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Bruckenthal, USCG, who was killed in the northern Persian Gulf on April 24, 2004.

Remarks in a Discussion With President Martin Torrijos Espino of Panama

May 6, 2008

President Bush. It's been my pleasure to welcome my friend the President of Panama. Mr. President, welcome back. It's good to see you, sir. I can't thank you enough for your friendship and your leadership. Under your leadership, relations between the United States and Panama are strong and healthy and vibrant.

I'll never forget being your guest in your beautiful country and going to see the Panama Canal. It's a engineering marvel. And then when you shared with me your vision about the expansion of the Canal, I said, now here's a man who thinks big. And, in fact, not only do you think big, but you act. And the President has shared with me the expansion plans, the progress being made, and I congratulate you very much for that progress.

Secondly, we talked about trade. The Panamanian free trade vote is a priority of this Government. It is—it should be a priority of the United States Congress. The President has heard a lot of talk about whether or not trade bills will move or not. And I assured him that we will do everything in our capacity to move the trade bills, not only the Panamanian bill but the Colombian bill and the Korean bill. It's in this country's interest, Mr. President. And I want to thank you for going up to the Hill to work the issue.

We talked about food prices. The President is deeply concerned about the cost of food for the citizens of his country. I expressed the same concerns. I told him that if there's any way that we can help with food shortages, we'll try to help. And—but I appreciate your compassion and *corazon grande*.

And finally, we talked about drugs—*drugas*. And I assured him I understood that the drug issue is two-way. One, that because too many of our citizens use drugs, it provides an avenue for the movement of drugs. And we've got to do a better job in America of reducing the demand for drugs. And we must also help our friends in the neighborhood deal with the suppliers of drugs. The President is committed to sharing intelligence and working closely—and so are we—working closely together to prevent drugs from being transhipped through Panama, which is bad for his country and bad for ours.

And there's a bill—a funding issue up on Congress called the Merida project that not only works with Mexico but also works with our Central American friends, including Panama. It's a strategy designed by experts on both sides. It's a strategy that we're convinced will work. And I ask Congress to pass the Merida project in whole, as written.

And, Mr. President, I'm honored you're here, and I thank you again for coming.

President Torrijos. Thank you, Mr. President.

President Bush. *Bueno hombre*.

President Torrijos. Thank you, Mr. President. I want to thank you for your interest in the region—in Latin America. You have not only studied the problems of Latin America, but you have visited Latin America. It's been a part of your concern. And I want to thank you for your commitment on free trade and on the hopes that we can successfully conclude the—[*inaudible*]—and trade that we have together.

I want to thank you for the cooperation that we are experience in this difficult time regarding food prices and exchanging ideas, projects that we have on the bilateral agenda—projects on education, projects on health, and of course, a mutual commitment of fighting drug trafficking in benefit of both countries and building the capacity of the region to be able to handle the problems related to drugs and crime.

So thank you, President. It's been really a privilege, the friendship that Panama has with the United States. And we hope that this success story of Panama and the United States solving the issue of the Panama Canal, and now looking forward for the future of the canal expansion, it's something that we always keep in mind of how we can build a mutual future.

President Bush. Thank you, sir. *Gracias*.

President Torrijos. Thank you.

President Bush. Yes. Thank you.

NOTE: The President spoke at 3:07 p.m. in the Oval Office at the White House.

Memorandum on Assignment of Reporting Function Under Subsection 1225(a) of the John Warner National Defense Authorization Act for Fiscal Year 2007

May 6, 2008

Memorandum for the Secretary of State

Subject: Assignment of Reporting Function Under Subsection 1225(a) of the John Warner National Defense Authorization Act for Fiscal Year 2007

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, I hereby assign to you the function of the President under subsection 1225(a) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364).

You are authorized and directed to publish this memorandum in the *Federal Register*.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., May 13, 2008]

NOTE: This memorandum will be published in the *Federal Register* on May 14.

Message to the Senate Transmitting the Iceland-United States Taxation Convention

May 6, 2008

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention Between the Government of the United States of America and the Government of Iceland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, and accompanying Protocol, signed on October 23, 2007, at Washington, D.C. (the "proposed Treaty"). The proposed Treaty would replace the existing income tax Convention with Iceland that was concluded in 1975 (the "existing Treaty"). Also transmitted for the information of the Senate is the report of the Department of State with respect to the proposed Treaty.

The proposed Treaty contains a comprehensive provision designed to prevent so-called treaty shopping. The existing Treaty contains no such protections, resulting in substantial abuse of the existing Treaty's provisions by third-country investors. The proposed Treaty also reflects changes to U.S. and Icelandic law and tax treaty policy since 1975.

I recommend that the Senate give early and favorable consideration to the proposed Treaty and give its advice and consent to ratification.

George W. Bush

The White House,
May 6, 2008.

Remarks Following a Meeting With the House Republican Conference

May 7, 2008

I'm pleased to be joined by the Republican House leadership. These are dear friends of mine who are committed to doing what's right for the country.

I just met with the Republican caucus from the House, and I want to share some thoughts with you. First of all, we are committed to a good housing bill that will help folks stay in their house, as opposed to a housing bill that will reward speculators and lenders. There's a House alternative that will do the right thing for the American people when it comes to housing.

I will veto the bill that's moving through the House today if it makes it to my desk. And I urge Members on both sides of the aisle to focus on a good piece of legislation that is being sponsored by Republican Members.

Secondly, we talked about gasoline prices. No doubt about it, we're deeply concerned about the high price of gasoline, which means that the United States Congress should not pass legislation that makes it harder to increase the supply of crude oil as well