dignity and solidarity with their suffering. Even when they are forgotten by men, he reminds them they are never forgotten by God. "Do not give in to despair," he said, in the South Bronx, "God has your lives, and His care, goes with you, calls you to better things, calls you to overcome."

To the wealthy, this Pope carries the message that wealth alone is a false comfort. The goods of the world, he teaches, are nothing without goodness. We are called, each and every one of us, not only to make our own way but to ease the path of others.

To those with power, the Pope carries a message of justice and human rights. And that message has caused dictators to fear and to fall. His is not the power of armies or technology or wealth; it is the unexpected power of a baby in a stable, of a man on a cross, of a simple fisherman who carried a message of hope to Rome. Pope John Paul II brings that message of liberation to every corner of the world. When he arrived in Cuba in 1998, he was greeted by signs that read, "Fidel is the Revolution!" But as the Pope's biographer put it, "In the next 4 days Cuba belonged to another revolutionary."

We are confident that the revolution of hope the Pope began in that nation will bear fruit in our time. And we're responsible to stand for human dignity and religious freedom wherever they are denied, from Cuba to China to southern Sudan. And we, in our country, must not ignore the words the Pope addresses to us. On his four pilgrimages to America he has spoken with wisdom and

feeling about our strengths and our flaws, our successes and our needs.

The Pope reminds us that while freedom defines our Nation, responsibility must define our lives. He challenges us to live up to our aspirations, to be a fair and just society where all are welcomed, all are valued, and all are protected. And he is never more eloquent than when he speaks for a culture of life.

The culture of life is a welcoming culture, never excluding, never dividing, never despairing, and always affirming the goodness of life in all its seasons. In the culture of life we must make room for the stranger. We must comfort the sick. We must care for the aged. We must welcome the immigrant. We must teach our children to be gentle with one another. We must defend in love the innocent child waiting to be born.

The center we dedicate today celebrates the Pope's message, its comfort, and its challenge. This place stands for the dignity of the human person, the value of every life, and the splendor of truth. And above all, it stands, in the Pope's words, for the "joy of faith in a troubled world."

I'm grateful that Pope John Paul II chose Washington as the site of this center. It brings honor, and it fills a need. We are thankful for the message. We are also thankful for the messenger, for his personal warmth and prophetic strength, for his good humor and his bracing honesty, for his spiritual and intellectual gifts, for his moral courage, tested against tyranny and against our own complacency.

Always, the Pope points us to the things that last and the love that saves. We thank God for this rare man, a servant of God and a hero of history. And I thank all of you for building this center of conscience and reflection in our Nation's Capital.

God bless.

NOTE: The President spoke at 1:39 p.m. on the Catholic University campus. In his remarks, he referred to his mother, Barbara Bush; Adam Cardinal Maida, archbishop of Detroit; Edmund Cardinal Szocka, president, Pontifical Commission for Vatican City State; and Theodore Cardinal McCarrick, archbishop of Washington.

Remarks Prior to Discussions With Vice Premier Qian Qichen of China and an Exchange With Reporters

March 22, 2001

President Bush. It's my honor to welcome our distinguished guest from China. China is a great country. China has got vast potential, and we've got common interests in China. And I look forward to discussing our interests. Our relationship, of course, will be a complex relationship; there will be areas where we can find agreement, such as trade. There will be some areas where we have some disagreements.

I look forward to committing to this distinguished leader that any disagreements we will have, we will conduct ourselves with mutual respect. I will be firm, and I suspect he will be firm, in our opinions, but we will do so in a respectful way. It is in our Nation's best interests that we have good relations with China.

And before I introduce our distinguished guest, I do want to say how much I'm looking forward to going to China. I'll be going next fall; the Government has invited me to go to Beijing. I accept the invitation. We'll work out the arrangements, but I'm really looking forward to it.

As a young man, I visited my mother and dad in China in 1975, and I look forward to my return. I can't wait to see the change, the contrast between when I was a younger fellow and now, kind of an older guy. [*Laughter*] But I'm looking forward to coming to your country, sir.

Welcome.

Vice Premier Qian. I fully agree to what President Bush just said. Indeed, China and the United States are major countries. To maintain friendly relations and cooperation between China and the United States is in the interest of Asia, the Pacific region, and the world at large.

Where we have shared interests, we can advance our relationship forward. Where we disagree, we can have very good exchange of views. Some issues can be approached in the spirit of seeking common ground, while shelving the differences.

I'm sure ways can be found to solve all the problems. I view my visit as a very successful one, because in the exchange of letters, President Jiang and President Bush already reached common consensus, which has laid a solid foundation for the growth of our relationship in the new century.

We are looking forward to welcoming President Bush in China in the coming fall.

President Bush. Thank you, sir.

Gao Zhan/Taiwan

Q. What do you have to say, sir, to your visitor about the detention of an American University professor and, until recently, her husband and son, who is an American citizen? And secondly, are you inclined to allow the sale of destroyers to Taiwan?

President Bush. I will echo the sentiments that the Secretary of State said today about the fact that a U.S. citizen was detained without any notification. I look forward to discussing this with our honorable guest and will do so.

We have obligations under the Taiwan Relations Act, and we'll honor those obligations. No decision has been made yet as to the sale of weapons to Taiwan.

One of our guests from the Chinese press.

President's Upcoming Visit to China

Q. Mr. President, what are your expectations for your forthcoming trip, October, to Shanghai and Beijing?

President Bush. I look forward to seeing the modernization that has taken place. I look forward to seeing the beautiful countryside that I remember so well.

But most of all, I look forward to getting to know the leaders of China. I think the best thing I can do is to—the best thing our delegation will do is to be able to sit down, face to face, and have an honest dialog.

People will find that I'm a straightforward person, that I represent my country's interests in a very straightforward way, but I will do so with respect.

Q. Mr. President, is there anything that China can say or do that would influence your decision about which weapons to sell Taiwan?

President Bush. This meeting will give me a chance to confirm the fact that I will honor our obligations under the Taiwan relations law. I look forward to explaining that as clearly as I can to our distinguished guest. If he cares to bring up the subject and wishes to make a case, I will be glad to listen, but no decision has been made yet. And I'll do what I think is in the best interests of our relationships and in the best interests of conforming to obligations we have.

Q. Mr. President, may I speak in Chinese?

President Bush. Are you with the Chinese press, because your English is perfect.

Q. Yes.

President Bush. You speak better English than I do. [*Laughter*]

Human Rights/Former President Bush

[*At this point, the journalist spoke several words in Chinese and then resumed in English.*]

Q. ——about the gathering outside of the Falun Gong. The State Department has decided to sponsor a resolution to condemn the human rights. And for the past few years it has been failed. And I just wonder, Mr. President, what are you going to try to tell the Chinese side how to improve their human rights?

And my second question is regarding—the Chinese seem very warm to your father; they come, delegation after delegation, visiting your father. Are you going to be teached by your father regarding your China policy?

President Bush. Well, the Chinese, I'm convinced, like my father because he married well. [*Laughter*] My mother is very well respected in China, as is my dad, because they spent time there, and they befriended a lot of folks who are now leaders.

It will come as no surprise to our Chinese guest that I'm a believer in religious freedom, and I will make a—state it politely and as clearly as I can that ours is a nation that respects religious freedom; ours is a nation that honors religious freedom; and that our relationship will move forward, but it will certainly be a lot easier to move forward in a constructive way when our people with whom we conduct our affairs honor religious freedom within their borders.

Q. Thank you.

President Bush. I'd like to thank the press for not violating the beeper policy. [*Laughter*]

Q. We didn't want to get Gordon [Assistant Press Secretary Johndroe] in trouble again. [*Laughter*]

President Bush. Gordon became an international figure. [*Laughter*]

NOTE: The President spoke at 4:03 p.m. in the Oval Office at the White House. In his remarks, he referred to scholar Gao Zhan, an unpaid fellow at American University, who has been detained in China since February 11, and her husband, Xue Donghua, and their 5-year-old son, U.S. citizen Andrew Xue, who were held separately for nearly a month. Vice Premier Qian referred to President Jiang Zemin of China. The Vice Premier spoke in Chinese, and his remarks were translated by an interpreter. A tape was not available for verification of the content of these remarks.

Proclamation 7417—Education and Sharing Day, U.S.A., 2001

March 22, 2001

By the President of the United States of America

A Proclamation

With the dawn of a new century, America's youth face a world of nearly unlimited possibilities. New advances in technology, medicine, and science offer the potential for great progress. We must ensure that every child has the technical skills needed to pursue success in their respective fields. However, they also require the wisdom and understanding to make sense of an ever-changing world.

As teachers, parents, and citizens, we have a responsibility to pass on more than just academic knowledge to our children. We also need to provide them with the moral strength to see them through turbulent and challenging times. An education that nurtures goodness and kindness gives direction and dignity to the lives of our young people and strengthens our communities. Humanity has long recognized such core and never-changing ethical values as vital to the well-being of a society and its citizenry.

Rabbi Menachem Mendel Schneerson, the Lubavitcher Rebbe, clearly understood the importance of fostering character. His establishment of educational, social, and rehabilitative institutions bettered the lives of people both in this country and abroad. As he once said, "All educational efforts are basically meaningless unless built on the solid foundation of good character." Next year marks the 100th anniversary of the Rebbe's birth, but his legacy of teaching that a nation's true greatness is measured by whether it produces citizens of compassion and character remains timeless.

Now, Therefore, I, George W. Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim April 4, 2001, as Education and Sharing Day, U.S.A., 2001. By teaching children the highest standards of ethical behavior, Americans prepare our next generation of leaders to pursue meaningful lives as members of a decent and caring society.

In Witness Whereof, I have hereunto set my hand this twenty-second day of March, in the year of our Lord two thousand one, and of the Independence of the United States of America the two hundred and twenty-fifth.

George W. Bush

[Filed with the Office of the Federal Register, 10:47 a.m., March 23, 2001]

NOTE: This proclamation was published in the *Federal Register* on March 26.

Exchange With Reporters During a Tour of the Salvation Army Senior Center in Portland, Maine

March 23, 2001

Expulsion of Russian Diplomats

Q. In response to the fact that the Russians responded in kind——

The President. They can make whatever decisions they deem necessary. Our country took the right course of action.

Q. What message does it send, though, do you think?

The President. It says that we will be firm and consistent in our foreign policy.

[*The tour continued.*]

Tax Cut Legislation

Q. One more question, Mr. President.

The President. Same subject?

Q. No, on tax cuts. Even if with retroactivity, the size of the package were to get bigger than $1.6 trillion, is it worthwhile if it provides more money for people up front during this slowing economy?

The President. Well, I think we can accelerate tax relief, we should accelerate tax relief, and keep the size of the tax relief package at the same level. I'm confident we can do both. And I've told those who think it ought to be smaller and those who think it ought to be bigger that it ought to be $1.6 trillion.

The key thing is to make sure that we have tax relief that's meaningful, and to get as much money in the people's pockets as quickly as possible to provide a stimulus package.

Q. But how do you do both?

The President. Well, that's what we're going to work with the Congress on, is to make sure that we come with a size of the package that fits into the budget and at the same time, get money into people's pockets as quickly as possible. There are ways to do that. You could delay one aspect of the total tax relief package for one year, for example. I mean, there are ways to get it done. The key thing is that good people are coming together to try to effect good, sound fiscal policy and to stimulate the economy.

Q. So, Mr. President, if something like what Senator Domenici has proposed happened, there would be some give elsewhere to keep it within the $1.6 trillion?

The President. I think we ought to work to keep it within the $1.6 trillion. I've sent that message. I hear Members of Congress saying, "Now we have the opportunity to load up the tax relief package for different projects," and my message is, keep it at $1.6 trillion. There are others who, of course, want to diminish it, as well. And my answer to them is, let's keep it at $1.6 trillion.

Q. Would you oppose anything like a rebate that brought it above $1.6 trillion?

The President. Well, we're working with the Congress to keep it within the bounds of $1.6 trillion. I saw what Senator Domenici said; he was talking about accelerating by about $40 billion. Well, that's a rounding number when you're talking in terms of trillions.

Campaign Finance Reform Legislation

Q. If campaign financial legislation that banned soft money from individuals and that did not include paycheck protection in labor unions reach your desk, would you veto it?

The President. Well, I'm watching the debate very carefully. My message is, I would like a bill to sign, and I want all parties involved in the debate to know that I'm anxious to sign a bill; I look forward to a bill and am confident that they will be able to come up with a bill that I can sign.

Q. [*Inaudible*]—any one position?

The President. Well, let me put it to you this way. I would—I believe they can come up with a reform that will meet the parameters that I've laid out that I can sign.

Expulsion of Russian Diplomats

Q. Mr. President, are you worried about this tit for tat with the Russians and that it could get out of hand and hurt U.S.-Russian relations?

The President. No, I believe we can have good, strong relations with the Russians. They'll just understand my administration is one that takes firm positions when we think we're right. That doesn't preclude the ability for Mr. Putin and me, for example, to meet at some point in time and have a good, honest discussion about common interests, areas where we can work together, and be able to discuss our disagreements in an open and honest way.

Tax Cut Legislation

Q. Are you unalterably opposed to the idea of some kind of midterm review? I know you don't like the word "trigger," but anything that takes a look to see whether surpluses really materialize?

The President. Well, it depends on what it is. There's a lot of ideas now being floated out in the Congress, and I'm openminded to any good idea. And I'll listen to what different Members have to say. The key thing is that we have meaningful, real tax relief, where everybody who pays taxes gets relief,

and where, to the best extent possible, accelerate the tax relief to get money in people's pockets to serve as a stimulus to the economy.

Q. So a trigger is not out of the question?

The President. Again, any suggestion that people give I'm willing to listen to. Obviously, one of my concerns is that a tax relief package be undone because Congress wasn't fiscally responsible in its spending. I won't support a measure that says to Congress, spend all the money you want and, therefore, diminish the tax relief plan that we've gotten passed for the people, because one way is to make sure that the surpluses don't exist is if Congress isn't fiscally responsible with the people's money.

Expulsion of Russian Diplomats

Q. [*Inaudible*]—speak to President Putin before you have a face-to-face meeting in June?

The President. Maybe. I'm not sure yet.

Education

Q. Maine's education—[*inaudible*]—worried that your plan for a national testing——

The President. I'm going to address that today. I appreciate you asking that question. The Governor is here somewhere—the Governor and I talked about that. Maine has got a very strong accountability system, and it has enabled the public elected officials to address problems. When I talk about accountability systems, I talk about those developed by States and local jurisdictions, and Maine is a perfect example.

One of the reasons I've come to this State is, not only is it a special spot in my heart because of an address down the road here, but this is a State where accountability and education go hand in hand. And in no way, shape, or form would I want Federal policy to undermine the good work that Governor King and others in Maine have done.

So when I talk about local accountability and a willingness to set standards, I think of places like Texas and a place like Maine.

Gov. Angus S. King, Jr., of Maine. We've been doing testing in the 4th, 8th, and 11th grade in Maine since 1986. We published the results on the Internet by school, by school district, and it's accountability with a capital A.

The President. Yes. I know there's—I'm aware that there was some consternation about proposals that I'm working with both Republicans and Democrats on in the Congress. People have got to remember I was a Governor, and I wasn't particularly happy when the Federal Government began to tell us what to do, particularly when it came to educating our children. And consistent in the plans that I'm working with the Congress on is that philosophy that we trust the local people. And the people of Maine have been very fortunate to have a Governor of this caliber to look after the public education system here.

And as the Governor will tell you, the whole basis of reform is strong accountability, because you don't know whether—unless you measure, you don't know whether children are learning. And anyway, I'd better save some of the remarks for the speech. That way you'll pay attention.

Governor King. I've got a motto for you, Mr. President: Does it work, and how do you know?

The President. There you go. I may copy it.

Anybody hungry? You look like a man who could use a meal. [*Laughter*]

NOTE: The exchange began at 11:10 a.m. In his remarks, the President referred to President Vladimir Putin of Russia. A tape was not available for verification of the content of this exchange.

Remarks to the Chamber of Commerce in Portland

March 23, 2001

Man, Governor, you fired them up. [*Laughter*] I appreciate so very much, Governor, your being here. I know the good people of this State appreciate how you conduct yourself in office. Like your predecessor, my friend Jock McKernan, you brought a lot of class to your statehouse. I love your style, and I really appreciate your focus, because you care about the people of this State. You care deeply about the citizens of Maine, and it's clear the citizens of Maine appreciate

your care for them. So thank you so much for being here.

Rick, thanks for inviting me. [*Laughter*] Where's the wild man? [*Laughter*] Wild lady. Thank you all for coming today. It's an honor to be here, and it's an honor to be your President.

It's an honor to be traveling with members of the congressional delegation. I had the privilege of flying from Washington to Portland with your Congressman, Tom Allen. I don't know Congressman Allen well. I know he's a smart man—maybe a little smarter if he comes around my way more often. [*Laughter*] But I respect Tom's intellect, and I respect his service to the people of Maine. Thank you very much, Congressman, for being here.

And you've got two fantastic United States Senators. Olympia and Susan are smart, capable women who aren't afraid to speak their mind, even to the President of the United States. [*Laughter*] As a matter of fact, I'm beginning to believe they're not afraid to speak their mind especially to the President of the United States. [*Laughter*] But they care about their State; they care about their country. I view them as strong allies and good friends. Thank you very much, both, for being here.

And then of course, there's your mayor. Madame Mayor, I don't know why it is every time I see you, I feel like smiling. But I appreciate your friendship. Thanks so much for being here.

Most of the time when I come to this beautiful State, you don't have to cross-country ski to get into the auditorium. [*Laughter*] But I've got, obviously, fond memories of this beautiful State. I'm hoping my mother invites me back this summer. I'd better make sure I behave. [*Laughter*]

I'm reminded of the time when I first became the Governor of Texas. I went to a dedication for those who served in the Pacific theater in World War II. It was in central Texas, a little town called Fredericksburg. My mom and dad were there, and Laura, the great First Lady of the United States, was there.

And I was really looking forward to welcoming all the World War II vets. It was a chance to say thanks on behalf of the sons and daughters of the great generation. And I said, "Mr. President,"—that was for my dad, who was the head of the parade—I said, "welcome." And everybody cheered. And I said, "Mother." Before I could get out another word, the place went wild. And I said, "Well, Mother, it's clear the people of Texas love you, and so do I, but you are still telling me what to do after 50 years." And a guy in a big cowboy hat moved out in the middle of Main Street, Fredericksburg, and cupped his hands and screamed at the top of his lungs in front of 30,000 constituents, "You better listen to her too, boy." [*Laughter*] I can assure you that the President of the United States is listening to his mother. Remember that. [*Laughter*]

The reason I thought of Mother is, I thought of the Barbara Bush Children's Hospital here at the Maine Medical Center. It is a proud moment in her life that the good folks at the Maine Medical Center dedicated the hospital for her. I can't think of a better—[*applause*]—it is a privilege—it is a privilege for her to have her name on an institution based on love and healing and care. It also reminds me of how deep our ties are to the State of Maine.

My folks love coming to Maine, and they love it a lot. And they can't wait for the snow to melt—[*laughter*]—so they can get back up here. But anyway, thanks for your hospitality.

I want to talk a little bit about budgeting and the importance of good, sound, commonsense budgeting in Washington, DC. I found it's more effective for me to kind of get out of the Nation's Capital and explain my budget face to face with folks, than to rely upon the filter to do so. Sometimes the facts get kind of distorted. Sometimes it's hard to get reality to fight through the folks.

So let me explain my budget, if you don't mind, and what we intend to do with money if we're able to bring fiscal sanity to the Nation's Capital. Step one on a commonsense budget is to set priorities. It's really important for the Governor or the President to use the executive branch to set priorities so that those who spend money stay focused. Without priorities, the tendency is to try to be all things to all people.

So the priorities in the budget I submitted are these. One, educating our children is a

priority. The biggest increase of any Department in my budget goes to the Department of Education. I want you to also understand, though, I remember where I came from. I came from a State—I was a Governor—I firmly trust local folks to run the schools. The people who care most about the children in the State of Maine are the citizens of Maine, and the Federal Government, while it increases spending, must trust the Governors and local authorities. One size does not fit all when it comes to educating children. So we increased spending. But I look forward to working with the Senators and the Congressmen of the—pass power out of Washington, to provide a maximum flexibility so that the Governors and school board folks can take money and meet and match them to the needs that exist. So step one is an accountability—step one of a education reform program is local control of schools. It is a redline for me when it comes to Federal legislation.

But I also know—and I know there is some consternation here in the State of Maine about the call to hold people accountable for results. My attitude is, if you receive Federal money, you ought to measure to determine whether or not the money is being spent properly. I strongly believed in Texas, if you received State money, you ought to measure. The good news in the State of Maine is, the Governor agrees. You've got strong accountability in the State of Maine, and the Federal Government should in no way tell the folks in Maine how to devise an accountability system, and we don't intend to do so. We trust the local people. All we're saying is, "You develop a system so that no child is left behind." How do you know if you don't measure? How do you know if you don't hold people accountable? And how do you know how to correct problems unless you do measure?

And guess what happens in a system and States without accountability? Children whose parents may not speak English as a first language just get moved through the system. It's so much easier to quit on an inner-city child. And one of the reasons we've got to insist upon accountability and work with States to develop accountability systems is so that we're able to detect problems early and solve them before the system quits on children.

Too long we've gone without saying, "Each child matters." For too long we've asked a question in our society, "How old are you? Oh, if you're 10, we'll put you here. And if you're 14, we'll put you there." Instead, we've got to start asking the question, "What do you know?" And if you don't know what you're supposed to know, we'll make sure you do early, before it's too late.

Another priority of your President is to keep the peace. In order to do so, we must boost morale in our military, and it starts with making sure our soldiers and sailors are paid better. So the budget I submitted to the Congress increases the pay and improves the housing. But morale will also be improved by having a clear mission for our military. And the mission of our United States military must be: prepare our troops to fight and win war and, therefore, prevent war from happening in the first place.

I believe strongly that, as the head of the executive branch, we owe it to the people and to the Congress to develop a strategic plan as to how best to spend the people's money when it comes to bolstering our defenses; that as its Chief Executive of Government, our responsibility is to develop a plan about what the military ought to not only look like today but what the military ought to look like 20 to 30 years from now, so that we can focus taxpayers' money in a responsible, planned way.

It is irresponsible to spend your money in a haphazard fashion. We must not have our defense budgets driven by politics. We must have them driven by vision and need in order to not only effectively spend your money, but in order to make sure we keep the peace 20 to 30 years from now. Military preparedness is a priority of our administration, and so is making sure we shepherd the taxpayers' money in a wise way.

Another priority is health care. The budget I submitted to the Congress doubles the Medicare budget—actually, more than doubles the Medicare budget. It says that Medicare is an important responsibility for our Government. But we also must be bold enough to reform Medicare. The Medicare system is ancient. It's meeting some needs

but not all needs. And everybody, particularly those in the State of Maine, know loud and clear that Medicare does not provide prescription drugs for our seniors. It is time to seize the moment. It is time to provide our seniors a variety of options from which to choose, all of which will include prescription drugs.

I've heard all the talk about Social Security. You can imagine, particularly all those ads on TV that said, "If George Bush becomes the President, you're not going to get your Social Security check." Well, let me tell you, the budget I submitted to the Congress sets aside all the money that's supposed to go to Social Security for only one thing: Social Security.

We're going to have a debate on Social Security, as well. The debate about where payroll taxes goes is over. Now, some may decide to try to hyperventilate on the issue, but it's over. This Congress and this President are not going to allow payroll taxes to be spent on anything other than Social Security; that's for certain. And anybody who relies upon Social Security in your State need not worry. The people who need to worry are the younger workers. Those are the folks who need to worry, the folks that are coming up that are going to have to pay for the baby boomers, like me, when we retire. And so this debate may take a while, until the Congress finishes a lot of other business. But we need to have the debate about how to make sure the Social Security system is not only solvent today but is solvent when the baby boomers begin to retire. And I'm going to strongly suggest that one way to do so is to allow younger workers, at their choice, to take some of their own money and put it in the private markets.

So we've set priorities. We double the number of folks covered at community health centers. This is incredibly important programs. I hope you've got—I'm sure you've got some in Maine. They make an enormous difference for the indigent and the poor. So in my budget, we double the number of people served over the next 5-year period. We work with the Congress to make sure the NIH budget gets doubled by the year 2003, a commitment the Senators made so we could have adequate research to help cure disease in America. We set priorities, and we fund them.

There's a lot of debate in Washington about debt, and I'm concerned about debt, too. In the budget I submitted to the Congress, we pay down $2 trillion of debt. That's the biggest debt repayment in the history of the world. It's 2 trillion over 10 years. We pay down all the debt in a 10-year period that comes due.

And if you hear anybody in Washington talking about, "Well, let's pay down all the debt," it means they want the taxpayers to pay a premium on debt repayment. It doesn't make any sense to pay down debt until it becomes due. Otherwise, taxpayers are going to have to pay a premium to do so. That doesn't make any common sense to me. It's not wise to try to accelerate debt repayment. It costs you too much money to do so. Let's pay down debt when it becomes available to be paid down. And that's what we do in this budget. So we set priorities and pay down debt.

Part of the hollering you're hearing out of Washington is the fact that my discretionary spending increases at 4 percent. And that's a lot, particularly since 4 percent is greater than the rate of inflation, and 4 percent is greater than the pay raise most working people have gotten in America. That's a big, healthy increase, particularly when you're talking in terms of billions.

But the reason why it's created some tension and friction in Washington is because it—last time around, they increased discretionary spending by 8 percent. All of a sudden, we've gotten a new Chief Executive in town that says, let's be fiscally responsible. Instead of increasing the size and scope of the Federal Government, instead of having a spending contest before we got out of town, let's be responsible with the people's money. Listen, 4 percent is plenty of growth with discretionary spending.

We also set aside $1 trillion for contingencies over a 10-year period. It could be money to help the farmer. It could be money to—who knows what it will be used for, but it's there.

Now, I know these numbers sound like a lot, but this is reality I'm talking about. We've

increased discretionary spending by 4 percent; we pay down $2 trillion worth of debt; we set aside one trillion in the budget over a 10-year period for contingencies; and guess what? There's still money left over. And that's the debate. The fundamental question is, what to do with it? And I start with this premise: The surplus, that leftover money, is not the Government's money; it's the people's money.

And I'll give you another premise. The best way I heard it the other day was in Council Bluffs, Iowa. A lady got up, and she said, "You know, Mr. President, I've been a mother and a grandmother, and I love to bake cookies. And every time I baked a plate of cookies and put them on the table, when my children and grandchildren went through the house, they always ate the cookies."

And that's how I kind of view tax money in Washington. If it's left on the plate—[*laughter*]—if we leave it on the platter, it's going to be spent. And so the fundamental debate is, once priorities are met, once we pay down debt, once we set aside money for contingencies, what do we do with it? Do we increase the size and scope of the Federal Government, or do we trust the people with their own money?

The last 4 months of—the first 4 months of the fiscal year, the cash coming into the Treasury was $40 billion, anticipated. This, in spite of the fact that the economy was beginning to slow down a little bit—40 billion more than projected. It sounds like, to me, that somebody is being overcharged. And so I submitted a plan to the United States Congress that remembers where the money came from, that helps with fiscal sanity in Washington, DC, a plan that will serve as a second wind to an ailing economy, a plan that says that everybody who pays taxes ought to get tax relief. It says to the Congress, trying to target tax relief is not fair. The role of the Congress and the role of the President is not to try to pick and choose who wins or loses when it comes to tax policy. If you pay taxes, you ought to get relief.

And so we've submitted a plan that does just that. It reduces all rates on everybody who pays taxes and shrinks the number of rates from 5 to 4. It increases the child credit from $500 to $1,000. And I want to talk about two aspects of the tax relief plan.

First, the code we have now is incredibly unfair to people who are struggling to get ahead. And the example I've used over and over again is one I'm going to keep using until Congress solves the problem. And it's the single mother working hard as she can to raise two children. She's making $22,000 a year.

First of all, she's working the hardest job in America. Secondly, for every additional dollar she earns under this code, she pays a higher marginal rate than somebody who is successful in America; she begins to lose her earned-income tax credit; she gets put in the 15 percent bracket; she's paying payroll taxes.

Under this Tax Code, the people working on the fringes of the middle class, struggling hard to get ahead, pay a higher marginal rate than somebody who is successful. And that's not right. That's not what America is all about, as far as I am concerned.

America says, the harder you work, the more money you put in your pocket, and the easier it is to access the middle class. And we've got to change that, and so we dropped the bottom rate from 15 to 10 and increased the child credit from 500 to 1,000.

But I also believe strongly that we need to drop the top rate, as well. And I know there's a lot of talk about it in Washington, DC, and there's a lot of—by dropping the top rate, it creates all kinds of finger pointing and name calling. But I want Members of Congress to remember this fact about our Tax Code and about our economy and about the American Dream. There are thousands of small-business owners, thousands of entrepreneurs who are unincorporated in America, who are sole proprietors, who are Subchapter S's, that pay the highest marginal rate in the Tax Code. And when you drop the top rate from 39.6 percent to 33 percent, we're sending a clear signal that the role of Government is not to create wealth, but the role of Government is to create an environment in which the entrepreneur can flourish, in which the small business can grow to become a big business.

Our Government must understand: Tax relief will provide capital for the small-business owner to be able to expand. Our Government must hear loud and clear that by far, the vast majority of job creation comes from small businesses and entrepreneurs. And we always must remember, the great hope of America, the great dream of our country is for people to own their own business and own their own home, to be an owner in our country.

One of the things I'm going to do is fight for the entrepreneurial spirit in America. And one way to do so is to drop that top rate, to encourage capital formation in the private sector and in the hands of our small-business owners all across the country.

There are two other aspects of tax reform I want to talk about. First, our Tax Code sends the wrong signal about family. We penalize marriage. It makes no sense to do so. I look forward to working with the Congress to change the marriage penalty in the Tax Code. And we also do something else that's incredibly unfair. We tax people's assets twice, once when they're living and once when they die. And that's not right. It's not right for small-business owners; it's not right for Maine farmers, Texas ranchers. It's not right to have a death tax, and it's time to get rid of it.

I know these numbers sometimes sound just like they're a bunch of numbers and a lot of talk and balance sheets and throwing around zeros like its common-day practice. And I understand that. So what I like to do is, I like to put a face on what I'm trying to talk about. I like to invite people who will be affected positively by my plans to—and I would like to introduce to you the Hanington family today. They're from way up East. You're way up there, right on the Canadian border. Willard is a small-business owner. It's a family-owned logging business. He brought his three children with him today. I want to talk about his circumstances right quick.

This good family, they're raising Kayla, who's 14, and Logan, who's 10, and Laci's 2½ years old. They work hard to get ahead. They pay $2,850 of Federal income taxes. And when Congress enacts the plan that I've submitted, this good family will save $2,150.

That's after we've grown the discretionary spending by 4 percent, after we've committed ourselves to saving Social Security and strengthening it, after we've doubled the Medicare budget, after we've provided for the military—there's money left over. And the fundamental question, folks, is who do you want spending that $2,150? That's what the debate is all about. And I submit to you, it's better for our country to trust this good man and his wife to spend their $2,150 than the Members of the United States Congress. I appreciate that.

And that's my budget, and that's my vision. It's based upon, who do you trust? I trust the people of this country. If you were in my position, you'd trust them, too. I travel—everywhere I go, the people of this country are fine and decent and honorable people.

The Governor and I and Senators and the Congressmen just came from the Salvation Army. It's a place based on something Government can't create, which is love and concern and deep compassion. No government can help. We can spend money, but we cannot put hope in the hearts of people. The great strength of this country comes as a result of people loving their neighbor and asking the fundamental question, "What can I do to help? What can I do to make my community a better place?"

Oh, this is a fabulous nation. That's why it's such an honor to be your President. I think we're making progress, not only on issues, but the culture is beginning to change some, in Washington, for the better. It's a culture of accomplishment, a culture of achievement.

Recently the Senate and the House moved a piece of legislation which I supported. I understand good folks may not agree. But there was excessive regulation getting ready to be placed on large and small businesses through what's called ergonomics. And the Congress and the Senate took a look at it and said the cost benefits just doesn't make sense. Let's change it and come up with more realistic policy.

The reason I bring that up is, it was a good, sound debate. Both Republicans and Democrats supported the measure. It made it to my desk; I signed it. But there's a sense of accomplishment, a sense of what we can do

together for the good of the country that's beginning to become a part of the culture in Washington. There's a culture of respect developing in Washington.

I hope in my comments you understand that the Congressman may not agree with what I'm trying to do, and I may not necessarily agree with every vote. But I respect the man. And we need more of that in our Nation's Capital. We need to send the signal that good folks can disagree, that there is time for politics and there's time for doing what's right for the American people. And I'm going to continue to focus—[*applause*].

And finally, I hope that we're beginning to develop a culture of responsibility in the country. Those of us who hold high office, like your Governor, myself, and others, have a responsibility to the people, a responsibility to uphold the honor of the office, but that's just the beginning. That if we're blessed, we have the responsibility to help a neighbor in need. That we must send the signal to our children, make the right choices, be responsible for the decisions you make in life.

No, I think we're making good progress. There's a lot of work to do. But it starts with trusting the people. And we're always remembering, the great strength of this land lies in the hard-working, good hearts of the American people.

Thank you for coming. God bless.

NOTE: The President spoke at 12:18 p.m. at Merrill Auditorium. In his remarks, he referred to Gov. Angus S. King, Jr., of Maine; Richard L. Bisson, Jr., chairman, Greater Portland Chambers of Commerce; and Mayor Cheryl Leeman of Portland, ME.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

March 18

In the afternoon, the President and Mrs. Bush returned to Washington, DC, from Camp David, MD.

March 19

The President announced his intention to nominate Charles S. Abell to be Assistant Secretary of Defense for Force Management.

The President announced his intention to nominate Maureen Patricia Cragin to be Assistant Secretary of Veterans Affairs for Public and Intergovernmental Affairs.

The President announced his intention to nominate Donald Burnham Ensenat to be Chief of Protocol of the Department of State.

The President announced his intention to nominate Walter Kansteiner to be Assistant Secretary of State for African Affairs.

The President announced his intention to nominate David A. Sampson to be Assistant Secretary of Commerce for Economic Development.

The President announced his intention to nominate David S.C. Chu to be Under Secretary of Defense for Personnel and Readiness.

The President announced his intention to nominate Mark D. Weinberg to be Assistant Secretary of Housing and Urban Development for Public Affairs.

March 20

In the afternoon, the President traveled to Langley, VA, and later, he returned to Washington, DC.

The President announced his intention to nominate Peter F. Allgeier to be Deputy U.S. Trade Representative with the rank of Ambassador.

The President announced his intention to nominate Linnet F. Deily to be Deputy U.S. Trade Representative with the rank of Ambassador

March 21

In the morning, the President traveled to Orlando, FL, and in the afternoon, he returned to Washington, DC.

The President announced his intention to nominate Deborah J. Daniels to be Assistant Attorney General for the Office of Justice Programs.

The President announced his intention to nominate Jimmy Gurule to be Under Secretary of the Treasury for Enforcement.

The President announced his intention to nominate Kay Cole James to be Director of the Office of Personnel Management.

The President announced his intention to nominate Timothy J. Muris to be a member of the Federal Trade Commission for a 7-year term beginning September 26, 2001.

The President announced his intention to nominate Susan B. Neuman to be Assistant Secretary of Education for Elementary and Secondary Education.

The President announced his intention to nominate Steven A. Perry to be Administrator of General Services.

The President announced his intention to nominate Pierre-Richard Prosper to be Ambassador at Large for War Crimes Issues.

The President announced his intention to nominate Francis X. Taylor to be Coordinator for Counterterrorism with the rank of Ambassador at Large.

The President announced his intention to nominate Robert D. Blackwill to be Ambassador to India.

The President announced his designation of Susan Walthall as Acting Chief Counsel for Advocacy at the Small Business Administration.

The President declared an emergency in Maine and ordered Federal aid to supplement State and local recovery efforts in the area struck by record/near record snow on March 5–7.

The President amended the Maine emergency declaration to extend the area struck by record/near record snow on March 5–7.

March 22

The President had a telephone conversation with Emir Hamad bin Khalifa Al-Thani of Qatar congratulating him on the peaceful territorial dispute with Bahrain.

The President announced his intention to nominate Margaret Tutwiler to be Ambassador to Morocco.

The President announced his intention to nominate Eric M. Bost to be Under Secretary of Agriculture for Food, Nutrition, and Consumer Services.

The President announced his intention to nominate Tom C. Dorr to be Under Secretary of Agriculture for Rural Development.

The President announced his intention to nominate J.B. Penn to be Under Secretary of Agriculture for Farm and Foreign Agriculture Services.

The President announced his intention to nominate Bruce Marshall Carnes to be Chief Financial Officer of the Department of Energy.

The President announced his intention to nominate Jessie Hill Roberson to be Assistant Secretary of Energy for Environmental Management.

The President announced his intention to nominate Tom Scully to be Administrator of the Health Care Financing Administration.

The President announced his intention to nominate Angela Styles to be Administrator of Federal Procurement Policy at the Office of Management and Budget.

The President announced his intention to nominate Otto J. Reich to be Assistant Secretary of State for Western Hemisphere Affairs.

The White House announced that President Ricardo Lagos of Chile will be in Washington, DC, for a working visit on April 16.

March 23

In the morning, the President traveled to Portland, ME, and in the afternoon, he returned to Washington, DC where he met with U.N. Secretary-General Kofi Annan in the Oval Office.

The President announced his intention to nominate Carol D'Amico to be Assistant Secretary of Education for Vocational and Adult Education.

The President announced his intention to nominate Francis S. Blake to be Deputy Secretary of Energy.

The President announced his intention to nominate Linda J. Fisher to be Deputy Administrator of the Environmental Protection Agency.

The President announced his intention to nominate Claude A. Allen to be Deputy Secretary of Health and Human Services.

The President announced his intention to nominate Dave D. Lauriski to be Assistant Secretary of Labor for Mine Safety and Health.

The President announced his intention to nominate Charlotte L. Beers to be Under Secretary of State for Public Diplomacy.

The President announced his intention to nominate Lorne W. Craner to be Assistant Secretary of State for Democracy, Human Rights, and Labor.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Withdrawn March 19

The following persons to the positions indicated, which were sent to the Senate on January 3, 2001:

Bonnie J. Campbell,
of Iowa, to be U.S. Circuit Judge for the Eighth Circuit, vice George G. Fagg, retired.

James E. Duffy, Jr.,
of Hawaii, to be U.S. Circuit Judge for the Ninth Circuit, vice Cynthia Holcomb Hall, retired.

Barry P. Goode,
of California, to be U.S. Circuit Judge for the Ninth Circuit, vice Charles E. Wiggins, retired.

Roger L. Gregory,
of Virginia, to be U.S. Circuit Judge for the Fourth Circuit, a new position created by Public Law 101–650, approved December 1, 1990, to which position he was appointed during the last recess of the Senate.

Kathleen McCree Lewis,
of Michigan, to be U.S. Circuit Judge for the Sixth Circuit, vice Cornelia G. Kennedy, retired.

Enrique Moreno,
of Texas, to be U.S. Circuit Judge for the Fifth Circuit, vice William L. Garwood, retired.

Helene N. White,
of Michigan, to be U.S. Circuit Judge for the Sixth Circuit, vice Damon J. Keith, retired.

Sarah L. Wilson,
of Maryland, to be a Judge of the U.S. Court of Federal Claims for a term of 15 years, vice Loren A. Smith, term expired.

James A. Wynn, Jr.,
of North Carolina, to be U.S. Circuit Judge for the Fourth Circuit, vice James Dickson Phillips, Jr., retired.

The nomination of the following person, which was sent to the Senate on January 4, 2001:

Alston Johnson,
of Louisiana, to be U.S. Circuit Judge for the Fifth Circuit, vice John M. Duhe, Jr.

The nominations of the following persons, which were sent to the Senate on January 5, 2001:

James V. Aidala,
of Virginia, to be Assistant Administrator for Toxic Substances of the Environmental Protection Agency, vice Lynn R. Goldman, to which position he was appointed during the last recess of the Senate.

Nina M. Archabal,
of Minnesota, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice Nicholas Kanellos, term expired, to which position she was appointed during the last recess of the Senate.

James H. Atkins,
of Arkansas, to be member of the Federal Retirement Thrift Investment Board for a term expiring September 25, 2004, to which position he was appointed during the last recess of the Senate.

Geoff Bacino,
of Illinois, to be a member of the National Credit Union Administration Board for the term of 6 years expiring August 2, 2005, vice Norman E. D'Amours, term expired, to which position he was appointed during the last recess of the Senate.

Betty G. Bengtson,
of Washington, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice Ramon A. Gutierrez, term expired, to which position she was appointed during the last recess of the Senate.

Allen E. Carrier,
of the District of Columbia, to be a member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development for a term expiring May 19, 2004, vice Duane H. King, term expired, to which position he was appointed during the last recess of the Senate.

Ron Chew,
of Washington, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice Robert I. Rotberg, term expired, to which position he was appointed during the last recess of the Senate.

Edward Correia,
of Maryland, to be a member of the National Council on Disability for a term expiring September 17, 2002, vice Michael B. Unhjem, term expired, to which position he was appointed during the last recess of the Senate.

George Darden,
of Georgia, to be a member of the Board of Directors of the Overseas Private Investment Corporation for the term expiring December 17, 2003, vice Zell Miller, to which position he was appointed during the last recess of the Senate.

Dennis M. Devaney,
of Michigan, to be a member of the U.S. International Trade Commission for a term expiring December 16, 2009, vice Thelma J. Askey, term expired, to which position he was appointed during the last recess of the Senate.

James F. Dobbins,
of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be an Assistant Secretary of State (European Affairs), vice Marc Grossman, resigned, to which position he was appointed during the last recess of the Senate.

James A. Dorskind,
of California, to be General Counsel of the Department of Commerce, vice Andrew J. Pincus, resigned, to which position he was appointed during the last recess of the Senate.

Bill Duke,
of the District of Columbia, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice Charles Patrick Henry, term expired, to which position he was appointed during the last recess of the Senate.

Michael V. Dunn,
of Iowa, to be a member of the Farm Credit Administration Board, Farm Credit Administration, for a term expiring October 13, 2006, vice Marsha P. Martin, to which position he was appointed during the last recess of the Senate.

Fred P. DuVal,
of Arizona, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 2002, vice Ann Brownell Sloane, term expired, to which position he was appointed during the last recess of the Senate.

Ross Edward Eisenbrey,
of the District of Columbia, to be member of the Occupational Safety and Health Review Commission for a term expiring April 27, 2005, vice Stuart E. Weisberg, term expired, to which position he was appointed during the last recess of the Senate.

Jayne G. Fawcett,
of Connecticut, to be a member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development for a term expiring May 19, 2006, vice Alfred H. Qoyawayma, term expired, to which position she was appointed during the last recess of the Senate.

Toni G. Fay,
of New Jersey, to be a member of the Board of Directors of the Corporation for National and Community Service for a term expiring

October 6, 2001, vice John Rother, term expired, to which position she was appointed during the last recess of the Senate.

Anita Perez Ferguson,
of California, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 2006, vice Maria Otero, term expired, to which position she was appointed during the last recess of the Senate.

Donald L. Fixico,
of Kansas, to be a member of the National Council on the Humanities for a term expiring January 26, 2004, vice Alan Charles Kors, term expired, to which position he was appointed during the last recess of the Senate.

Gregory M. Frazier,
of Kansas, to be Chief Agricultural Negotiator, Office of the U.S. Trade Representative, with the rank of Ambassador, to which position he was appointed during the last recess of the Senate.

Hsin-Ming Fung,
of California, to be a member of the National Council on the Arts for a term expiring September 3, 2006, vice Speight Jenkins, term expired, to which position she was appointed during the last recess of the Senate.

Henry Glassie,
of Indiana, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice Martha Congleton Howell, term expired, to which position he was appointed during the last recess of the Senate.

James John Hoecker,
of Virginia, to be a member of the Federal Energy Regulatory Commission for the term expiring June 30, 2005, to which position he was appointed during the last recess of the Senate.

Paulette H. Holahan,
of Louisiana, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 2004, vice Mary S. Furlong, term expired, to which position she was appointed during the last recess of the Senate.

Elwood Holstein, Jr.,
of New Jersey, to be Assistant Secretary of Commerce for Oceans and Atmosphere, vice Terry D. Garcia, resigned, to which position he was appointed during the last recess of the Senate.

Mary D. Hubbard,
of Alabama, to be a member of the National Council on the Humanities for a term expiring January 26, 2004, vice Theodore S. Hamerow, term expired, to which position he was appointed during the last recess of the Senate.

Timothy Earl Jones, Sr.,
of Georgia, to be a Commissioner of the U.S. Parole Commission for a term of 6 years, vice Marie F. Ragghianti, to which position he was appointed during the last recess of the Senate.

Arthenia L. Joyner,
of Florida, to be a member of the Federal Aviation Management Advisory Council for a term of one year (new position), to which position she was appointed during the last recess of the Senate

John R. Lacey,
of Connecticut, to be Chairman of the Foreign Claims Settlement Commission of the United States for a term expiring September 30, 2003, vice Delissa A. Ridgway, term expired, to which position he was appointed during the last recess of the Senate.

Miguel D. Lausell,
of Puerto Rico, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 2003, vice John Crystal, to which position he was appointed during the last recess of the Senate.

Edwin A. Levine,
of Florida, to be an Assistant Administrator of the Environmental Protection Agency, vice David Gardiner, resigned, to which position he was appointed during the last recess of the Senate.

Robert Mays Lyford,
of Arkansas, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 2002, vice Harvey Sigelbaum, term expired, to which position he was appointed during the last recess of the Senate.

Sheryl R. Marshall,
of Massachusetts, to be a member of the Federal Retirement Thrift Investment Board for a term expiring October 11, 2002, to which position she was appointed during the last recess of the Senate.

Marilyn Gell Mason,
of Florida, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 2003, vice Joel David Valdez, term expired, to which position she was appointed during the last recess of the Senate.

Laramie Faith McNamara,
of Virginia, to be a member of the Foreign Claims Settlement Commission of the United States for a term expiring September 30, 2001, vice John R. Lacey, term expired, to which position she was appointed during the last recess of the Senate.

Allan I. Mendelowitz,
of Connecticut, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2007, vice Bruce A. Morrison, term expired, to which position he was appointed during the last recess of the Senate.

Susan Ness,
of Maryland, to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1999, to which position she was appointed during the last recess of the Senate.

Naomi Shihab Nye,
of Texas, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice Bev Lindsey, term expired, to which position she was appointed during the last recess of the Senate.

David Z. Plavin,
of New York, to be a member of the Federal Aviation Management Advisory Council for a term of one year (new position), to which position he was appointed during the last recess of the Senate.

Donald L. Robinson,
of the District of Columbia, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 2002, vice Gary N. Sudduth, to which position he was appointed during the last recess of the Senate.

Peter F. Romero,
of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be an Assistant Secretary of State (Inter-American Affairs), vice Jeffrey Davidow, to which position he was appointed during the last recess of the Senate.

Vicki L. Ruiz,
of Arizona, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice Harold K. Skramstad, term expired, to which position she was appointed during the last recess of the Senate.

Barbara J. Sapin,
of Maryland, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 2007, vice Benjamin Leader Erdreich, resigned, to which position she was appointed during the last recess of the Senate.

Gerald S. Segal,
of Pennsylvania, to be a member of the National Council on Disability for a term expiring September 17, 2003, vice Shirley W. Ryan, term expired, to which position he was appointed during the last recess of the Senate.

Islam A. Siddiqui,
of California, to be Under Secretary of Agriculture for Marketing and Regulatory Programs, vice Michael V. Dunn, to which position he was appointed during the last recess of the Senate.

Beth Susan Slavet,
of Massachusetts, to be Chairman of the Merit Systems Protection Board, vice Benjamin Leader Erdreich, resigned, to which position she was appointed during the last recess of the Senate.

Kenneth Lee Smith,
of Arkansas, to be Assistant Secretary for Fish and Wildlife, Department of the Interior, vice Donald J. Barry, resigned, to which position he was appointed during the last recess of the Senate.

Isabel Carter Stewart,
of Illinois, to be a member of the National Council on the Humanities for a term expiring January 26, 2006, vice David Finn, term expired, to which position she was appointed during the last recess of the Senate.

Shibley Telhami,
of Maryland, to be a member of the Board of Directors of the U.S. Institute of Peace for a term expiring January 19, 2001, to which position he was appointed during the last recess of the Senate.

Dennis P. Walsh,
of Maryland, to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 2004, vice Sarah McCracken Fox, to which position he was appointed during the last recess of the Senate.

Judith A. Winston,
of the District of Columbia, to be Under Secretary of Education, vice Marshall S. Smith, to which position she was appointed during the last recess of the Senate.

Submitted March 22

Michele A. Davis,
of Virginia, to be an Assistant Secretary of the Treasury, vice Michelle Andrews Smith, resigned.

Tim S. McClain,
of California, to be General Counsel, Department of Veterans Affairs, vice Leigh A. Bradley, resigned.

Andrew S. Natsios,
of Massachusetts, to be Administrator of the U.S. Agency for International Development, vice J. Brady Anderson, resigned.

Faryar Shirzad,
of Virginia, to be an Assistant Secretary of Commerce, vice Troy Hamilton Cribb, resigned.

Larry D. Thompson,
of Georgia, to be Deputy Attorney General, vice Eric H. Holder, Jr.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released March 19

Transcript of a press briefing by Press Secretary Ari Fleischer

Statement by the Press Secretary: U.S. and Mexico Agree on Framework for Delivery of Rio Grande Water

Announcement: Meeting With Women Business Leaders; Meeting with employees at the CIA

Released March 20

Transcript of a press briefing by Press Secretary Ari Fleischer

Released March 21

Transcripts of press briefings by Press Secretary Ari Fleischer

Released March 22

Transcript of a press briefing by Press Secretary Ari Fleischer

Statement by the Press Secretary: Chilean President to Visit Washington

Statement by the Press Secretary: Appointment of Ambassador Shirin Tahir-Kheli and

Four Public Members to Represent the United States at the United Nations Commission on Human Rights

Fact sheet: Administration's Surplus Estimates

Advance text of National Security Adviser Condoleezza Rice's remarks to the U.S. Chamber of Commerce: Understanding Risk and U.S. Economic Security

Released March 23

Transcript of a press briefing by Press Secretary Ari Fleischer

Acts Approved by the President

Approved March 20

S.J. Res. 6 / Public Law 107–5
Providing for congressional disapproval of the rule submitted by the Department of Labor under chapter 8 of title 5, United States Code, relating to ergonomics