

Weekly Compilation of
**Presidential
Documents**



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Contents

Addresses and Remarks

- Arbor Day tree planting ceremony—707
- Radio address—663
- Small Business Administration's National Small Business Week Conference—675
- Texas, discussion on strengthening Social Security in Galveston—667
- Virginia, discussion on strengthening Social Security in Falls Church—696

Interviews With the News Media

- Exchange with reporters in Crawford, TX—664
- News conference, April 28—683

Joint Statements

- President George W. Bush and Crown Prince Abdullah bin Abdulaziz Al Saud—665
- Presidents of the Russian Federation and the United States of America—665

Meetings With Foreign Leaders

- Russia, President Putin—665

- Saudi Arabia, Crown Prince Abdullah—665

Proclamations

- National Charter Schools Week—682

Statements by the President

- Armenian Remembrance Day—664
- Iraqi Transitional National Assembly's vote to confirm Prime Minister Ibrahim al-Jafari and his Cabinet—681
- House of Representatives
 - "Child Interstate Abortion Notification Act," passage of the proposed—681
 - Budget framework resolution, passage—682

Supplementary Materials

- Acts approved by the President—711
- Checklist of White House press releases—710
- Digest of other White House announcements—707
- Nominations submitted to the Senate—708

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, April 29, 2005

The President's Radio Address

April 23, 2005

Good morning. My most solemn responsibility as Commander in Chief is to protect the American people. At this moment, our courageous men and women in uniform are serving in distant lands, risking their lives to ensure our security. We must give them all the resources they need to protect us from the threats of determined enemies and to prevail in the war on terror.

I applaud the House and Senate for their strong support of my supplemental funding request for our troops serving on the frontlines. This funding will help provide the weapons, ammunition, spare parts, and equipment that our troops need to do their job. I urge Congress to come together to resolve their remaining differences and send me a bill quickly.

As our service men and women make our Nation more secure, they're also helping to transform other nations that until recently knew only tyranny and despair. In Afghanistan, millions went to the polls after we helped liberate that country from the Taliban. In Iraq, the sacrifices made by our Armed Forces are helping Iraqis build a Government that answers to the people instead of the other way around.

As Iraqis assume increasing responsibility for the stability of their country, Iraqi security forces are becoming more self-reliant and taking on greater responsibilities. Today, more than 150,000 Iraqi security forces have been trained and equipped, and for the first time, the Iraqi army, police, and security forces outnumber U.S. forces in Iraq. Like free people everywhere, Iraqis want to be defended and led by their own countrymen. We will help them achieve this objective, and then our troops will come home with the honor they have earned.

As we fight the war on terror and spread freedom abroad, we continue to pursue pro-

growth economic policies at home. Sustaining America's prosperity requires restraining the spending appetite of the Federal Government. That's why the 2006 budget I submitted to Congress holds the growth of discretionary spending to 2.1 percent, below the projected rate of inflation.

Spending discipline requires difficult choices. Every Government program was created with good intentions, but not all are matching good intentions with good results. My 2006 budget eliminates or substantially reduces more than 150 Federal programs that are not succeeding, that are duplicating existing efforts, or that are not fulfilling an essential priority. The principle is simple: Taxpayer dollars must be spent wisely or not spent at all.

Spending wisely means reducing wasteful spending that can threaten the viability of essential programs like Medicaid. We must end overpayment for prescription drugs by states and the Federal Government. We will work with States to ensure that Federal Medicaid dollars are spent properly and go to help those in need. And we must close loopholes that allow people who can afford to pay for their health care to shift the costs to Medicaid and drain resources needed to provide health care for the poorest Americans.

The savings in my budget are critical in helping us to keep our economy growing and creating jobs. Now Members of Congress need to come together and send me a budget that funds our priorities, ensures that taxes stay low, and keeps us on track to cut the deficit in half by 2009.

Thank you for listening.

NOTE: The address was recorded at 7:52 a.m. on April 22 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on April 23. The transcript was made available by the Office of the Press Secretary on April 22 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Statement on Armenian Remembrance Day

April 24, 2005

On Armenian Remembrance Day, we remember the forced exile and mass killings of as many as 1.5 million Armenians during the last days of the Ottoman Empire. This terrible event is what many Armenian people have come to call the “Great Calamity.” I join my fellow Americans and Armenian people around the world in expressing my deepest condolences for this horrible loss of life.

Today, as we commemorate the 90th anniversary of this human tragedy and reflect on the suffering of the Armenian people, we also look toward a promising future for an independent Armenian state. The United States is grateful for Armenia’s contributions to the war on terror and to efforts to build a democratic and peaceful Iraq. We remain committed to supporting the historic reforms Armenia has pursued for over a decade. We call on the Government of Armenia to advance democratic freedoms that will further advance the aspirations of the Armenian people. We remain committed to a lasting and peaceful settlement of the Nagorno-Karabakh conflict. We also seek a deeper partnership with Armenia that includes security cooperation and is rooted in the shared values of democratic and market economic freedoms.

I applaud individuals in Armenia and Turkey who have sought to examine the historical events of the early 20th century with honesty and sensitivity. The recent analysis by the International Center for Transitional Justice did not provide the final word, yet marked a significant step toward reconciliation and restoration of the spirit of tolerance and cultural richness that has connected the people of the Caucasus and Anatolia for centuries. We look to a future of freedom, peace, and prosperity in Armenia and Turkey and hope that Prime Minister Erdogan’s recent proposal for a joint Turkish-Armenian commission can help advance these processes.

Millions of Americans proudly trace their ancestry to Armenia. Their faith, traditions, and patriotism enrich the cultural, political, and economic life of the United States. I ap-

preciate all individuals who work to promote peace, tolerance, and reconciliation.

On this solemn day of remembrance, I send my best wishes and expressions of solidarity to Armenian people around the world.

Exchange With Reporters in Crawford, Texas

April 25, 2005

President’s Meeting With Crown Prince Abdullah of Saudi Arabia

Q. What do you expect to get out of this meeting, sir?

The President. Do you like the footpath?

Q. Let’s talk about the meeting.

The President. This is an important relationship—personal relationship with the Crown Prince is important. I look forward to talking with him about a variety of subjects. I’m glad you’re here. Thank you for coming. I hope you’re enjoying this day.

Oil Prices/Energy Legislation

Q. How much progress can you make on oil prices?

The President. I’ll be glad to answer those questions at a later time.

Q. Later today?

The President. No. No, of course I’ll talk about energy. And the Crown Prince understands that it’s very important for there to be a—make sure that the price is reasonable. A high oil price will damage markets, and he knows that. I look forward to talking to him about that. But as well as—you know, we’ll talk about his country’s capacity. It’s an important subject.

One thing is for certain: I need to sign an energy bill. I appreciate the House passing the energy bill, and now it’s time for the Senate to pass the energy bill. The bill is a long time in coming. The Vice President and I suggested they pass a bill in 2001, and nothing happened. Now is the time for something to happen. I’m looking forward to getting back to Washington and continue to talk about energy.

Q. Sir, do you think gas prices can be any lower than it is today?

The President. That depends on the supply and demand. One thing is for certain:

The price of crude is driving the price of gasoline. The price of crude is up because not only is our economy growing, but economies such as India and China's economies are growing.

Here comes my guest. Anyway, nice going; you got me to answer some questions.

NOTE: The exchange began at 11:05 a.m. at the Bush Ranch.

Joint Statement by the Presidents of the Russian Federation and the United States of America

April 25, 2005

April 25, 2005, marks the 60th anniversary of the meeting of Soviet and U.S. troops at the River Elbe.

Our nations will always remember the handshake that made history at the Elbe, which became one of the most vivid symbols that our countries were comrades-in-arms in fighting together against Nazi tyranny, oppression, and aggression. We admire the courage and gallant deeds of the soldiers from the countries of the anti-Hitler coalition. We will never forget their sacrifice for our common victory.

The past 60 years have witnessed reconciliation in Europe, the overcoming of the Cold War legacy, the fall of barriers that divided peoples and nations, the growth of prosperity, and the advancement of freedom and democracy.

In the new century, new threats to the security of our countries have arisen, including terrorism and the proliferation of weapons of mass destruction. But there are also increased opportunities for building a lasting peace based on law and the common values of freedom and democracy. While Russia and the United States are building a closer partnership, the meeting at the Elbe reminds us of the enormous advantages that we can provide for both our countries and for the rest of the world when we are united in dealing with global challenges and take advantage of the opportunities before us for progress and cooperation.

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

Joint Statement by President George W. Bush and Crown Prince Abdullah bin Abdulaziz Al Saud

April 25, 2005

Sixty years ago, President Franklin D. Roosevelt and the Kingdom of Saudi Arabia's founder King Abdulaziz Al Saud held a historic meeting upon a sturdy ship at the Great Bitter Lake in the Suez Canal. In six hours President Bush's predecessor and the Crown Prince's father established a strong personal bond that set the tone for decades of close relations between our two nations.

Today, we renewed our personal friendship and that between our nations. In our meeting we agreed that momentous changes in the world call on us to forge a new relationship between our two countries—a strengthened partnership that builds on our past partnership, meets today's challenges, and embraces the opportunities our nations will face in the next sixty years.

Our friendship begins with the recognition that our nations have proud and very distinct histories.

The United States respects Saudi Arabia as the birthplace of Islam, one of the world's great religions, and as the symbolic center of the Islamic faith as custodian of Islam's two holy places in Makkah and Madina. Saudi Arabia reiterates its call on all those who teach and propagate the Islamic faith to adhere strictly to the Islamic message of peace, moderation, and tolerance and reject that which deviates from those principles. Both countries agree that this message of peace, moderation, and tolerance must extend to those of all faiths and practices. The two nations reaffirm the principles agreed to during the international conference on counterterrorism hosted by the Kingdom in February 2005. These principles were enshrined in the "Riyadh Declaration" which calls for, "fostering values of understanding, tolerance, dialogue, co-existence, and the rapprochement between cultures. . . [and] for fighting any form of thinking that promotes hatred, incites violence, and condones

terrorist crimes which can by no means be accepted by any religion or law.”

The Kingdom of Saudi Arabia recognizes the principle of freedom upon which the United States was founded, including the freedoms enshrined under the first amendment of the United States Constitution. The Kingdom appreciates the United States’ historic role in working to end colonialism and imperialism and promoting the right of self-determination.

While the United States considers that nations will create institutions that reflect the history, culture, and traditions of their societies, it does not seek to impose its own style of government on the government and people of Saudi Arabia. The United States applauds the recently held elections in the Kingdom for representatives to municipal councils and looks for even wider participation in accordance with the Kingdom’s reform program.

The Kingdom of Saudi Arabia and the United States are close partners in many important endeavors. We welcome the renewed determination of Saudi Arabia to pursue economic reform and its quest to join the World Trade Organization (WTO). We will work together as partners to complete our negotiations and with other WTO members in Geneva with the aim of welcoming Saudi Arabia into the WTO before the end of 2005.

Both nations pledge to continue their cooperation so that the oil supply from Saudi Arabia will be available and secure. The United States appreciates Saudi Arabia’s strong commitment to accelerating investment and expanding its production capacity to help provide stability and adequately supply the market.

The Kingdom of Saudi Arabia and the United States commit to actively help the Iraqi people realize their aspirations to build a secure, sovereign, prosperous, and unified nation at peace with its neighbors and where Iraqis of all religions and ethnic groups are free to participate in its institutions. Both nations call on the international community to support Iraq’s political and economic development. Both nations urge neighboring states not to interfere in Iraq’s internal political affairs.

Both our nations have witnessed the horror of terrorism on our homelands by violent individuals and groups who indiscriminately kill people of all faiths and nationalities in order to further their extremist agenda. Both our nations assert our determination to continue to improve upon our close cooperation to combat terrorism and to choke off resources intended for them and their support networks. We honor the memory of the victims of terrorism—and those who have lost their lives fighting terrorists—and pledge to work together until terrorism no longer threatens our nations and the entire world.

The United States and Saudi Arabia continue to support efforts to prevent the spread of nuclear weapons, and of the technology and materiel needed to develop and build nuclear weapons. Efforts to develop and acquire such weapons run contrary to efforts to promote peace and stability in the region.

The United States and Saudi Arabia support UN Security Council Resolution 1559 and, accordingly, take note of Syria’s decision to withdraw all its troops and intelligence personnel from Lebanon. Both nations welcome a provisional Lebanese government and look forward to free and fair elections unburdened by foreign interference or intimidation.

With regard to the Palestinian-Israeli conflict, the United States and the Kingdom of Saudi Arabia desire a just, negotiated settlement wherein two democratic states, Israel and Palestine, live side by side in peace and security. We will continue our efforts to achieve this objective, and reiterate our support for the efforts of the Palestinian Authority to bring democracy, peace, and prosperity to all Palestinians. The United States thanks Crown Prince Abdullah for his bold initiative—adopted unanimously by the Arab Summit in 2002—that seeks to encourage an Israel-Palestinian and Israel-Arab peace. We believe that an Israeli withdrawal from Gaza and parts of the West Bank will be a significant step forward toward implementation of the Road Map. It is our firm conviction that resolving the Palestinian-Israeli conflict will remove a major source of tension and contribute to stability and progress in the region.

Finally, the United States and Saudi Arabia agree that our future relations must rest

on a foundation of broad cooperation. We must work to expand dialogue, understanding, and interactions between our citizens. This will include programs designed to (1) increase the number of young Saudi students to travel and study in the United States; (2) increase our military exchange programs so that more Saudi officers visit the United States for military education and training; and (3) increase the number of Americans traveling to work and study in the Kingdom. The United States recognizes we must exert great efforts to overcome obstacles facing Saudi businessmen and students who wish to enter the United States and we pledge to our Saudi friends that we will take on this effort. A high-level joint committee has been established to be headed by the Saudi Foreign Minister and the U.S. Secretary of State that will deal with strategic issues of vital importance to the two countries.

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

Remarks in a Discussion on Strengthening Social Security in Galveston, Texas

April 26, 2005

The President. Thank you all for coming. It is nice to be home. I want to thank the mayor for being here. Lyda Ann Thomas greeted me coming in. I said, “Do you still have Splash Day?” [Laughter] You have to be a baby boomer to know what I’m talking about. [Laughter] I’m not saying whether I came or not on Splash Day. I’m just saying, “Do you have Splash Day?” [Laughter]

It’s great to be back in Galveston. What a cool city. Thanks for having me, and thank you all for giving me a chance to come and talk about Social Security. I’ve got some things I want to say before we get there, and as you can tell, I’m joined by some of our citizens who are willing to discuss some interesting ideas when it comes to making sure the safety net of Social Security is available for younger generations of Americans.

Before I get there, though, Laura sends her love. I know the Vogelpohls are here. There’s Kris Anne, sitting over there. She always was my kind of southeast Texas mother,

constantly telling me what to do—[laughter]—like my Houston mother would do. [Laughter] But Laura sends her best to you and Elmer. Thank you all for coming. And we’re really pleased to be with a lot of other friends as well. When I come back to Texas, I get a little nostalgic. It reminds me of the days when I was knocking on doors, asking for votes, and a lot of people in this county and around our State were so gracious and kind to me and Laura. I’ve got to tell you, there’s nothing better than coming home to make sure you don’t forget the culture from where you came.

I really want to thank Dr. Stobo and the University of Texas Medical Branch for hosting us. This is a fabulous facility. It is—a lot of my friends were trained here. Most of them ended up being pretty good doctors. [Laughter] It is really neat to be back to this facility. And I was talking to Congressman DeLay, who kindly joined us today, and he was saying that this was—this hospital is going to be the Texas center for bioshield research, to help us make sure that—to make sure that our country is well-prepared as we engage in this war on terror. No better place, by the way, to do substantial research than right here at the University of Texas—I used to call it Texas-Galveston; I guess we’ve got a new fancy name for it—anyway, right here at University of Texas on the island of Galveston. So, Doc, thanks for having me. I appreciate the doctors who are here and the nurses. Thank you for working in medical care.

We got a lot to do in Washington. We’ve got to make sure the Medicare system functions well. We’ve got to make sure that we bring electronic records to the health care industry so that it becomes modern, as we deal with patients’ needs. We’ve got to spread health savings account, which empowers consumers to make decisions. And most of all, it seems like to me, one way to send a clear message that we’re interested in making sure health care is available and affordable is to pass medical liability reform out of the United States Senate to protect our docs around the country.

And I appreciate the leadership of Congressman Tom DeLay in working on important issues that matter to the country.

We've got us a good medical liability bill out of the House. It's, of course, stuck in the Senate. We've now got us a good energy bill out of the House. And for the sake of our national security and for the sake of our economic security, the United States Senate needs to get an energy bill to my desk as soon as possible.

I also appreciate Kevin Brady joining us as well. Congressman Brady is with us. He's a hard-working Congressman. You still call the Woodlands home, don't you? Yes, Woodlands. I knew him when he was a lowly State rep. [*Laughter*] He knew me when I was a lowly Governor. [*Laughter*] I appreciate all the State and local officials who are here.

I had the honor, when I landed, of meeting Dorothy Paterson. Dorothy is a breast cancer survivor. The reason I bring her up is she is a—she's a volunteer in organizations that promote breast cancer awareness and education. That's important. What else is important is the fact she takes time out of her life to volunteer. The strength of the United States of America lies in the hearts and souls of our citizens. The true strength of this country happens on a daily basis when somebody loves a neighbor just like they'd like to be loved themselves. If you're interested in serving America, if you're interested in helping to change our society, one heart and one soul at a time, volunteer to make a difference in somebody's life just like Dorothy has. Thanks for coming, Dorothy.

Social Security: A lot of people said, "You shouldn't talk about it, Mr. President." Well, first of all, I campaigned on it. I said, "I believe we have a serious problem. Elect me, and I intend to something about it." Secondly, I believe the job of a President is confront problems, not pass them on to future Presidents or future generations. And I see a problem in Social Security, and it has to do with me and guys like Yarbrough. [*Laughter*] We're baby boomers. We're getting ready to retire, and there's a lot of us. As a matter of fact, I believe there's about 40 million retirees today. When we end up retiring, we baby boomers retire, there are going to be 75 million people. There's a bulge of people getting to—getting ready to retire.

And we're living longer, thanks to good medicine, and thanks to making, by the way,

right choices, exercise, moderation, no smoking. We're living longer. And interestingly enough, people ran for office saying, "Vote for me. I'm going to make sure that your generation gets better benefits." And so we're getting better benefits than the previous generation.

So think about that, a lot of people living longer, retiring with better benefits, and fewer people paying into the system. In 1950, 16 workers were paying for every beneficiary. Today, there's 3.3 workers for every beneficiary. Soon there's going to be two workers for every beneficiary. To me, that says we got a problem. And then when you start calculating the math—and our expert here is going to help me on this—you'll find that Social Security—which is not a trust or a savings account; it's a pay-as-you-go system—goes into the red in 2017. That means there's more money coming out than going in.

You see, a lot of folks, I'm sure some right here in this audience, believe Social Security is a system where we take your payroll taxes, and we hold it for you, and then when you retire, we give it back to you. That's not the way it goes. We take your payroll taxes. We pay out the benefits to the current retirees, and with the money left over, we pay—pay for other programs. And there's nothing left but file cabinets with IOUs. And that's how it works.

In 2027, the system is going to be 200 billion a year in the hole, and it gets worse every year from 2017 on. So I see a problem. Interestingly enough, Americans now understand we have a problem. I've been to 23 States explaining the problem. I'm going to continue making sure that the American people understand what is at stake.

A lot of seniors are worried about this topic being discussed. I understand that. They've been told, "You know, somebody is going to take away your check, when it comes to modernizing the system." That's been a part of the political rhetoric for way too long. The good news is, nobody has ever had a check taken away from them yet, and nobody will. If you've retired, if you were born prior to 1950, the system will take care of you. You don't have a thing to worry about. I don't care what the pamphlets say or the radio ads say or the scare tactics say; you're in good

shape. And that's important for a lot of our seniors to hear because they're counting on that Social Security check.

Franklin Roosevelt did a smart thing when he set up the system. It—Social Security has provided an important safety net for a lot of seniors for a lot of years. The problem isn't for today's seniors. The problem is for a younger generation of Americans coming up. They're going to have to pay for people like me who are living longer, who have been promised greater benefits. That's where the problem exists. I like to describe this as a generational issue. You see, once the grandparents understand they're going to get their check and the system will fulfill its promise, the question I get from grandparents is, "What are you going to do about my grandkids?"

And that's the question that now confronts the United States Congress. The people of this country understand we have a problem. And the question confronting the Congress is: Do you have the political will to do something about it? And I'm going to continue traveling this country, insisting that the people who have been given the high responsibility of serving in the House of Representatives and the United States Senate do their duty and make sure the safety net is available—the Social Security safety net is available for younger Americans coming up.

Too much politics in Washington, DC. There's too many people saying, "Well, we can't work with this group because it might help them get an upper hand," or "can't work with that crowd because they might get an upper hand." That's just—you know, it is—it is defeating, self-defeating, to talk like that. We've got to rise above the politics, the zero-sum attitude.

I appreciate the Senate Finance Committee today, by the way, having hearings. Both Republicans and Democrat experts are now testifying that we need to come together to get something done, see. And that's—and we're making progress. If it were easy, it had been done by other Presidents and other Congresses. This is hard work, to get people to do the hard thing in politics. But I'm confident we'll get something done.

And that's why I went in front of the United States Congress at my State of the

Union and said, "All ideas are on the table. If you've got a good idea, bring it forward. I don't care if it's a Republican idea or a Democrat idea, independent idea, Texas idea, any kind of idea. Bring it forward," because now is the time for people to be talking about how they think we can best solve the problem in the long term for a younger generation of Americans.

I say solve it forever, by the way. In 1983, Ronald Reagan and Tip O'Neill sat down and said, "We've got a significant problem. Let us come together to fix it." And they put together what's called a 75-year fix. Here we are, 22 years later, talking about the 75-year fix. In other words, now is the time to fix this permanently.

And as we fix it permanently, I want the—I think the Congress needs to come together and make this a better deal for younger Americans. And what do I mean by that? I mean younger Americans ought to be allowed to take some of their own payroll taxes, some of their own money, and invest it in a savings account, a personal savings account, an account they call their own. And here's why I think it's a vital part of making sure the Social Security system is a better deal for younger Americans.

First of all, in a conservative mix of bonds and stocks, you get a better rate of return on your money than the Federal Government gets for you. And that's important because over time, there's something called the compound rate of interest. In other words, it grows. Your money grows over time. If you hold it in a conservative mix, it grows. For example, if you're a worker making \$35,000 over your lifetime, and your—the Government allows you to take a third of your payroll taxes and sets it aside in a conservative mix of bonds and stocks that earn, say, 4 percent, that money will yield \$250,000 over your lifetime, which is a heck of a good nest egg for a lot of folks. That's money you call your own.

And that nest egg would be a part of a retirement package. The Government is going to be able to afford something for younger Americans when it comes to Social Security. That's part of the debate in Washington. But a nest egg you call your own is a complement to your retirement.

Secondly, I like the idea of people owning something. We want people owning something in America. If you own something, you have a vital stake in the future of your country. If you own your asset, you can pass it on to whomever you choose. We want more people owning assets, more people saying, "I want to pass this on to my son or daughter." I think it will be healthy for our country if we can do that.

Secondly—thirdly, we want a system that makes sure that we don't harm widows. Today if you work all your life and happen to die before 62 and your wife or husband works alongside you, you get survivor benefits when you turn 62 or the benefits from Social Security, which is ever higher, but not both. In other words, if you think about that, somebody is working all their life and they die early, their asset just goes away. The money they've contributed isn't available.

If you have an asset you call your own that you can pass on to whomever you choose, that grows better than the rate that you get from the Government, your spouse and surviving family members will have something to help them through tough times. In other words, ownership has important implications for our society, but it's also got practical implications. It helps families and allows workers to get a better rate of return.

And you've got such a plan here, by the way, a plan where people can watch their own money grow, right here in Galveston County, which we're about to talk about. By the way, this isn't a new idea that I'm talking about; Galveston County, Brazoria County, Matagorda County has got it right here. As a matter of fact, 25 percent of 23 million State and local government employees in America don't take part in the Social Security. They've got a different system. And we're about to talk about the system you've got here. It's important for people to understand there's a different system available.

Secondly, guess who gets to invest in personal retirement accounts in their own retirement funds: Members of the United States Senate and United States House of Representatives. Federal employees have the option of taking some of their money aside, putting it in a conservative mix of bonds and stocks, and watching their own money grow,

to get a better rate of return than that which the Government could get for them.

My attitude and my comment to Members of the United States Congress and Senate: If taking some of your own money and setting it aside in a personal account to get a better rate of return on your money is good enough for you, it's good enough for workers all across America.

Just—let me just give you a sense for the difference between what a worker gets here in Galveston and then a worker would get out of Social Security. If you get a 3.75 percent return, like they guarantee here in Galveston, on your money, and you're a person working 37 years, making about \$25,000 a year, you'd receive \$1,250 a month from the alternate plan now available for workers here, as opposed to \$669 from Social Security. Think about that. That's a difference between a better rate of return on your money over a 37-year period.

Or if you're an employee working for the same amount of time and earning \$75,000, you'd receive \$3,600 a month from the alternative plan they've got here, as opposed to \$1,300 from Social Security.

So I hope you're getting a sense for when I say, "Let's give a better deal for younger workers." And a better deal would not be mandatory by the Federal Government. The better deal would say, "If you so choose, you can take—put aside some of your own money." If that's your desire, you ought to be allowed to take it and set it aside. And so I'm traveling the country making it clear to people that there are better options available than the current Social Security system, a better deal for younger workers. It's all aimed at patching the hole in the safety net for a young generation of Americans coming up.

One of the things I try to do is surround myself with experts. We've got a Ph.D. with us today. Syl, it's good to have you. He is a fellow who's studied the Social Security issue. For those of you who are students, there's an interesting lesson to be learned here. Syl obviously is a really smart guy, Ph.D. I'm a C student—[laughter]—a couple of B's scattered in there. [Laughter] I want you to notice who's the adviser and who's the President. [Laughter]

All right, Syl. With that—with that glowing introduction—[*laughter*—get your mike up so they can hear.

Dr. Sylvester Schieber. Thank you, Mr. President.

[*At this point, Dr. Schieber, vice president of research and information, Watson Wyatt Worldwide, Chevy Chase, MD, made brief remarks.*]

The President. Good job, Syl. Three weeks younger?

Dr. Schieber. I was born on the 24th.

The President. Of July? Yes.

Dr. Schieber. Good month. [*Laughter*]

The President. You don't look a day over 65. [*Laughter*]

Dr. Schieber. I've got a hard job.

The President. That's right, yes. [*Laughter*]

Jim Yarbrough, county judge, right here from Galveston, Texas. Yes. You were sworn in '95, right?

Judge Jim Yarbrough. Yes.

The President. He was sworn in in January of 1995.

Judge Yarbrough. Some people say too long. [*Laughter*]

The President. Not the voters. Thank you for joining us. I've known him for a long time. I got sworn in—Governor in January of 1995, and the State survived—[*laughter*—and so did the county. Thank you for being here.

I was in Ohio recently, and they had a program for their—started off with their colleges to attract professors. And they said, "Well, let's let some of the professors take some of their money and invest it in personal savings accounts." It worked so well for the professors that everybody started asking for the same benefit. In other words, my point is, is that it's not just in Texas that workers are allowed to—Government workers are allowed to set aside money. There's Ohio, and there's a lot of other States as well. Texas is—you've been doing this for how long? Explain the program, if you don't mind.

Judge Yarbrough. Ten years. Well, Mr. President, I've had the good fortune to be county judge for 10 years. And on behalf of all the people of Galveston County, Republicans and Democrats, we appreciate you coming to Galveston.

The President. Thank you, sir.

Judge Yarbrough. We are truly fortunate in Galveston County. We have two retirement plans that our people contribute to.

[*Judge Yarbrough made further remarks.*]

The President. See, it's an interesting concept. Our world has changed a lot since Franklin Roosevelt signed the bill for Social Security. In other words, the government is beginning to trust people more, Galveston County, the county judge sitting here saying, "We want to give people some options." In other words, the government is basically saying, "We trust you to make the right decisions for your family." It's an interesting thought, isn't it, as opposed to saying, "Here's your check." [*Laughter*] It's—and that's an important—[*applause*].

Can you get a pretty good rate of return? They've got, actually, a guaranteed rate of return.

Judge Yarbrough. We guarantee a 3.75 percent rate of return. We've been experiencing 4 or 5 percent over the last several years. So, yes.

The President. That stands in contrast, by the way, between the 1.8 to 2 percent that the Federal Government is getting on your money. And that difference in interest is really important—really important—because it compounds over time, interest does, and it grows. If you're a younger worker—we're about to talk to some younger people—it will grow over time to make sure that you have an asset base.

Let me ask you something. The death benefit—it's interesting—the death benefits in Social Security today, by the way—again, I repeat, if you're married and your husband predeceases you and you're not 62, you get no death benefits. A person could be working in all the time—or the wife could be working and the husband survives—you don't get any death benefits until you turn 62. And then if you happen to be retired and you're getting benefits as a result of your own labor, you don't get both. You don't get your spouse's contributions. You only get your own. It sounds like a lousy deal to me.

How does it work for your—

Judge Yarbrough. For our people, Mr. President, if someone were to die while they

were employed by the county, they would get a life insurance policy 4 times their annual salary that would go to their beneficiary, plus their family would get the money that's in their individual account. If you're a retiree in our plan—again, like Kathryn here, she gets a \$50,000 paid-up policy as part of our alternate plan.

The President. Yes. Let me ask you something. I think a lot of people are worried about Wall Street, hidden fees. You hear talk about what we're—"Of course they want this to happen. These Wall Street people are going to end up benefiting mightily as a result of people." How do you make sure—investing, how do you make sure people are—

Judge Yarbrough. We have contracts in place with, in our case First Financial—Rick and Tolbert, here today—minimal fees. We are investing in Government securities, direct obligation of the U.S. Government, minimal risk. Not going to hit the home run with it, but it's not going to take a step back. And so it's very safe, minimal fees for our employees to participate.

The President. Right. The Thrift Savings Plan the Federal Government has, by the way, has a different little mixture—a different mixture than what he's talking about. They've got bonds and stocks. There are—it's a set plan. People can choose. You can actually begin to mix up your investments if that's what you choose to do.

What's important here is the philosophy behind what Galveston County is doing, the idea of saying, "We can do a—you can own your own asset and watch it grow." We're about to talk to somebody who opens up their monthly statement, which I think is healthy for our country, by the way, but also, you get a better rate of return, and you trust people.

Kathryn Novelli, welcome.

Kathryn Novelli. Thank you.

The President. So, are you retired? You don't look it. I'm just asking, are you? [Laughter]

Mrs. Novelli. Yes. I retired 1 year ago, January, so I've been off a year.

The President. Really? So are you fishing a lot on the piers? [Laughter]

Mrs. Novelli. We haven't gone fishing yet. We've been roaming.

The President. Roaming? [Laughter] That's good. Is your Harley running well? [Laughter]

Mrs. Novelli. It's my Yamaha. [Laughter]

The President. So tell us what you do.

Mrs. Novelli. Okay, I collect my—

The President. You worked? You worked before? Sorry to interrupt.

Mrs. Novelli. Oh yes, I was in the civil department—I was with the county for 21 years, and I had worked before that, so I still get Social Security also.

The President. So you worked in the private sector.

Mrs. Novelli. Yes, I worked 14 years.

The President. And you're getting your Social Security check now.

Mrs. Novelli. Yes, and I'm getting a—

The President. Any doubt you'll get your check? That's good. [Laughter] I'm not teasing on this. It's really important for seniors to understand, you are going to get your check. I know there's a lot of rhetoric out of Washington, a lot of attempts to kind of frighten people. You're going to get your check.

Mrs. Novelli. Yes.

The President. Good. I'm glad you feel that way. It's important for me to know.

Mrs. Novelli. President Bush, if they would listen to you, they would know. [Laughter]

The President. Yes, well—she's doing good. [Laughter]

Mrs. Novelli. I'm sorry.

The President. No, you're doing great. [Laughter] I'm the funny guy, not you. [Laughter] So tell me, so then you worked for the county and you get this—

Mrs. Novelli. I get a check a month from my alternate plan, because that's the way we chose to do it, plus I get my retirement check, and I get my Social Security.

The President. And how do they inform you in the alternate plan? In other words, is there an information process?

Mrs. Novelli. I met with Mr. Newman, Tolbert Newman, and he showed me all the options, either take it all at one time or take it once a month. And this is what we chose. But we left it in for a year because they pay

more interest than the banks or the credit union.

The President. And that interest makes a difference?

Mrs. Novelli. Yes. And while I'm drawing mine monthly, it's still gaining interest in there, the rest of it is.

The President. Don't you think it's healthy to have somebody saying, "My money is gaining interest. I'm watching my money grow." I wish I could—this is an important concept that we're talking about that ought to apply to every single American, not just those who are fortunate enough to work in Galveston County, not just those who are fortunate enough to work for the Federal Government, but every American ought to have the option of watching his or her money grow, get a better rate of return is what we say.

Mrs. Novelli. Plus nobody can touch it.

The President. Yes. You just said something else that was profound. What was it?

Mrs. Novelli. Nobody can touch it but you.

The President. Yes, not me but you.

Mrs. Novelli. No, I know. I know. But me. [Laughter]

The President. Yes, nobody can touch it but you. [Laughter]

Mrs. Novelli. Right, just you.

The President. Yes, that's interesting, isn't it. Syl was talking about the file cabinets—file cabinets of IOUs, basically the asset of the Social Security system—paper. And Kathryn is talking about her retirement plan is based upon something the Government can't take away. It's hers. Nobody can touch it but Kathryn. And that's really an important difference between a modern Social Security system, where we repair the hole in the safety net for future generations of Americans, and today's Social Security system.

Social Security has worked really well for a lot of people, and it's an important, important system. It's not going to work well for younger Americans. And now is the time for the Congress to set aside political differences and come to the table in good faith to solve this problem.

We got some—thank you very much, Kathryn. You did a great job.

We got the Bentleys with us—good job—Chris and Bea Bentley. We'll start with Chris, if that's okay. Chris, you have two jobs?

Christopher Bentley. Yes, sir. I'm currently—I've been employed with Galveston County for 13 years.

The President. Yes.

Mr. Bentley. I've been putting into the alternate plan since I started. It's a great plan. You get back twice what you put into it. You can monitor it. You can manage it. And best of all, like you said, it's locked.

The President. Yes.

Mr. Bentley. Nobody can touch that.

The President. And what's your other job?

Mr. Bentley. Currently, I'm also in the Army National Guard. I'm a—[applause]—thank you. I'm currently deployed with the 36th Infantry Division—

The President. Say that again? Some of us older baby boomers have trouble hearing. [Laughter]

Mr. Bentley. I'm currently deployed with the 36th Infantry Division out of Austin.

The President. Yes.

Mr. Bentley. And we're operating in central Iraq. I'll be back there next week.

The President. So you're home—home on leave?

Mr. Bentley. Yes, sir, I'll be back there next week.

The President. Yes, thanks for serving. Any observations or thoughts?

Mr. Bentley. It just seems like progress is being made, and I got a good bunch of guys. They're doing good things. And every day we go out and do what we do, and we're motivated to do it.

The President. Yes. Send them a message.

Mr. Bentley. Yes, sir.

The President. First, the country is with them, and secondly, that their work is really important to—for peace. This is a mission of spreading freedom, and free societies are peaceful societies. And a free society in the heart of the Middle East will be an amazing legacy for generations to come. And I appreciate their sacrifice.

Mr. Bentley. Yes, sir. Thank you.

The President. All right.

Bea Bentley, how many children you got? Want to go back to Chris? [Laughter] She's proud of her man.

Mr. Bentley. Yes.

The President. How many children you got?

Mr. Bentley. We have two children. We have a 4-year-old son named Patrick, and a 3-month-old daughter named Elaine that I just got to meet for the first time.

The President. Really?

Mr. Bentley. Yes, sir.

The President. No wonder you're emotional. [Laughter] That's awesome.

Bea Bentley. She was born 2 days after he deployed.

The President. Yes, great. Where was she born?

Mrs. Bentley. Right here at UTMB.

The President. How was the care?

Mrs. Bentley. It was wonderful.

The President. Awesome, isn't it?

Mrs. Bentley. Absolutely wonderful. Everyone here has been wonderful to us.

The President. Congratulations. And you work? What is your job?

Mrs. Bentley. I've been with the county for 13 years. I worked in Judge Yarbrough's office for 8.

The President. That deserves combat pay. [Laughter]

Mrs. Bentley. I'm an administrative assistant in his office, and I enjoy working for the county. When I came to work for the county in 1993, the gentleman I came to work for, that was a big selling point for him to get me to come here was there were two retirement plans, and if I stay until I retire, what a huge benefit it would be for me and my family in the end.

The President. It's interesting, isn't it—allow you to watch your own money grow—it becomes a recruiting tool to convince people that this is a good place to work.

Anyway, so you decided to work.

Mrs. Bentley. Yes, sir, I've been very happy here. And I like to—I get my statement every quarter and enjoy seeing my money. You know, I see how much money is in there, what I'm going to get, the county's contribution to that plan.

The President. And how does it come? Does it come by mail? Internet?

Mrs. Bentley. Yes, it comes in the mail. You can—I think—I don't know if you can get it on the Internet yet or not.

The President. Probably can, one of these days. Right, Judge?

Judge Yarbrough. Working on that. [Laughter]

The President. Nothing like citizen's participation in government. [Laughter] Think about that. You know, there's an interesting notion amongst some—I think it's a dwindling few—that says there's an investor class in America and only a certain person can invest, only a certain type of person. And I—first of all, I can't stand that thought. I think we ought to encourage everybody to be an investor and an owner, not just a few, not just Wall Street or whatever. And here's Bea talking about watching her own money grow. That's a healthy—a healthy society is one in which people have got a stake in the future. In other words, when you watch your money grow or shrink, it tends to make you put people in office that will do a better job of growing the economy, for example.

I'm not putting in words in your mouth, but—[laughter]. And so, how hard has it been to become financially literate? That's something we hear, you know, "There's such a—there's financial illiteracy. Therefore, certain people probably shouldn't be allowed to watch their own assets." I mean, that—I presume it's easy to understand the statement and all the different options and bonds and all the fancy words that are thrown in.

Mrs. Bentley. Yes, sir, definitely. I mean, you get your statement every quarter, and you see what your contribution is and the contribution that the county makes, how much you'll make when you retire, if you left today, what you would get when you do retire.

The President. And they calculate the growth, I guess, rate of return.

Mrs. Bentley. Yes, sir, they do. Yes, sir.

The President. Rate of return is an interesting thought. It means, basically, how fast your money is growing.

Mrs. Bentley. Correct. Yes, sir.

The President. And has it—are you—the recruitment tool, has it paid off? Has it turned out to be what you thought it was going to be? In other words, when they—

Mrs. Bentley. Very much so, yes.

The President. Besides his charming personality and stuff. [*Laughter*]

Mrs. Bentley. I've been very fortunate to be in Judge Yarbrough's—

The President. Now, forget that part. I'm talking about the—[*laughter*—get back to the subject, will you? [*Laughter*]

Mrs. Bentley. Yes, I like to know that my money is going to be there when I retire.

The President. Now, when you retire, can you—what is the idea of—can you leave it to your kids?

Mrs. Bentley. Oh, definitely.

The President. It becomes a part of your asset base, so you get to decide.

Mrs. Bentley. Yes, sir. You know, God forbid something should happen to one of us, our kids will get that money and have, for their education or forever—hopefully, education—to use that. So that's their money. When it's not—when we're gone, it's their money.

The President. Good. See, it's an interesting thought, isn't it? A little different from the system today. You don't hear anybody saying, "Gosh, I'm leaving my Social Security savings account to my son or daughter." There is no Social Security savings account. There's paper in a file cabinet. Hers is in a solid asset. I think it's refreshing for this country to sit around a table with our fellow citizens talking about real assets, something they watch grow.

So I want to thank our panelists. Judge, thanks, thank you. Kathryn, thanks. Who's ever writing your material, send them my way. [*Laughter*] Bentleys, thanks. Thanks for your—both of your service. Syl, thanks for coming.

I hope you've enjoyed this. This is a series of discussions I've had around our country, discussions I'll continue to have. Those of us who've been elected to public office are—have the duty to solve problems. Syl talked about the problem in terms of 2017, 2040. That's not very long—2017 isn't very far down the road. If you've got a 6-year-old child, your child is going to be voting pretty soon. Trust me; I've seen it happen in our family, how the kids grow up faster than you know. And the system starts heading into the

red, and we're going to be confronted—we'll be leaving a generation behind.

Listen, the generation that preceded us baby boomers made a lot of sacrifices and can say they've left behind a better America. They took on the Nazis and our enemies, worked hard, built a fabulous country. Now it's our generation's time to lead and leave behind a better America. That's the calling of this generation.

And I am confident we'll get something done in Washington, DC. I'm confident because eventually the voice of the people will reach and penetrate the halls of the House and Senate. They're going to say, "We have a serious problem. Why aren't you doing something about it?"

I look forward to doing something about it with people of both political parties, to permanently solve the Social Security system once and for all, and then we can say we did our duty.

Thanks for coming.

NOTE: The President spoke at 12:33 p.m. in the William C. Levin Hall at the University of Texas Medical Branch. In his remarks, he referred to Mayor Lyda Ann Thomas of Galveston, TX; Dr. John D. Stobo, president, University of Texas Medical Branch; and Richard Gornto, president, and Tolbert Newman, vice president, First Financial Benefits, Inc.

Remarks to the Small Business Administration's National Small Business Week Conference

April 27, 2005

Thanks for the warm welcome. I appreciate such a generous welcome. Marianne, thank you for your introduction, and congratulations on being the Small Business Person of the Year. You had some pretty stiff competition. [*Laughter*] I appreciate the courage that Marianne has shown and her determination to succeed. She is proof that the entrepreneurial spirit in America is really strong.

I want to thank Hector Barreto, the SBA Administrator. I appreciate the fine job he's done. It was my honor to meet the—some of the State Small Business Person of the Year honorees. Congratulations. I appreciate

the Ambassadors who are here. *Embajadores*, thank you for coming. And I appreciate you all giving me a chance to come by and visit with you. [Laughter]

I appreciate the fact that our small-business owners are taking risks and pursuing dreams, and as a result, you're creating jobs for millions of our citizens. A vibrant small-business sector is important for the economic health of our country. I appreciate the fact that the small-business entrepreneurs are some of the great innovators in our Nation. After all, men and women who run small businesses have a vision to see beyond what is and the courage to pursue what might be.

From Thomas Edison's light bulb to Alexander Graham Bell's telephone to Henry Ford's Model T, most Americans—most of America's great inventions began with the innovative spirit of entrepreneurs. And today, a new generation of entrepreneurs is leading a technological revolution that will transform our lives in incredible ways. I'm going to spend a little time talking about how technology can help us.

One of the roles of an administration is to set an agenda, a clear agenda. I've laid out an agenda that I believe will unleash the innovative spirit of our small-business entrepreneurs. We can't make you successful, but we can create an environment in which people can dream big dreams in which people are willing to risk capital. We need to keep your taxes low. We need to protect you from needless regulation and the burden of junk lawsuits. We'll continue to work to open up new markets for your products. The House of Representatives and the United States Senate needs to pass CAFTA legislation, free-market agreement with Central America.

We'll continue to work to lower the cost of health care by insisting that health care modernize itself through electronic records and helping to spread health savings accounts—they're particularly good for small businesses—and to work with the United States Congress to finally pass medical liability reform. I look forward to working with the Congress to create association health plans so small businesses can buy insurance, can pool risk across jurisdictional boundaries

so they can buy insurance at the same discounts that big businesses can.

As small-business owners, you know that a dollar should be spent wisely or not at all. That same standard ought to apply to the Federal Government when it comes time to spending your money. I've submitted a disciplined budget to the Congress that meets our priorities, that restrains Federal spending and keeps us on track to cut the deficit in half by 2009. I appreciate the fact that the Senate has passed a version of the budget and the House has passed a version of the budget. Now it's time for them to come together and pass a budget resolution this week.

By restraining Federal spending, by keeping taxes low, we'll keep this economy growing and keep the innovative spirit strong. But in order to make sure our economy grows, in order to make sure people are still able to find opportunity, in order to encourage small-business sector growth and vitality, we need to address a major problem facing our country, and that is our Nation's growing dependence on foreign sources of energy.

Technology is allowing us to better use our existing energy resources. And in the years ahead, technology will allow us to create entirely new sources of energy in ways earlier generations could never dream. Technology is the ticket, is this Nation's ticket to greater energy independence, and that's what I want to talk about today. I fully understand that many folks around this country are concerned about the high price of gasoline. I know small-business owners are.

I went to Fort Hood the other day—it's right around the corner from Crawford—[laughter]—and sat down with some of our troops, and we had dinner—lunch, in Texas they call dinner—[laughter]—the noon meal and supper the evening meal. [Laughter] I'm trying to standardize the language. [Laughter] We sat down for lunch. [Laughter]

And I was asking the soldiers, you know, what was on your mind—what was on their mind. And a fellow said, "Why don't you lower gas prices—gasoline prices, Mr. President?" Obviously, gasoline prices were on his mind. I said, "I wish I could. If I could, I would." I explained to him that the higher cost of gasoline is a problem that has been

years in the making. To help in the near term, we'll continue to encourage oil-producing countries to maximize their production, to say to countries that have got some excess capacity, "Get it on the market so you do not destroy the consumers that you rely upon to buy your energy."

We're doing everything we can to make sure our consumers are treated fairly, that there is no price gouging. Yet, the most important thing we can do today is to address the fundamental problem of our energy situation. That's the most important thing we can do. And the fundamental problem is this: Our supply of energy is not growing fast enough to meet the demands of our growing economy.

Over the past decade, our energy consumption has increased by more than 12 percent, while our domestic production has increased by less than one-half of 1 percent. A growing economy causes us to consume more energy. And yet, we're not producing energy here at home, which means we're reliant upon foreign nations. And at the same time we've become more reliant upon foreign nations, the global demand for energy is growing faster than the global supply. Other people are using more energy as well, and that's contributed to a rise in prices.

Because of our foreign energy dependence, our ability to take actions at home that will lower prices for American families is diminishing. Our dependence on foreign energy is like a foreign tax on the American people. It's a tax our citizens pay every day in higher gasoline prices and higher costs to heat and cool their homes. It's a tax on jobs, and it's a tax that is increasing every year.

The problem is clear. This problem did not develop overnight, and it's not going to be fixed overnight. But it's now time to fix it. See, we've got a fundamental question we've got to face here in America: Do we want to continue to grow more dependent on other nations to meet our energy needs, or do we want to do what is necessary to achieve greater control of our economic destiny?

I made my decision. I know what is important for this country to become less dependent on foreign sources of energy, and that requires a national strategy. Now, when I

first got elected, I came to Washington and I said, "We need a national strategy," and I submitted a national strategy to the United States Congress. And it has been stuck. And now it's time for the Congress to pass the legislation necessary for this country to become less dependent on foreign sources of energy.

And the most important component of our strategy is to recognize the transformational power of technology. Over the last quarter century, technology has radically changed the way we live and work. Think about this: Just 25 years ago—for a guy 58 years old, that doesn't seem all that long ago—[laughter]—if you're 24 years old, it's a heck of a long time ago. [Laughter] In the 1980s, most Americans used typewriters instead of computers. We used pay phones instead of cell phones. We used carbon paper instead of laser printers. We had bank tellers instead of ATMs. [Laughter] We had Rolodexes instead of PDAs. And for long family trips, we played the "license plate" game—[laughter]—instead of in-car DVDs. [Laughter] We've seen a lot of change in a quick period of time, haven't we?

I believe the next 25 years, the changes are going to be even more dramatic. Our country is on the doorstep of incredible technological advances that will make energy more abundant and more affordable for our citizens. By harnessing the power of technology, we're going to be able to grow our economy, protect our environment, and achieve greater energy independence. That's why I'm so optimistic about our future here in America.

The first essential step toward greater energy independence is to apply technology to increase domestic production from existing energy resources. And one of the most promising sources of energy is nuclear power. Today's technology has made nuclear power safer, cleaner, and more efficient than ever before. Nuclear power is now providing about 20 percent of America's electricity, with no air pollution or greenhouse gas emissions. Nuclear power is one of the safest, cleanest sources of power in the world, and we need more of it here in America.

Unfortunately, America has not ordered a new nuclear powerplant since the 1970s.

France, by contrast, has built 58 plants in the same period. And today, France gets more than 78 percent of its electricity from safe, clean nuclear power.

It's time for America to start building again. That's why, 3 years ago, my administration launched the Nuclear Power 2010 Initiative. This is a 7-year, \$1.1 billion effort by Government and industry to start building new nuclear powerplants by the end of this decade. One of the greatest obstacles we face to building new plants is regulatory uncertainty, which discourages new plant construction. Since the 1970s, more than 35 plants were stopped at various stages of planning and construction because of bureaucratic obstacles. No wonder—no wonder the industry is hesitant to start building again. We must provide greater certainty to those who risk capital if we want to expand a safe, clean source of energy that will make us less dependent on foreign sources of energy.

To do so, I've asked the Department of Energy to work on changes to existing law that will reduce uncertainty in the nuclear plant licensing process and also provide Federal risk insurance that will protect those building the first four new nuclear plants against delays that are beyond their control. A secure energy future for America must include more nuclear power.

A secure energy future for America also means building and expanding American oil refineries. Technology has allowed us to better control emissions and improve the efficiency and environmental performance of our existing refineries. Yet there have been no new oil refineries built in the United States since 1976, and existing refineries are running at nearly full capacity. Our demand for gasoline grows, which means we're relying more on foreign imports of refined product.

To encourage the expansion of existing facilities, the EPA is simplifying rules and regulations. I will direct Federal agencies to work with States to encourage the building of new refineries on closed military facilities, for example, and to simplify the permitting process for such construction. By easing the regulatory burden, we can refine more gasoline for our citizens here at home. That will

help assure supply and reduce dependence on foreign sources of energy.

Advances in technology will also allow us to open up new areas to environmentally responsible exploration for oil and natural gas, including the Arctic National Wildlife Refuge. Technology now makes it possible to reach ANWR's hydrocarbons by drilling on just 2,000 acres of the 19 million acres of land. That's just one-tenth of 1 percent of ANWR's total area. Because of the advances in technology, we can reach the oil deposits with almost no impact on land or local wildlife. Developing this tiny section of ANWR could eventually yield up to a million barrels of oil per day. That's a million barrels less that we've depended on from foreign sources of energy. Listen, the more oil we can produce in environmentally sensitive ways here at home, the less dependent our economy is, the less reliant we are on other parts of the world.

Technology is allowing us to make better use of natural gas. Natural gas is an important source of energy for industries like agriculture or manufacturing or power production. The United States has the sixth-largest proven reserves of natural gas in the world, and we'll do more to develop this vital resource. That's why I signed into law a tax credit to encourage a new pipeline to bring Alaskan natural gas to the rest of the United States.

Technology is also helping us to get at reserves of natural gas that cannot be reached—easily reached by pipelines. Today, we're able to super-cool natural gas into liquid form so it can be transported on tankers and stored more easily. Thanks to this technology, our imports of liquefied natural gas nearly doubled in 2003. Last year, imports rose another 29 percent. But our ability to expand our use of liquefied natural gas is limited, because today, we have just five receiving terminals and storage facilities around the United States.

To take advantage of this new—this technology, Federal agencies must expedite the review of the 32 proposed new projects that will either expand or build new liquefied natural gas terminals. In other words, there's projects on the books, and we're going to get after the review process. Congress should

make it clear to the Federal Energy Regulatory Commission its authority to choose sites for new terminals, so we can expand our use of liquefied natural gas.

Technology also allows us to use our most abundant energy source in a smart way. America has enough coal to last for 250 years. But coal presents an environmental challenge. To make cleaner use of this resource, I have asked Congress for more than \$2 billion over 10 years for my Coal Research Initiative. It's a program that will encourage new technologies that remove virtually all pollutants from coal-fired powerplants. My Clear Skies Initiative will result in more than \$52 billion in investment in clean coal technologies by the private sector. To achieve greater energy dependence, we must put technology to work so we can harness the power of clean coal.

The second essential step toward greater energy independence is to harness technology to create new sources of energy. Hydrogen is one of the most promising of these new sources of energy. Two years ago, my administration launched a crash program called the Hydrogen Fuel Initiative. We've already dedicated \$1.2 billion over 5 years to this effort to develop hydrogen-powered fuel cells. We know that when hydrogen is used in the fuel cell, it has the power to—potential to power anything from a cell phone to a computer to an automobile that emits pure water instead of exhaust fumes.

I've asked Congress for an additional 500 million over 5 years to help move advanced technology vehicles from the research lab to the dealership lot. See, I want the children here in America—you two are sitting there—to be able to take your driver's test in a completely pollution-free car that will make us less dependent on foreign sources of energy. To help produce fuel for these cars, my administration has also launched a Nuclear Hydrogen Initiative, an effort to develop advanced nuclear technologies that can produce hydrogen fuels for cars and trucks. My budgets have dedicated \$35 million over the past 3 years and will continue this effort.

In other words, we're developing new technologies that will change the way we drive. See, I know what we're going to need to do for a generation to come. We need to

get on a path away from the fossil fuel economy. If we want to be less dependent on foreign sources of energy, we must develop new ways to power automobiles. My administration is committed to finding those new ways, and we're working with industry to do so.

Ethanol is another promising source of energy. I like the idea of people growing corn that gets converted into fuel for cars and trucks. Our farmers can help us become less dependent on foreign oil. Technology is now under development that may one day allow us to get ethanol from agricultural and industrial waste.

We can produce another renewable fuel, biodiesel, from leftover fats and vegetable oils. I mean, we're exploring a lot of alternatives. Ethanol and biodiesel have got great potential. And that's why I've supported a flexible, cost-effective renewable fuel standard as part of the energy bill. This proposal would require fuel producers to include a certain percentage of ethanol and biodiesel in their fuel and would increase the amount of these renewables in our Nation's fuel supply. Listen, more corn means more ethanol, which means less imported oil.

Technology can also help us tap into a vital source that flows around us all the time, and that is wind. That's why I've asked Congress to provide 1.9 billion over 10 years for tax incentives for renewable energy technologies like wind, as well as residential solar heating systems and energy produced from landfill gas and biomass. An energy strategy must be comprehensive, all aimed at making us less dependent.

A third essential step toward greater energy independence is to harness the power of technology so we can continue to become better conservers of energy. Already, technology is helping us grow our economy while using less energy. For example, in 1997, the U.S. steel industry used 45 percent less energy to produce a ton of steel than it did in 1975. The forest and paper industry used 21 percent less energy to produce a ton of paper. In other words, we're making advances in conservation. And in the years ahead, if we're smart about what we do, we can become even more productive while conserving even more energy.

Technological advances are helping develop new products that give our consumers the same and even better performance at lower cost by using less energy. Think about this: You can buy a refrigerator that uses the same amount of power as a 75-watt light bulb. It's a remarkable advance when it comes to helping consumers save money on energy. Advances in energy-efficient windows keep hot and cold air in and prevent your dollars from flowing out. High efficiency light bulbs last longer than traditional ones, while requiring less electricity.

These and other technological advances are saving our consumers a lot of money, and there's more work to be done. Let me tell you this, in 2001, the average American family spent about half as much to heat its home as it did in 1978. Think about what's possible over the next 25 years. We can imagine a day when technologies like solar panels, high-efficiency appliances, and advanced installation will allow us to build zero-energy homes that produce as much energy as they consume. That's the promise that technology holds for us all.

And as we make our homes more energy-efficient, we're doing the same with our automobiles. Hybrid vehicles are one of the most promising technologies immediately available to consumers. These cars are powered by a combination of gasoline and electricity. They provide better fuel efficiency, ultra-low emissions, and exceptional performance. And their electronic systems are paving the way for tomorrow's hydrogen-powered vehicles.

We're encouraging automakers to produce a new generation of modern, clean diesel cars and trucks. My administration has issued new rules that will remove more than 90 percent of the sulfur in diesel fuel by 2010. Clean diesel technology will allow consumers to travel much farther on each gallon of fuel, without the smoke and pollution of past diesel engines. We've proposed \$2.5 billion over 10 years in tax credits that will encourage consumers to buy energy-efficient hybrid cars and trucks, and we need to extend these incentives to include clean diesel vehicles as well.

As we conserve energy at home and on the road, technology will help us deliver it more efficiently. New technologies such as

superconducting powerlines can help us bring our electrical grid into the 21st century and protect American families and businesses from damaging power outages. Some of you who live in the Midwest and on the east coast know what I'm talking about, damaging power outages. We have modern interstate grids for our phonelines and our highways. It's time for America to build a modern electricity grid.

The electricity title is an important part of the energy bill. As a matter of fact, a lot of which I've discussed so far is an important part of the energy bill that needs to get passed by the United States Congress before August of this year. The House acted, and I appreciate the leadership in the House. Now it's time for the United States Senate to act. And then it's time for them to get together and iron out their differences and get me a bill so I can sign.

The fourth essential step toward greater energy independence is to make sure other nations can take advantage in advances—take advantage of the advances in technology to reduce their own demand. Listen, we need to remember that the market for energy is a global one, and we're not the only large consumer. Much of the current projected rise in energy prices is due to rising energy consumption in Asia. As Asian economies grow, their demand for energy is growing, and the demand for energy is growing faster than the supply of energy is increasing. And as small-business people, you understand what happens when demand is larger than supply; you hope that's the case for the products you produce. *[Laughter]* Our costs—our prices are going up. It is in our interest to help these countries become more energy self-sufficient. That will help reduce demand, which will help take pressure off price and, at the same time, help protect the environment.

I'm looking forward to going to a G-8 meeting in July in Great Britain. And there I'm going to work with developed nations, our friends and allies to help developing nations, countries like China and India to develop and deploy clean energy technology. Like us, some of these countries have got substantial coal reserves. We need to find

practical ways to help these countries take advantage of clean coal technology.

As well we will explore ways we can work with like-minded countries to develop advance nuclear technologies that are safe, clean, and protect against proliferation. With these technologies, with the expansion of nuclear power, we can relieve stress on the environment and reduce global demand for fossil fuels. That would be good for the world, and that would be good for American consumers as well.

This strategy will work for our children and our grandchildren. We should have put this in place several decades ago. We haven't had a national energy strategy in this country for a long period of time. I tried to get the Congress to pass it 4 years ago. Now is the time for them to act. For the sake of this country, for the sake of a growing economy, and for the sake of national security, we've got to do what it takes to expand our independence. We must become less dependent. And there's no doubt in my mind that technology is going to help us achieve that objective.

One reason why I believe so strongly is because free societies are able to adjust to the times, and we're the freest of free societies. We're a society where it doesn't matter where you were raised or where you're from. If you've got a dream, you can pursue it and realize your dream.

Our country has always responded to challenges because we've got people with such great imaginations and such drive and such determination. Twenty-five years from now, people are going to look back and say, "I like my hydrogen-powered automobile"—[laughter]—you know, "I produced a little extra energy this year from my home." Our farmers are going to be saying, "You know, the crop's up, and we're less dependent."

Now is the time to put that strategy in place. Now is the time to do the right thing for America. Now is the time to set aside political differences and focus on what is good for the United States of America. And with your help, we'll achieve that.

God bless you all. Thanks for coming.

NOTE: The President spoke at 2:16 p.m. at the Hilton Washington Hotel. In his remarks, he referred to Marianne Sensale-Guerin, president and

owner, Guerin Associates, LLC, and 2005 SBA National Small Business Person of the Year.

Statement on House of Representatives Passage of the Proposed "Child Interstate Abortion Notification Act"

April 27, 2005

I commend the House for its bipartisan vote to protect the health and safety of minors by ensuring that State parental involvement laws are not circumvented. The parents of pregnant minors can provide counsel, guidance, and support to their children and should be involved in these decisions. I urge the Senate to pass this important legislation and help continue to build a culture of life in America.

NOTE: The statement referred to H.R. 748.

Statement on the Iraqi Transitional National Assembly's Vote To Confirm Prime Minister Ibrahim al-Jafari and His Cabinet

April 28, 2005

Iraq's Transitional National Assembly has voted by an overwhelming margin to confirm Ibrahim al-Jafari as Iraq's next Prime Minister. They also have approved a list of Cabinet ministers who will represent the unity and diversity of Iraq in the months ahead. I join with all Americans in congratulating Iraq's new leaders and in wishing them well as they begin to serve their country in this new Government. I appreciate the dedicated work of the outgoing Interim Government, which has governed Iraq for the last 10 months.

The Iraqi Transitional Government will confront important challenges in fighting terrorists and enemies of democracy, training the Iraqi security forces, and providing basic services to its citizens. It will also lead the difficult and essential work of drafting a new constitution for a free and democratic Iraq. The United States is confident that the new Government will meet these challenges in the months ahead, and America will stand by Iraq, its leaders, and the Iraqi people as

they continue their work to establish a stable, peaceful, and democratic Iraq.

Statement on House of Representatives Passage of a Budget Framework Resolution

April 28, 2005

I applaud the House for passing a budget framework that protects America, helps economic growth, funds our priorities, and keeps us on track to cut the deficit in half by 2009. This is a responsible budget that reins in spending to limits not seen in years. I appreciate the Members of Congress in the House and the Senate who worked hard to produce this agreement and who support its passage. It is not the Government's money that gets spent in Washington, DC. It is the people's money, and taxpayer dollars must be spent wisely or not spent at all.

Proclamation 7890—National Charter Schools Week, 2005

April 28, 2005

By the President of the United States of America

A Proclamation

Strong schools are the building blocks of a prosperous and hopeful country. To ensure that all our children receive the education they need to succeed, schools must be innovative, accountable, and committed to student achievement. The charter school movement was founded on these principles and has played an important role in expanding educational choices in America. This week, we highlight the importance of charter schools and recognize their contributions to American education.

Charter schools are unique because they are public schools operating under a contract from a public agency. In exchange for increased flexibility in teaching methods and curricula, these schools promise to meet strict accountability standards designed to improve student performance. Four hundred new charter schools opened in 32 states for the 2004–2005 school year, and there are nearly 3,400 charter schools serving almost

one million children in America. These institutions have provided a valuable alternative to families throughout the country.

My Administration is committed to advancing public education in America. The No Child Left Behind Act of 2001 is bringing increased accountability to our schools. Test scores are rising, and the achievement gap for minority students is closing. Our continued strong commitment to this legislation is ensuring that parents have greater flexibility when deciding on how best to educate their children. To support and enhance school choice, I have proposed \$219 million for Charter School Grants and \$37 million for Credit Enhancement for Charter School Facilities. I have also called for \$50 million in new funding for the Choice Incentive Fund to support development of innovative school-choice programs.

We must continue to demand better results from our schools so that every high school diploma represents a significant level of educational achievement and all graduates are armed with the tools to succeed in the 21st Century. I commend the teachers and administrators of charter schools and all educators who are providing innovative alternatives that prepare our children for a bright and successful future.

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 May 1 through 7, 2005, as National Charter Schools Week. I call on parents of charter school students and all those involved with charter schools to share their success stories and help Americans learn more about the important work of these institutions.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of April, in the year of our Lord two thousand five, and of the Independence of the United States of America the two hundred and twenty-ninth.

George W. Bush

[Filed with the Office of the Federal Register, 9:55 a.m., May 2, 2005]

NOTE: This proclamation will be published in the *Federal Register* on May 3.

The President's News Conference

April 28, 2005

The President. Good evening. Tonight I will discuss two vital priorities for the American people, and then I'd be glad to answer some of your questions.

Millions of American families and small businesses are hurting because of higher gasoline prices. My administration is doing everything we can to make gasoline more affordable. In the near term, we will continue to encourage oil-producing nations to maximize their production. Here at home, we'll protect consumers. There will be no price gouging at gas pumps in America.

We must address the root causes that are driving up gas prices. Over the past decade, America's energy consumption has been growing about 40 times faster than our energy production. That means we're relying more on energy produced abroad.

To reduce our dependence on foreign sources of energy, we must take four key steps. First, we must better use technology to become better conservers of energy. Secondly, we must find innovative and environmentally sensitive ways to make the most of our existing energy resources, including oil, natural gas, coal, and safe, clean nuclear power. Third, we must develop promising new sources of energy, such as hydrogen or ethanol or biodiesel. Fourth, we must help growing energy consumers overseas like China and India apply new technologies to use energy more efficiently and reduce global demand of fossil fuels.

I applaud the House for passing a good energy bill. Now the Senate needs to act on this urgent priority. American consumers have waited long enough. To help reduce our dependence on foreign sources of energy, Congress needs to get an energy bill to my desk by this summer so I can sign it into law.

Congress also needs to address the challenges facing Social Security. I've traveled the country to talk with the American people. They understand that Social Security is headed for serious financial trouble, and they expect their leaders in Washington to address the problem.

Social Security worked fine during the last century, but the math has changed. A generation of baby boomers is getting ready to retire. I happen to be one of them. Today, there are about 40 million retirees receiving benefits. By the time all the baby boomers have retired, there will be more than 72 million retirees drawing Social Security benefits. Baby boomers will be living longer and collecting benefits over long retirements than previous generations. And Congress has ensured that their benefits will rise faster than the rate of inflation.

In other words, there's a lot of us getting ready to retire who will be living longer and receiving greater benefits than the previous generation. And to compound the problem, there are fewer people paying into the system. In 1950, there were 16 workers for every beneficiary; today, there are 3.3 workers for every beneficiary; soon there will be 2 workers for every beneficiary.

These changes have put Social Security on the path to bankruptcy. When the baby boomers start retiring in 3 years, Social Security will start heading toward the red. In 2017, the system will start paying out more in benefits than it collects in payroll taxes. Every year after that, the shortfall will get worse, and by 2041, Social Security will be bankrupt.

Franklin Roosevelt did a wonderful thing when he created Social Security. The system has meant a lot for a lot of people. Social Security has provided a safety net that has provided dignity and peace of mind for millions of Americans in their retirement. Yet there's a hole in the safety net because Congresses have made promises it cannot keep for a younger generation.

As we fix Social Security, some things won't change: Seniors and people with disabilities will get their checks; all Americans born before 1950 will receive the full benefits.

Our duty to save Social Security begins with making the system permanently solvent, but our duty does not end there. We also have a responsibility to improve Social Security by directing extra help to those most in need and by making it a better deal for younger workers.

Now, as Congress begins work on legislation, we must be guided by three goals. First, millions of Americans depend on Social Security checks as a primary source of retirement income, so we must keep this promise to future retirees as well. As a matter of fairness, I propose that future generations receive benefits equal to or greater than the benefits today's seniors get.

Secondly, I believe a reform system should protect those who depend on Social Security the most. So I propose a Social Security system in the future where benefits for low-income workers will grow faster than benefits for people who are better off. By providing more generous benefits for low-income retirees, we'll make this commitment: If you work hard and pay into Social Security your entire life, you will not retire into poverty. This reform would solve most of the funding challenges facing Social Security. A variety of options are available to solve the rest of the problem, and I will work with Congress on any good-faith proposal that does not raise the payroll-tax rate or harm our economy. I know we can find a solution to the financial problems of Social Security that is sensible, permanent, and fair.

Third, any reform of Social Security must replace the empty promises being made to younger workers with real assets, real money. I believe the best way to achieve this goal is to give younger workers the option, the opportunity, if they so choose, of putting a portion of their payroll taxes into a voluntary personal retirement account. Because this money is saved and invested, younger workers would have the opportunity to receive a higher rate of return on their money than the current Social Security system can provide.

The money from a voluntary personal retirement account would supplement the check one receives from Social Security. In a reformed Social Security system, voluntary personal retirement accounts would offer workers a number of investment options that are simple and easy to understand. I know some Americans have reservations about investing in the stock market, so I propose that one investment option consist entirely of Treasury bonds, which are backed by the full

faith and credit of the United States Government.

Options like this will make voluntary personal retirement accounts a safer investment that will allow an American to build a nest egg that he or she can pass on to whomever he or she chooses. Americans who would choose not to save in a personal account would still be able to count on a Social Security check equal to or higher than the benefits of today's seniors.

In the coming days and weeks, I will work with both the House and the Senate as they take the next steps in the legislative process. I'm willing to listen to any good idea from either party.

Too often, the temptation in Washington is to look at a major issue only in terms of whether it gives one political party an advantage over the other. Social Security is too important for "politics as usual." We have a shared responsibility to fix Social Security and make the system better, to keep seniors out of poverty and expand ownership for people of every background. And when we do, Republicans and Democrats will be able to stand together and take credit for doing what is right for our children and our grandchildren.

And now I'll be glad to answer some questions, starting with Terry Hunt [Associated Press].

Social Security Reform/Polls

Q. Mr. President, a majority of Americans disapprove of your handling of Social Security, rising gas prices, and the economy. Are you frustrated by that and by the fact that you're having trouble gaining traction on your agenda in a Republican-controlled Congress?

The President. Look, we're asking people to do things that haven't been done for 20 years. We haven't addressed the Social Security problem since 1983. We haven't had an energy strategy in our country for decades. And so I'm not surprised that some are balking at doing hard work. But I have a duty as the President to define problems facing our Nation and to call upon people to act. And we're just really getting started in the process.

You asked about Social Security. For the past 60 days, I've traveled our country making it clear to people, we have a problem. That's the first step of any legislative process, is to explain to the people the nature of the problem, and the American people understand we have a problem.

I've also spent time assuring seniors they'll get their check. That's a very important part of making sure we end up with a Social Security reform. I think if seniors feel like they're not going to get their check, obviously nothing is going to happen.

And we're making progress there too, Terry, as well. See, once the American people realize there's a problem, then they're going to start asking Members of Congress from both parties, "Why aren't you doing something to fix it?" And I am more than willing to sit down with people of both parties to listen to their ideas. Today I advanced some ideas. I'm moving the process along. And the legislative process is just getting started, and I'm optimistic we'll get something done.

Q. Is the poll troubling?

The President. Polls? You know, if a President tries to govern based upon polls, you're kind of like a dog chasing your tail. I don't think you can make good, sound decisions based upon polls. And I don't think the American people want a President who relies upon polls and focus groups to make decisions for the American people.

Social Security is a big issue, and it's an issue that we must address now. You see, the longer we wait, the more expensive the solution is going to be for a younger generation of Americans. The Social Security trustees have estimated that every year we wait to solve the problem, to fix the hole in the safety net for younger Americans, costs about \$600 billion. And so my message to Congress is: Let's do our duty; let's come together to get this issue solved.

Steve [Steve Holland, Reuters].

Iraq

Q. Your top military officer, General Richard Myers, says the Iraqi insurgency is as strong now as it was a year ago. Why is that the case? And why haven't we been more successful in limiting the violence?

The President. I think he went on to say we're winning, if I recall. But nevertheless, there are still some in Iraq who aren't happy with democracy. They want to go back to the old days of tyranny and darkness, torture chambers, and mass graves. I believe we're making really good progress in Iraq, because the Iraqi people are beginning to see the benefits of a free society. They're beginning—they saw a Government formed today.

The Iraqi military is being trained by our military, and they're performing much better than the past. The more secure Iraq becomes as a result of the hard work of Iraqi security forces, the more confident [confidence] * the people will have in the process and the more isolated the terrorists will become.

But Iraq has—have got people there that are willing to kill, and they're hard-nosed killers. And we will work with the Iraqis to secure their future. A free Iraq in the midst of the Middle East is an important part of spreading peace. It's a region of the world where a lot of folks in the past never thought democracy could take hold. Democracy is taking hold, and as democracy takes hold, peace will more likely be the norm.

In order to defeat the terrorists, in order to defeat their ideology of hate in the long run, we must spread freedom and hope. Today I talked to the Prime Minister of Iraq. I had a great conversation with him. I told him I was proud of the fact that he was willing to stand up and lead. I told him I appreciated his courage and the courage of those who are willing to serve the Iraqi people in government. I told him, I said, "When America makes a commitment, we'll stand by you." I said, "I hope you get your constitution written on time," and he agreed. He recognizes it's very important for the Transitional National Assembly to get the constitution written so it can be submitted to the people on time. He understands the need for a timely write of the constitution.

And I also encouraged him to continue to reaching out to disaffected groups in Iraq, and he agreed. I'm really happy to talk to him. I invited him to come to America. I

* White House correction.

hope he comes soon. There are a lot of courageous people in Iraq, Steve, that are making a big difference in the lives of that country.

I also want to caution you all that it's not easy to go from a tyranny to a democracy. We didn't pass sovereignty but about 10 months ago, and since that time, a lot of progress has been made. And we'll continue to make progress for the good of the region and for the good of our country.

Gregory. David Gregory [NBC News].

Judicial Nominations/Role of Religion in Society

Q. Thank you, sir. Mr. President, recently the head of the Family Research Council said that judicial filibusters are an attack against people of faith. And I wonder whether you believe that, in fact, that is what is nominating [motivating] * Democrats who oppose your judicial choices? And I wonder what you think generally about the role that faith is playing, how it's being used in our political debates right now?

The President. Yes. I think people are opposing my nominees because they don't like the judicial philosophy of the people I've nominated. Some would like to see judges legislate from the bench. That's not my view of the proper role of a judge.

Speaking about judges, I certainly hope my nominees get an up-or-down vote on the floor of the Senate. They deserve an up-or-down vote. I think for the sake of fairness, these good people I've nominated should get a vote. And I'm hoping that will be the case as time goes on.

The role of religion in our society? I view religion as a personal matter. I think a person ought to be judged on how he or she lives his life or lives her life. And that's how I've tried to live my life, through example. Faith plays an important part of my life, individually, but I don't ascribe a person's opposing my nominations to an issue of faith.

Q. Do you think that's an inappropriate statement? And what I asked is—

The President. No, I just don't agree with it.

Q. You don't agree with it.

The President. No, I think people oppose my nominees because of judicial philosophy.

Role of Religion in Politics

Q. Sir, I asked you what you think—

The President. No, I know you asked me that.

Q. —of the way faith is being used in our political debates, not just in society in general.

The President. Well, I can only speak to myself, and I am mindful that people in political office should not say to somebody, "You're not equally American if you don't happen to agree with my view of religion." As I said, I think faith is a personal issue, and I get great strength from my faith. But I don't condemn somebody in the political process because they may not agree with me on religion.

The great thing about America, David, is that you should be allowed to worship any way you want, and if you choose not to worship, you're equally as patriotic as somebody who does worship. And if you choose to worship, you're equally American if you're a Christian, a Jew, a Muslim. That's the wonderful thing about our country, and that's the way it should be.

John [John Roberts, CBS News].

Gasoline Prices/Energy Legislation

Q. Good evening, Mr. President. Several times we've asked you or your aides what you could do about the high price of gasoline, and very often the answer has come back, Congress needs to pass the energy bill. Can you explain for us how, if it were passed, soon after it were introduced, the energy bill would have an effect on the current record price of oil that we're seeing out there?

The President. Yes. John, actually I said in my opening statement that the best way to affect the current price of gasoline is to encourage producing nations to put more crude oil on the market. That's the most effective way, because the price of crude oil determines, in large measure, the price of gasoline. The feedstock for gasoline is crude oil, and when crude oil goes up, the price of gasoline goes up. There are other factors, by the way, that cause the price of gasoline to go up, but the main factor is the price

* White House correction.

of crude oil. And if we can get nations that have got some excess capacity to put crude on the market, the increased supply, hopefully, will meet increased demand and therefore take the pressure off price.

Listen, the energy bill is certainly no quick fix. You can't wave a magic wand. I wish I could. It's like that soldier at Fort Hood that said, "How come you're not lowering the price of gasoline?" I was having lunch with the fellow, and he said, "Go lower the price of gasoline, President." I said, "I wish I could." It just doesn't work that way.

This is a problem that's been a long time in coming. We haven't had an energy policy in this country, and it's going to take us a while to become less dependent on foreign sources of energy. What I've laid out for the Congress to consider is a comprehensive energy strategy that recognizes we need to be better conservers of energy, that recognizes that we can find more energy at home in environmentally friendly ways.

And obviously a contentious issue in front of the Congress is the issue over the ANWR, which is a part of Alaska. ANWR is 19 million acres of land. Technology now enables us to use just 2,000 of that 19 million to be able to explore for oil and gas so we can have oil and gas produced here domestically.

One of the great sources of energy for the future is liquefied natural gas. There's a lot of gas reserves around the world. Gas is—can only be transported by ship, though, when you liquefy it, when you put it in solid form. We've only got five terminals that are able to receive liquefied natural gas so it can get into our markets. We need more terminals to receive liquefied natural gas from around the world.

We should have a active energy—nuclear energy policy in America. We've got abundant resources of coal, and we're spending money for clean coal technology. So these are longer term projects all aimed at making us become less dependent on foreign sources of energy.

Terry [Terry Moran, ABC News].

Q. So am I reading correctly that the energy bill would not have had an effect on today's high gasoline—

The President. Well, it would have 10 years ago. That's exactly what I've been say-

ing to the American people—10 years ago, if we'd had an energy strategy, we would be able to diversify away from foreign dependence. And—but we haven't done that, and now we find ourselves in the fix we're in. It's taken us a while to get there, and it's going to take us a while to get out. Hopefully, additional crude oil on the market from countries with some spare capacity will help relieve the price for the American consumers.

Terry.

War on Terror

Q. Mr. President, your State Department has reported that terrorist attacks around the world are at an alltime high. If we're winning the war on terrorism, as you say, how do you explain that more people are dying in terrorist attacks on your watch than ever before?

The President. Well, we've made the decision to defeat the terrorists abroad so we don't have to face them here at home. And when you engage the terrorists abroad, it causes activity and action. And we're relentless—we, the—America and our coalition partners. We understand the stakes, and they're very high because there are people still out there that would like to do harm to the American people.

But our strategy is to stay on the offense, is to keep the pressure on these people, is to cut off their money and to share intelligence and to find them where they hide. And we are making good progress. The Al Qaida network that attacked the United States has been severely diminished. We are slowly but surely dismantling that organization.

In the long run, Terry, like I said earlier, the way to defeat terror, though, is to spread freedom and democracy. It's really the only way in the long term. In the short term, we'll use our troops and assets and agents to find these people and to protect America. But in the long term, we must defeat the hopelessness that allows them to recruit by spreading freedom and democracy. But we're making progress.

Q. So in the near term, you think there will be more attacks and more people dying?

The President. I'm not going to predict that. In the near term, I can only tell you

one thing: We will stay on the offense; we'll be relentless; we'll be smart about how we go after the terrorists; we'll use our friends and allies to go after the terrorists; we will find them where they hide and bring them to justice.

Let me finish with the TV people first. Suzanne [Suzanne Malveaux, Cable News Network]. You're not a TV person, Ed [Ed Chen, Los Angeles Times]. I know you'd like to be, but—[laughter].

Q. You'd be surprised. [Laughter]

The President. It's a tough industry to get into.

Russian Policy in the Middle East/ President Putin

Q. Mr. President, it was 4 years ago when you first met with Russian President Vladimir Putin. You said you looked into his eyes and you saw his soul. You'll also be meeting with the Russian leader in about a week or so. What do you think of Putin now that he has expressed a willingness to supply weapons to outlaw regimes, specifically his recent comments that he said he would provide short-range missiles to Syria and nuclear components to Iran?

The President. We have—first, just on a broader—kind of in a broader sense, I had a long talk with Vladimir there in Slovakia about democracy and about the importance of democracy. And as you remember, at the press conference—or if you weren't there, somebody will remember—he stood up and said he strongly supports democracy. I take him for his word.

I—and we'll continue to work. Condi just—Condi Rice, our Secretary of State, just came back, and she briefed me that she had a very good discussion with Vladimir about the merits of democracy, about the need to listen to the people and have a Government that's responsive.

We're working closely with the Russians on the issue of vehicle-mounted weaponry to Syria. We didn't appreciate that, but we made ourselves clear.

As to Iran, what Russia has agreed to do is to send highly enriched uranium to a nuclear civilian powerplant and then collect that uranium after it's used for electricity—power purposes. That's what they've decided to do.

And I appreciate that gesture. See, what they recognize is that—what America recognizes and what Great Britain, France, and Germany recognize is that we can't trust the Iranians when it comes to enriching uranium, that they should not be allowed to enrich uranium. And what the Iranians have said was, "Don't we deserve to have a nuclear power industry just like you do?" I've kind of wondered why they need one since they've got all the oil, but nevertheless, others in the world say, "Well, maybe that's their right to have their own civilian nuclear power industry." And what Russia has said, "Fine, we'll provide you the uranium. We'll enrich it for you and provide it to you, and then we'll collect it."

And I appreciate that gesture. I think it's—so I think Vladimir was trying to help there. I know Vladimir Putin understands the dangers of a Iran with a nuclear weapon. And most of the world understands that as well.

Wendell [Wendell Goler, FOX News Channel].

John Bolton/Syria

Q. Mr. President, have you asked your Ambassador to the U.N., Ambassador John Bolton, about allegations that he acted improperly to subordinates? Do you feel that these allegations warrant your personal intervention? And if they're true, do you feel that they should disqualify him from holding the post, sir?

The President. Well, John Bolton has been asked the questions about how he handles his business by Members of the United States Senate. He's been asked a lot of questions, and he's given very good answers. John Bolton is a seasoned diplomat. He's been serving our country for, I think, 20 years. He has been confirmed by the United States Senate four times. In other words, he's been up before the Senate before, and they've analyzed his talents and his capabilities, and they've confirmed him.

John Bolton is a blunt guy. Sometimes people say I'm a little too blunt. John Bolton can get the job done at the United Nations. It seemed like to me it made sense to put somebody who's capable, smart, served our country for 20 years, been confirmed by the United States Senate four times, and who

isn't afraid to speak his mind in the post of the Ambassador to the U.N.

See, the U.N. needs reform. If you're interested in reforming the U.N., like I'm interested in reforming the U.N., it makes sense to put somebody who's skilled and who is not afraid to speak his mind at the United Nations.

Now, I asked John during the interview process in the Oval Office, I said, "Before I send you up there to the Senate, let me ask you something: Do you think the United Nations is important?" See, I didn't want to send somebody up there who said, "It's not worth a darn. I don't think I need to go." He said, "No, it's important, but it needs to be reformed."

And I think the United Nations is important. As a matter of fact, I'll give you an example. Today I met with the United Nations representative to Syria, Mr. Larsen. He's an impressive fellow. Now, he's delivered—to Lebanon, excuse me—he's delivered a very strong message to the Syrian leader, though, that the world expects President Asad to withdraw not only his military forces but his intelligence services completely from Lebanon. And now he is in charge of following up to make sure it happens.

I think that's a very important and useful role for the United Nations to play. We have played a role. France has played a role. A lot of nations have played roles. But the United Nations has done a very good job in Syria—with Syria, in Lebanon, of making sure that the world expects the Lebanese elections to be free in May, without Syrian influence. He's an impressive fellow. I applaud him for his hard work. But there's an example of why I think the United Nations is an important body.

On the other hand, the United Nations has had some problems that we've all seen. And if we expect the United Nations to be effective, it needs to clean up its problems. And I think it makes sense to have somebody representing the United States who will be straightforward about the issues.

Stretch [Richard Keil, Bloomberg News]. You mind if I call you Stretch in front of—

Q. I've been called worse.

The President. Okay.

Personal Savings Accounts in Social Security

Q. Getting back to Social Security for a moment, sir, would you consider it a success if Congress were to pass a piece of legislation that dealt with the long-term solvency problem but did not include personal accounts?

The President. I feel strongly that there needs to be voluntary personal savings accounts as a part of the Social Security system. I mean, it's got to be a part of a comprehensive package. The reason I feel strongly about that is that we've got a lot of debt out there, a lot of unfunded liabilities, and our workers need to be able to earn a better rate of return on our money to help deal with that debt.

Secondly, I like the idea of giving someone ownership. I mean, why should ownership be confined only to rich people? Why should people not be allowed to own and manage their own assets who aren't the, you know, the so-called investor class? I think everybody ought to be given that right. As a matter of fact, Congress felt so strongly that people ought to be able to own and manage their own accounts, they set one up for themselves. You've heard me say—I like to say this, if it's good enough for the Congress, it is—it ought to be good enough for the workers, to give them that option. The Government is never saying, "You have to set up a personal savings account." We're saying, "You ought to have the right to set up a personal saving account so you can earn a better rate of return on your own money than the Government can."

And it's that difference between the rate of return, between what the Government gets on your money and what a conservative mix of bonds and stocks can get on your money, that will make an enormous difference in a person being able to build his or her own nest egg that the Government cannot spend.

Now, it's very important for our fellow citizens to understand there is not a bank account here in Washington, DC, where we take your payroll taxes and hold it for you and then give it back to you when you retire. Our system here is called pay-as-you-go. You pay into the system through your payroll taxes, and the Government spends it. It spends the money on the current retirees,

and with the money left over, it funds other Government programs. And all that's left behind is file cabinets full of IOUs.

The reason I believe that this ought to work is not only should a worker get a better rate of return, not only should we encourage ownership, but I want people to have real assets in the system. I want people to be able to say, "Here's my mix of bonds and stocks that I own, and I can leave it to whomever I want."

And I hear complaints saying, "Well, you know, there's going to be high—Wall Street fees are going to fleece the people." There's ways to have fee structures that are fair. As a matter of fact, all you've got to do is go to some of these States where they've got personal accounts available for their workers, and you'll find that the fees will be fair. People say, "Well, I don't want to have to take risk." Well, as I outlined in my opening statement, there are ways where you don't have to take risk. People say, "I'm worried about the stock market going down right before I retire." You can manage your assets. You can go from bonds and stocks to only bonds as you get older.

In other words, we're giving people flexibility to own their own asset, and I think that's a vital part of making sure America is a hopeful place in the future. So not only will these accounts make the system work better, but the accounts are a better deal. The accounts will mean something for a lot of workers that might not have assets they call their own.

David [David Sanger, New York Times].

Timing of U.S. Troop Withdrawal From Iraq

Q. Mr. President, in your question—your answer before about Iraq, you set no benchmarks for us to understand when it is the troops may be able to—

The President. In Iraq?

Q. In Iraq, yes—about when troops may be able to come back.

The President. Right.

Q. Based on what you've learned now in 2 years of fighting the insurgency and trying to train the Iraqi security forces, can you say that within the next year you think you could

have very substantial American withdrawal of troops?

The President. David, I know there's a temptation to try to get me to lay out a timetable, and—as you know, during the campaign. And I'll reiterate it: I don't think it's wise for me to set out a timetable. All that will do is cause an enemy to adjust. So my answer is as soon as possible. And "as soon as possible" depends upon the Iraqis being able to fight and do the job.

I had a good videoconference recently with General Casey and General Petraeus. General Casey is in charge of the theater; General Petraeus, as you know, is in charge of training. And they were upbeat about what they're seeing with the Iraqi troops.

One of the questions I like to ask is, "Are they able to recruit?" In other words, you hear—you see these killers will target recruiting stations, and I've always wondered whether or not that has had an effect on the ability for the Iraqis to draw their fellow citizens into the armed forces. Recruitment is high. It's amazing, isn't it, that people want to serve; they want their country to be free.

The other question that—one of the other issues that is important is the equipping issue, and the equipment is now moving quite well. In other words, troops are becoming equipped.

Thirdly, a fundamental problem has been whether or not there's an established chain of command, whether or not a civilian Government can say to the military, "Here's what you need to do," and whether the command goes from top to bottom and the plans get executed. And General Petraeus was telling me he's pleased with the progress being made with setting up a command structure, but there's still more work to be done.

One of the real dangers, David, is that as politics takes hold in Iraq, whether or not the civilian Government will keep intact the military structure that we're now helping them develop. And my message to the Prime Minister and our message throughout Government to the Iraqis is: Keep stability; don't disrupt the training that has gone on; don't politicize your military, in other words; have them there to help secure the people.

So we're making good progress. We've reduced our troops from 160,000, more or less,

to 139,000. As you know, I announced to the country that we would step up our deployments—step up deployments and retain some troops for the elections. And then I said we'd get them out, and we've done that. In other words, the withdrawals that I said would happen, have happened.

Go ahead; I can see you've got a follow-up right there on the tip of your tongue.

Troop Levels/North Korea

Q. Do you feel that the number of troops that you've kept there is limiting your options elsewhere in the world? Just today you had the head of the Defense Intelligence Agency say that he was now concerned that the North Koreans, for example, could put a weapon, a nuclear weapon, on a missile that could reach Japan or beyond. Do you feel, as you are confronting these problems, the number of troops you've left tied up in Iraq is limiting your options to go beyond the diplomatic solutions that you've described for North Korea and Iran?

The President. No, I appreciate that question. The person to ask that to, the person I ask that to, at least, is to the Chairman of the Joint Chiefs, my top military adviser. I say, "Do you feel that we've limited our capacity to deal with other problems because of our troop levels in Iraq?" And the answer is no, he doesn't feel we're limited. He feels like we've got plenty of capacity.

You mentioned the Korean Peninsula. We've got good capacity in Korea. We traded troops for new equipment, as you know. We brought some troop—our troop levels down in South Korea but replaced those troops with more capacity.

Let me talk about North Korea, if you don't mind. Is that your question?

Q. Go right ahead. [*Laughter*]

The President. I'm surprised you didn't ask it. [*Laughter*]

Look, Kim Chong-il is a dangerous person. He's a man who starves his people. He's got huge concentration camps. And, as David accurately noted, there is concern about his capacity to deliver a nuclear weapon. We don't know if he can or not, but I think it's best when you're dealing with a tyrant like Kim Chong-il to assume he can.

That's why I've decided that the best way to deal with this diplomatically is to bring more leverage to the situation by including other countries. It used to be that it was just America dealing with North Korea. And when Kim Chong-il would make a move that would scare people, everybody would say, "America, go fix it." I felt it didn't work. In other words, the bilateral approach didn't work. The man said he was going to do something, and he didn't do it, for starters. So I felt a better approach would be to include people in the neighborhood, into a consortium to deal with him.

And it's particularly important to have China involved. China has got a lot of influence in North Korea. We went down to Crawford with Jiang Zemin, and it was there that Jiang Zemin and I issued a statement saying that we would work for a nuclear-weapons-free Korean Peninsula.

And so when Kim Chong-il announced the other day about his nuclear intentions and weapons, it certainly caught the attention of the Chinese because they had laid out a policy that was contradicted by Kim Chong-il. And it's helpful to have the Chinese leadership now involved with him. It's more—it's better to have more than one voice sending the same message to Kim Chong-il. The best way to deal with this issue diplomatically is to have five other—four other nations beside ourselves dealing with him. And we'll continue to do so.

Finally, as you know, I have instructed Secretary Rumsfeld—and I've worked with Congress—Secretary Rumsfeld has worked with Congress to set up a missile defense system. And we're in the process of getting that missile defense system up and running. One of the reasons why I thought it was important to have a missile defense system is for precisely the reason that you brought up, that perhaps Kim Chong-il has got the capacity to launch a weapon, and wouldn't it be nice to be able to shoot it down. And so we've got a comprehensive strategy in dealing with him.

Ed [Ed Chen, Los Angeles Times], yes.

Political Atmosphere in Washington/ Social Security Reform

Q. Mr. President, good evening.

The President. Yes.

Q. Sir, you've talked all around the country about the poisonous partisan atmosphere here in Washington. I wonder, why do you think that is? And do you personally bear any responsibility in having contributed to this atmosphere?

The President. I'm sure there are some people that don't like me. You know, Ed, I don't know. I've thought long and hard about it. I was—I've been disappointed. I felt that people could work together in good faith. It's just a lot of politics in the town. It's kind of a zero-sum attitude. "We can't cooperate with so-and-so because it may make their party look good," and vice-versa.

Although having said that, we did have some success in the education bill. We certainly came together as a country after September the 11th. I appreciate the strong bipartisan support for supporting our troops in harm's way. There's been a lot of instances of bipartisanship, but when you bring a tough issue up like Social Security, it—sometimes people divide into camps.

I'm proud of my party. Our party has been the party of ideas. We said, "Here's a problem, and here's some ideas as to how to fix it." And as I've explained to some people, I don't want to politicize this issue. People have said, "You didn't need to bring this up, Mr. President. It may cost you politically." I don't think so. I think the American people appreciate somebody bringing up tough issues, particularly when they understand the stakes: The system goes broke in 2041.

In 2027, for those listening, we'll be obligated to pay 200 billion more dollars a year than we take in, in order to make sure the baby boomers get the benefits they've been promised. In other words, this is a serious problem, and the American people expect us to put our politics aside and get it done.

You know, I can't answer your question as to why. I'll continue to do my best. I've tried to make sure the dialog is elevated. I don't believe I've resorted to name-calling here in Washington, DC. I find that to not be productive. But I also understand the mind of the American people. They're wondering what's going on. They're wondering why we can't come together and get an energy bill, for example. They're wondering

why we can't get Social Security done. And my pledge to the American people is I'll continue to work hard to—with people of both parties and share credit and give people the benefit of the credit when we get something done.

Yes, sir.

President's Agenda

Q. Thank you, Mr. President. Just to follow up on Ed's question, we like to remind you that you came to Washington hoping to change the tone, and yet, here we are, 3 months into your second term and you seem deadlocked with Democrats on issues like Bolton, DeLay, judges. Is there any danger that the atmosphere is becoming so poisoned or that you're spending so much political capital that it could imperil your agenda items like Social Security, energy?

The President. I don't think so, Bill [Bill Sammon, Washington Times]. I think when it's all said and done, we're going to get a lot done. I mean, after all, one of the issues that people have been working on for a long time is class-action lawsuit reform, and I signed that bill. An issue that people have been working on for a long time is bankruptcy law reform, and I signed that bill.

And the House got an energy bill out recently, and I talked to Senator Domenici the other day, and he's upbeat about getting a bill out pretty quickly and get it to conference and get the issues resolved. I'm pretty aware of what the issues might be that will hang up a conference, and I think we can get those issues resolved. We're more than willing to help out. So I do believe I'll get an energy bill by August.

There's a budget agreement, and I'm grateful for that. In other words, we are making progress.

No question the Social Security issue is a big issue, but it's—as I said before, we hadn't talked about this issue for 20 years. And they thought we had it fixed 20 years—22 years ago, for 75 years, and here we are, 22 years later after the fix, talking about it again. And it's serious business. If you're a grandmother or a grandfather listening, you're going to get your check. But your grandchildren are going to have a heck of a price to bear if we don't get something done now.

You see, it's possible, if nothing gets done, that the payroll taxes will go up to some 18 percent. Imagine that for your children and grandchildren, living in a society where payroll taxes are up at 18 percent. Or there will be dramatic benefit cuts as time goes on. Now is the time to get it done. And my pledge to the American people is that I'm going to stay on this issue because I know it's important for you.

Fletcher [Michael Fletcher, Washington Post].

North Korea

Q. Yes, Mr. President. You had talked about North Korea, and you mentioned that the six-party talks allow you to bring extra leverage to the table. But do you think they're working, given North Korea's continued threats and the continuing growth of their nuclear stockpile? And how long do you let it go before you go to the U.N.?

The President. No, I appreciate that question. I do think it's making a difference to have China and Japan and South Korea and Russia and the United States working together with North Korea. In my judgment, that's the only way to get this issue solved diplomatically, is to bring more than one party to the table to convince Kim Chong-il to give up his nuclear ambitions. And how far we let it go on is dependent upon our consensus amongst ourselves. Condi, the other day, laid out a potential option of going to the United Nations Security Council. Obviously, that's going to require the parties agreeing. After all, some of the parties in the process have got the capacity to veto a U.N. Security Council resolution.

So this is an issue we need to continue to work with our friends and allies. And the more Kim Chong-il threatens and brags, the more isolated he becomes. And we'll continue to work with China on this issue. I spend a lot of time dealing with Chinese leaders on North Korea, as do people in my administration. And I'll continue to work with our friends in Japan and South Korea. And Vladimir Putin understands the stakes as well.

Mark [Mark Knoller, CBS Radio].

U.S. Policy on Detainees in War on Terror

Q. Mr. President, under the law, how would you justify the practice of renditioning, where U.S. agents scoop up terror suspects abroad, taking them to a third country for interrogation? And would you stand for it if foreign agents did that to an American here?

The President. That's a hypothetical, Mark. We operate within the law, and we send people to countries where they say they're not going to torture the people.

But let me say something. The United States Government has an obligation to protect the American people. It's in our country's interests to find those who would do harm to us and get them out of harm's way. And we will do so within the law, and we will do so in honoring our commitment not to torture people. And we expect the countries where we send somebody to, not to torture as well. But you bet, when we find somebody who might do harm to the American people, we will detain them and ask others from their country of origin to detain them. It makes sense. The American people expect us to do that. We—we—still at war.

One of my—I've said this before to you; I'm going to say it again—one of my concerns after September the 11th is the farther away we got from September the 11th, the more relaxed we would all become and assume that there wasn't an enemy out there ready to hit us. And I just can't let the American people—I'm not going to let them down by assuming that the enemy is not going to hit us again. We're going to do everything we can to protect us, and we've got guidelines. We've got law. But you bet, Mark, we're going to find people before they harm us.

John McKinnon [Wall Street Journal].

National Economy

Q. Yes, sir. I'd just like to ask, simply, what's your view of the economy right now? First-quarter growth came in weaker than expected. There have been worries about inflation and lower spending by consumers. Are these basically just bumps in the road, in your opinion, or are they reasons for some real concern, and could they affect your agenda on Social Security?

The President. No, I appreciate that, John. I am concerned about the economy because our small-business owners and families are paying higher prices at the gas pump. And that affects the lives of a lot of people. If you're a small-business owner and you have to pay higher gas prices and you're—likely you may not hire a new worker. In other words, higher gas prices, as I have said, is like a tax on the small-business job creators. And it's a tax on families. And I do think this has affected consumer sentiment; I do think it's affected the economy.

On the other hand, the experts tell me that the forecast of economic growth in the coming months looks good. There's more to do to make sure that we don't slip back into slow growth or negative growth. One is to make sure taxes stay low; secondly, is to continue to pursue legal reform. I hope we can get an asbestos reform bill out of both the House and the Senate. There's some positive noises on Capitol Hill as to whether or not we can get an asbestos reform bill. That will be an important reform in order to make sure that our economy continues to grow.

We need to continue to open up markets for U.S. products. As you know, there will be a vote for the Central American Free Trade Agreement here, hopefully soon. I'm a strong believer that that's in the interest of American job creators and workers, that we open up those markets. I know it's important geopolitically to say to those Central American countries, "You've got a friend in America. We said we'd have an agreement with you, and it's important to ratify it. It'll help strengthen the neighborhood."

We've also got to make sure that we continue to reduce regulation. I think an important initiative—I know an important initiative that we're going to be coming forth with here probably in the fall is tax reform. I was amazed by the report the other day that there is some \$330 billion a year that goes unpaid by American taxpayers. It's a phenomenal amount of money. To me, it screams for making the tax system easier to understand, more fair, and to make sure that people pay their taxes. That's—"more fair" means pay what you owe.

And so there are a lot of things we can do, John, to make sure economic growth con-

tinues. But I'm an optimistic fellow, based not upon my own economic forecast—I'm not an economist—but based upon the experts that I listen to.

Let's see here. Richard [Richard Benedetto, USA Today]. [Laughter] There is somebody with a bad throat back there. [Laughter]

No Child Left Behind Act

Q. Mr. President, you've made No Child Left Behind a big part of your education agenda. The Nation's largest teachers union has filed suit against it, saying it's woefully inadequately funded. What's your response to that? And do you think that No Child Left Behind is working?

The President. Yes, I think it's working. And the reason why I think it's working is because we're measuring, and the measurement is showing progress toward teaching people how to read and write and add and subtract. Listen, the whole theory behind No Child Left Behind is this: If we're going to spend Federal money, we expect the States to show us whether or not we're achieving simple objectives like literacy, literacy in math, the ability to read and write. And yes, we're making progress. And I can say that with certainty because we're measuring, Richard.

Look, I'm a former Governor. I believe States ought to control their own destiny when it comes to schools. They are by far the biggest funder of education, and it should remain that way. But we spend a lot of money here at the Federal level and have increased the money we spend here quite dramatically at the Federal level, and we changed the policy. Instead of just spending money and hope for the best, we're now spending money and saying, "Measure."

And some people don't like to measure. But if you don't measure, how do you know whether or not you've got a problem in a classroom? I believe it's best to measure early and correct problems early, before it's too late. That's why, as a part of the No Child Left Behind Act, we had money available for remedial education. In other words, we said, "We're going to measure, and when we detect someone who needs extra help, that person will get extra help."

But absolutely, it's a good piece of legislation. I will do everything I can to prevent people from unwinding it, by the way.

Q. What about the lawsuit? Which—

The President. Well, I don't know about the lawsuit. I'm not a lawyer. But you know, I'll ask my lawyers about the lawsuit. But I know some people are trying to unwind No Child Left Behind. I've heard some States say, "Well, we don't like it." Well, you know, my attitude about not liking it is this: If you teach a child to read and write, it shouldn't bother you whether you measure. That's all we're asking.

The system for too long had just shuffled children through and just hoped for the best. And guess what happened? We had people graduating from high school who were illiterate, and that's just not right in America. It wasn't working.

And so I came to Washington and worked with both Republicans and Democrats; this is a case where bipartisanship was really working well. And we said, "Look, we're going to spend more money at the Federal level." But the Federal Government, what, spends about 7 percent of the total education budgets around the country. But we said, "Let's change the attitude. We ought to start with the presumption every child can learn, not just some, and therefore, if you believe every child can learn, then you ought to expect every classroom to teach."

I hear feedback from No Child Left Behind, by the way—and admittedly, I get the cook's tour sometimes—but I hear teachers talk to me about how thrilled they are with No Child Left Behind. They appreciate the fact that the system now shows deficiencies early so they can correct those problems. And it is working.

Okay. Mr. Knox [Oliver Knox, Agence France-Presse].

North Korea

Q. Thank you, Mr. President. I want to make sure I understand your answer to Mike about North Korea. He asked you how long you were prepared to let the multiparty talks proceed in the face of what might be a gathering threat from North Korea, and you said, how long—and I'm paraphrasing—how long

we let it go on is dependent on our consensus among ourselves—

The President. Yes.

Q. Did you mean to say that you will neither refer North Korea to the U.N. for sanctions nor take military action unless you have the agreement of all the other partners abroad?

The President. No, I didn't speak about military—I'm speaking about diplomatically. And secondly, yes, we've got partners. This is a six-party talk; five of us on the side of convincing Kim Chong-il to get rid of his nuclear weapons, and obviously, Kim Chong-il believes he ought to have some. And my point was that it is best—if you have a group of people trying to achieve the same objective, it's best to work with those people; it's best to consult.

His question was, are you going to—when are you going to—when will there be consequences? And what we want to do is to work with our allies on this issue and develop a consensus, a common approach to the consequences of Kim Chong-il. I mean, it seems counterproductive to have five of us working together and all of a sudden, one of us say, "Well, we're not going to work together."

Again, I repeat to you, our aim is to solve this problem diplomatically. And like I've said before, all options, of course, are on the table, but the best way to solve this problem diplomatically is to work with four other nations who have all agreed in achieving the same goal, and that is a nuclear-free Korean Peninsula.

Final question. Hutch [Ron Hutcheson, Knight Ridder]. I don't want to cut into some of these TV shows that are getting ready to air—[laughter]—for the sake of the economy. [Laughter]

Social Security Reform

Q. I wanted to ask you about your ideas—

The President. Is that all right? Go ahead, Hutch. Sorry.

Q. I wanted to ask you about your ideas on dealing with Social Security solvency problems. As I understand it—I know you'll tell me if I'm wrong—the benefits would be equal to what—at least equal to what they are today, and then any increase in benefits

would be indexed according to income, with lower income people getting bigger increases. Two things on that: Today's benefits probably won't mean much somewhere down the road; and how far are you going to go with this means-based program? Are you talking about—

The President. Yes, I appreciate that.

Q. —where a rich person, say, Dick Cheney, wouldn't get much out of it?

The President. Now, wait a minute, don't get personal here, Hutch. You're on national TV. That's a cheap shot.

First of all, in terms of the definition of who would get—whose benefits would rise faster and whose wouldn't, that's going to be a part of the negotiation process with the United States Congress. There's a—a Democrat economist had a very—he put forth this idea, and he had a level of—I think 30 percent of the people would be considered to be in the lower income scale. But this is to be negotiated. This is a part of the negotiation process. My job is to lay out an idea that I think will make the system more fair.

And the second question—or the first question—

Q. It's a means-based program where the real wealthy people might not get very much out of it.

The President. It is—that's right. I mean, obviously, it is means-based when you're talking about lower income versus wealthier income. The lower income people's benefits would rise faster. And the whole goal would be to see to it that nobody retired in poverty. Somebody who has worked all their life and paid into the Social Security system would not retire into poverty.

One other point on Social Security that people have got to understand is that it's—the system of today is not fair for a person whose spouse has died early. In other words, if you're a two-working family like a lot of families are here in America, and—two people working in your family, and the spouse dies early—before 62, for example—all of the money that the spouse has put into the system is held there, and then when the other spouse retires, he or she gets to choose the benefits from his or her own work or the other spouse's benefits, which is ever higher but not both. See what I'm saying? Some-

body has worked all their life, the money they put into the system just goes away. It seems unfair to me. I've talked to too many people whose lives were turned upside down when the spouse died early and all they got was a burial benefit.

If you have a personal savings account, a voluntary personal savings account, and you—and you die early, that's an asset you can leave to your spouse or to your children. That's an important thing for our fellow citizens to understand. The system today is not fair, particularly if a spouse has died early, and this will help remedy that.

Listen, thank you all for your interest. God bless our country.

NOTE: The President's news conference began at 8:01 p.m. in the East Room at the White House. In his remarks, he referred to Prime Minister Ibrahim al-Jafari of the Iraqi Transitional Government; President Vladimir Putin of Russia; United Nations Special Envoy Terje Roed-Larsen; President Bashar al-Asad of Syria; Gen. George W. Casey, Jr., USA, commanding general, Multi-National Force—Iraq; Lt. Gen. David H. Petraeus, USA, chief, Office of Security Transition—Iraq; Chairman Kim Chong-il of North Korea; and former President Jiang Zemin of China. A reporter referred to Tony Perkins, president, Family Research Council. The Office of the Press Secretary also released a Spanish language transcript of this news conference.

Remarks in a Discussion on Strengthening Social Security in Falls Church, Virginia

April 29, 2005

The President. Thank you all very much. Thanks for the warm welcome. Thanks for coming today. I want to thank the Northern Virginia Technology Council for hosting this event. Sudhaker Shenoy is the chairman. Thank you, Sudhaker, I appreciate it very much. Bobby Kilberg is the president. Obviously, you've stacked the audience with—*[laughter]*—I appreciate you coming.

We're here to talk about an important subject, and that's going to be the future of—what the future holds for younger Americans, you know, is whether or not we've got the will and courage to make sure the Social Security system works for a younger generation.

Before we get there, I do want to say a couple of things. One, I'm sorry Laura is not with me. She is—she's doing a fabulous job as the First Lady. I'm proud of her. I love her dearly.

I appreciate Bill Howell, who is the speaker of the house from the great Commonwealth of Virginia. Mr. Speaker, thank you for coming. I appreciate you being here. Where's the Speaker? There he is. Thanks for coming, Speaker. Appreciate you serving.

I want to thank Tony Griffin, the Fairfax County executive. I'm honored you're here, Tony. Thank you for coming. I want to thank the local and State officials who are here. I appreciate you're willing to serve your community and your State. I want to thank the Department of Community and Recreation Services, Pat Franckewitz and Joyce White, for opening up this beautiful facility. And I want to thank our panelists for joining us here to have a discussion about Social Security.

Look, I—a lot of people have said, "Why did you bring this up, you know? Why do you want to talk about the issue of Social Security when you don't have to? After all, the problem is down the road." I think the job of a President is to recognize reality and, if a President sees a problem, have the willingness to step up in front of the American people and say, "We have a problem," explain the problem, and then go to the United States Congress and say, "Let's work together to fix the problem." The job of the President is to confront problems.

I think the American people—I know the American people expect those of us who have been elected to hold office to have set aside party politics and focus on solutions to problems confronting our country. That's what I know they expect. And that's the spirit in which I enter this debate. On one hand, my job is to confront problems; on the other hand, it's to call people together to solve them. And here's the problem with Social Security.

First, I want to praise one of my predecessors, Franklin Delano Roosevelt. He did a very smart thing when it came to creating a retirement system to help people have dignity in their final years of life. And Social Security has worked for a lot of folks.

The problem is, the math is changing on Social Security, and the reason the math is changing is because there are a bunch of baby boomers like me getting ready to retire. I reach retirement age in 4 years. That's a convenient time. *[Laughter]* Do you realize today there are 40 million retirees, and when the baby boomers fully retire, there's going to be 72 million retirees. In other words, there's a baby boomer bulge, and the group of folks here very soon, will be getting ready to count on a younger generation to pay its benefits that we've been promised.

The problem is, the benefits we've been promised are greater than the benefits promised to a previous generation, and those benefits rise faster than the rate of inflation. And to compound the problem is, we're going to live longer. You got a lot of people, living longer, getting greater benefits.

I'm sitting up here with some folks who are going to be paying into the system. What has changed about the payers into the system is that the number of payers are shrinking relative to those who are going to receive benefits. In 1950, 16 workers were paying into the system for every beneficiary. In other words, the load was pretty light. Today, there are 3.3 workers per beneficiary. Soon there's going to be two workers per beneficiary. Fewer workers paying greater benefits to more people living longer—that's the change in the math. That is what has changed from the time Franklin Roosevelt set up the program.

And what it means in terms of budgetary terms is that in 2017, the pay-as-you-go system goes into the red. "Pay-as-you-go" means, by the way, money comes in, and it goes out. You pay, and we go ahead and spend. And we spend not only on retiree benefits, but we spend on every other program. And all that's left is file cabinets full of IOUs. You know, the people think, well, the Government has collected our money, and they're going to hold it for us, and then when we retire, we'll give it back to you. That's just not the way it works. It is a pay-as-you-go system. And therefore, when you have a lot of baby boomers living longer, getting greater benefits, in a pay-as-you-go—and more and more of us are getting what the

Government said, the system goes into the red because you've got fewer payers.

In 2027, the obligations of the Federal Government to retirees will be \$200 billion greater than the payroll tax receipts. See, starting in 2017, the system goes into the red, and it gets worse every year—2027, 200 billion. About 2030-something, it's 300 billion, and eventually, 2041, it's broke.

And the temptation, by the way, in Washington is to say, "Well, gosh, that seems like a long way down the road." But 2017 is not very far down the road. And if you're a younger worker and you start paying into the payroll system today, and 2041 is about the time you start retiring, I'm telling you, the system is going to be bankrupt unless we do something about it. In other words, you're working all your life; you're putting money in; and by the time it comes for you to get ready to retire, there's nothing there. That's a problem, folks, and it requires a solution. It requires people coming together to make this work.

And so my strategy has been, one, travel around the country, explain to the American people we have a problem. And they now understand we have a problem. The debate in Washington has shifted, by the way. Early on this year, people were saying, "It's not really a problem. You know, we don't have a problem in America." I don't think you hear that anymore. Oh, there may be a few isolated voices saying, "It's not a problem." Most people now understand we've got a problem.

My other mission early on in this—in the debate was to make it clear to seniors, you're going to get your check. There are a lot of people in this country counting on their Social Security check. And a lot of people are saying—as a matter of fact, I went to the computer class and a lady said, "You make sure I get my check." She's counting on it. And I recognize there's been a lot of propaganda. There's been propaganda in political campaigns saying, "If old so and so is elected, you're not going to get your check." And I'm sure there's some propaganda out there working its way through the system now, trying to frighten seniors.

But our seniors have got to understand the system is solvent for them. Nothing changes

for people who were born prior to 1950. It's those born after 1950 that need to ask our elected Representatives, "There is a problem, and what you going to do about it?"

I want to tell you what I think we ought to do about it. I think we ought to come together in good faith and discuss good ideas. I laid out some ideas. I have been laying out ideas about what I think we ought to do. First, I know that we ought to be able to say in a new system, as we fix the safety net for future generations, that you must receive benefits equal to or greater than the benefits enjoyed by today's seniors. In other words, any reform has got to say that to those who are paying into the system.

Secondly, I think the country needs to set this goal for future generations, that if you've worked all your life and paid in the Social Security system, you will not retire into poverty. And there's a way to make that happen, and that is to have the benefits for low-income workers in a future system grow faster than benefits for those who are better off. If Congress were to enact that, that would go a long way toward making the system solvent for a younger generation of Americans.

I have a duty to put ideas on the table. I'm putting them on the table, and I expect Republicans and Democrats to do the same kind of thing, and so do the American people. The American people expect us in Washington, DC, to do our duty and not play politics as usual with an issue as important as Social Security. When Congress comes together to discuss this issue, it's important for us to permanently fix Social Security. The reason I say that is because some of us were around in 1983 when Ronald Reagan called Tip O'Neill and said, "We got a problem," and they came together and put together a 75-year fix. That's what they said, "We got us a 75-year fix."

The problem is 25 years—or 22 years after 1983, we're still talking about it. The 75-year fix lasted about 22 years. And so now is the time to permanently fix Social Security. Any solution that comes forth out of Congress must permanently fix it.

As we permanently fix it, we have a great opportunity to make the system a better deal for younger workers. And here's how: Younger workers should be allowed to take some

of their own money, some of their own payroll taxes they pay into the system, and set it aside in a personal savings account. Now, this isn't the Government telling you what to do, the Government saying, "You must set aside a personal savings account." This is the Government saying, "You should have the option, if you so choose, to take some of your own money, some of the money that you've earned, and put it aside in a personal savings account."

And here's the benefit from such an idea. One, the Government does not—doesn't get a very good return on your money when we take it from you. If you were to put your money in a conservative mix of stocks and bonds, you would get a better rate of return. And that rate of return, over time, will make an enormous difference to somebody who wants to build a nest egg. Do you realize that stock investments have returned about 9 percent more than inflation per year since 1983, while the Social Security real return is only about 2 percent. That means if you were to invest a dollar in the market in '83, it would be worth \$11 today, while your dollar in Social Security is worth 3. Think about what that means if you put a fair amount of money aside over time. It means your own money would grow better than that which the Government can make it grow. And that's important.

It's an important part of being a part of a vibrant—a retirement system. You're going to get a check from the Government. The question is, how big? If you're allowed to take some of your own money and watch it grow faster than the rate at which Government can grow it, it means you've got a bigger nest egg.

Secondly, I like the idea of people owning something. We want more people owning their assets in America. You know, there's kind of a concept around that says maybe only a certain kind of people should own assets, an investor class, maybe only the rich. I firmly reject that idea. That's not how I view America. I want more people owning things, owning their own home, owning their own business, owning their own retirement account, owning assets that they can pass on from one generation to the next. The more

people that are able to do that, the better off America is.

Thirdly, the system today is patently unfair for families if a spouse is to die earlier than expected. Think about this kind of system we have today. You work all your life; your husband or wife works all their life, and one of you dies before 62 years old, or after 62. If they die before 62, you get no survivor benefits. You get a little stipend to help bury your spouse, period. All the money goes in, waits until you reach retirement age. When you reach retirement age, if you have worked as well, you get either your spouse's benefits or your benefits, which are ever higher, but not both.

So if one of the two of you have worked all your life—or worked your life and put money in, you don't get anything as result of your labor. I think it will make sense to allow people to set aside some of their own money in a personal account so they have their own assets, and if they happen to die early, they can pass it on to their wife or husband. In other words, your assets just don't disappear like the current system encourages.

But you've got something you call your own, finally. I like an idea—remember, this is a pay-as-you-go system. People are going to be counting on future Congresses to make decisions what to do with your money. I like the idea of you being able to have an asset base that the Congress can't take away. The Congress doesn't get to spend on your behalf, because it's your asset. You own it. It is your nest egg.

Personal savings accounts make a lot of sense to me. They also make a lot of sense to a generation of Americans that are used to investing. I was telling the folks up here that when I was in the twenties, I don't remember spending a lot of time thinking about my 401(k). It's because they didn't exist. Think about what's happened in our society. A lot of people are becoming accustomed to watching their money grow. There's a new and—a group of investors from all walks of life that are comfortable with watching their assets grow and expect to be able to manage their own assets. The culture has changed when it comes to investing.

Now, people often ask me, you know, “Can I—are there going to be wise ways to set up these savings accounts?” Of course there will be. I’m not going to say, “You can—we want you to have a retirement fund. You can take your money and put it in the lottery.” In other words, there’s a conservative mix of bonds and stocks that will be available. If you’re risk-adverse, you can buy Treasury bonds, as far as I’m concerned.

You know, people say, “Well, you know, what happens if I’m getting close to retirement and there’s a market swing?” Well, when you get close to retirement, there are ways to diversify out of a mix of bonds and stocks and get into strictly bonds—Government-backed bonds. People can manage your money in smart ways. And the role of—it seems like to me a proper role for the Government is to say, “Here are the guidelines in which you can—should be allowed to invest,” but there’s a lot of flexibility so you can choose how best to manage your own assets.

So this makes sense, and Congress needs to hear the voices of people who believe it is right and fair to give them the option to watch their own money grow. And we’ve got some people up here today that have got a pretty good idea about what they want to do with their own money.

Oh, by the way, just as an aside, I think it’ll interest you to know that this isn’t a new idea I’m discussing. As a matter of fact, Congress has given themselves the same opportunity that I think ought to be available for younger workers. There’s what they call a Thrift Savings Plan in Washington, DC. It’s available for Federal workers. It says that if you’re unhappy with the Government’s rate of return, you ought to be able to set aside some of your own money—manage your own money in a retirement account. Seems like to me that if a Member of the United States Congress thinks it’s okay to manage his or her money, that same privilege and opportunity ought to be extended to workers all across America. What’s good for the Congress ought to be good for the working people in the United States.

Doctor Olivia Mitchell is with us. She’s an expert on the subject. Ph.D.?

Dr. Olivia Mitchell. Yes, sir.

The President. For those of you who are younger, I just want you to look at the examples being set here. Olivia is a Ph.D. I was a C student. [*Laughter*] Olivia is the expert. I’m the President. [*Laughter*] Anyway, thanks for coming. A couple of B’s, a couple of B’s, yes. [*Laughter*]

Tell us what you do, Olivia.

Dr. Mitchell. Yes, sir, thank you. It’s a great pleasure to be here with you today. I teach pensions in Social Security at the Wharton School at the University of Pennsylvania. I’ve been teaching in this area for 25 years, and the one thing that I’ve noticed is this year, the students are paying attention, finally, and I thank you for that. You’re a great educator.

The President. They ought to be paying attention. The Social Security trustees estimate that for every year we wait, it costs another \$600 billion. It is conceivable that if we do nothing, that the payroll tax will get up to 18 percent for younger Americans.

Anyway, go ahead.

Dr. Mitchell. So it’s absolutely correct. The system is running into trouble. Within 13 years, the payroll tax coming in will not be sufficient to pay benefits.

[*At this point, Dr. Mitchell continued her remarks and concluded as follows.*]

Dr. Mitchell. As a former member of your Commission to Strengthen Social Security, I watched with great attention to the press conference last night, and I was very encouraged, because I heard several things; One, that you’re going to try to reduce the rate of growth of benefits to restore solvency—that’s essential—two, that benefits will never fall below today’s benefits—I think that’s key—and third, the thing you’ve spent a lot of effort focusing on, personal retirement accounts. Those, to my mind, are a central element—diversified, low cost, and offer people the opportunity to manage their money. So I congratulate you for it.

The President. Yes, I asked Olivia to join a council headed by Daniel Patrick Moynihan. Unfortunately, he has gone on. But he ran a bipartisan Commission in 2001.

Dr. Mitchell. He and Dick Parsons.

The President. Yes, Dick Parsons—and they took a look at this in a very sober way,

in a nonpolitical way, and came up with some serious recommendations, many of which are now being discussed in Congress. And I want to thank you for serving on that.

The Commission shows what is possible when people set aside partisan politics and focus on solving America's problems. And that's what we need to do in Washington. There's too much kind of "gotcha" politics, you know, "We can't work here because somebody may look good." But eventually what's going to happen in this debate is that if—those who block meaningful reform are going to be held to account in the polls. See, the more people who understand the problem, the more young people who understand inaction by this Government is going to saddle them with enormous taxes—will be going to the polls. They're going to be saying to the people running for office, "How come you didn't do anything about it? Where were you when it came time to come up with fair reform that take care of the poor, that make sure that younger workers have got a better deal?" And so I want to thank you for your hard work on that issue, Olivia. And thank you for joining me again.

Kristin Seitz is with us. Kristin welcome?

Kristin Seitz. Thank you.

The President. Do you make a living?

Ms. Seitz. I do. My name is Kristin Seitz. I'm 23 years old, and I'm actually the executive coordinator at the Northern Virginia Technology Council.

The President. Good.

Ms. Seitz. I graduated in 2004 from the Ohio State University, and NVTC is my first job since graduating.

The President. Great, yes. Are you concerned about the fact that the mighty Texas Longhorns will be playing at Ohio State this year? [Laughter]

Ms. Seitz. I actually got my alumni tickets yesterday in the mail.

The President. You did? Good.

Ms. Seitz. And unfortunately, I will not be at the Texas game, which is a real shame.

The President. Anyway—[laughter]—back to the subject at hand. You told me that you contribute to a 401(k)?

Ms. Seitz. I do. I contribute up to 3 percent. We get matched at NVTC—

The President. Right.

Ms. Seitz. —for up to 3 percent. I actually invest up to 4 percent.

The President. Good.

Ms. Seitz. I'm also looking at—

The President. Why are you doing that? Why did you decide to do more?

Ms. Seitz. Because I like the idea that I'm able to grow my money. I can invest it, and the faster it grows, the more money I'm going to have, the better I'm going to be in the future.

The President. Yes. And at age 23, that seems like an awfully young age for people to be investing. "Investing" is kind of a powerful word for a lot of people in America. They wonder, "Can I possibly figure out how to invest?" And I'm just curious, have you found it to be a burdensome experience—

Ms. Seitz. I have not.

The President. —a nerve-wracking experience, an easy experience?

Ms. Seitz. I very much enjoy it. I like being able to go through and see what is doing well, what is not. My boyfriend, George, who is actually from Texas—

The President. Boyfriend, George?

Ms. Seitz. My boyfriend, George, who is from Texas—[laughter].

The President. Where is he? Big George? Where is George from Texas, do you know?

Ms. Seitz. He's in San Antonio.

The President. San Antonio. Awesome, George. You got a little notoriety here. [Laughter] Maybe the folks back home are watching C-SPAN, you never know. [Laughter]

Ms. Seitz. He just started a career recently in personal finance and sells mutual funds, so I was looking into investing in a mutual fund as well.

The President. Yes, good. But you're paying attention to it. It's a subject that is—you're comfortable in talking about investment, which is an important thing for people to understand. Sometimes you hear what these personal accounts—I mean, asking people to do something they're not capable of doing. Frankly, it's kind of an elitist point of view, isn't it? Plenty of people are capable of learning how to watch their money, particularly since it's their money.

Give me your views on Social Security. Have you got any thoughts on that?

Ms. Seitz. I have noticed, since this is my first full-time job out of college, how much money is taken out of my paycheck each pay period for Social Security that I may not see when it comes to my retirement.

The President. Yes, see, it's interesting. It's the biggest tax a lot of people pay. And younger Americans are saying, "I'm not so sure I'm going to see it." The benefits of putting into it—and I appreciate that. A lot of—I like to quote the—some youngster told me about the survey that said, many young people are—think it's more likely they're going to see a UFO than get a Social Security check. [Laughter] I don't know if you're one or not. [Laughter]

But it's an interesting dynamic, isn't it? A lot of young people are beginning to say, "It's taking a big bite out of my check, and I'm putting into a system I'm not sure I'm going to see anything back from," which says to me that people who have been elected to office better be wary of not taking care of the system, because when a lot of young people—see, when their grandparents realize they're going to get the check, nothing changes, and a lot of young people are starting to say, "I'm putting something into the system that may not be around when I retire," it creates an interesting set of dynamics, doesn't it? A lot of young people are beginning to pay attention to the issue, a lot of young people are comfortable with investing.

Do you get a—how do you pay attention to what you invest in?

Ms. Seitz. I can go online and check my—what each of my investments are doing, and I can change them at that time if I feel it's necessary.

The President. Yes. It's great, isn't it? It's an interesting system. It's an interesting cultural change, people going online to watch her investments grow. And if she doesn't like what's happening, she can change. And to me, I like the idea of Americans opening up a statement on a regular basis, watching their assets. It may make people pay attention closer to tax policy in Washington, DC, for example, or decisions made by elected officials.

Thanks for coming. Well done. Good job on hanging out with a Texan. [Laughter]

Yuctan Hodge.

Yuctan Hodge. Good morning, Mr. President.

The President. Yuctan—it's a really interesting first name.

Mr. Hodge. Yes, it is. My dad is Anguillan. It's a small Virgin Island off the coast of St. Martin. And the name means "forever young."

The President. Forever young? Yuctan, I've got bad news for you. [Laughter]

Mr. Hodge. In spirit, sir, in spirit.

The President. Yes, in spirit. That's good. If you can stay forever young, the Social Security issue wouldn't matter. [Laughter]

Mr. Hodge. Not at all.

The President. Someday, you're going to be counting on the check. Tell me what you do.

Mr. Hodge. I started a web development company in 2000 while I was an undergrad at the University of Virginia, studying economics.

The President. How about that? Entrepreneur, somebody who is taking risk, somebody in college. It's fantastic. How's it doing?

Mr. Hodge. It's doing very well. I'm actually getting ready to actually close it down because in the fall, I'll be returning to UVA to attend the Darden MBA program.

The President. Fabulous. Congratulations.

Mr. Hodge. I'm very excited.

The President. Yes, you ought to be. You ought to be. It says here, like, you're about to get married. You're going to go back to school and get married.

Mr. Hodge. I have a very busy summer coming up. I'm getting married in July. My fiancée is here in the audience.

The President. Oh, there she is. Fantastic. Congratulations. When—what's the date?

Mr. Hodge. July 3d.

The President. Tied up, but—[laughter].

Mr. Hodge. Well, it's here in the city, if you can make it.

The President. It is, well—[laughter]—send me an invitation. At least you'll get a gift. [Laughter]

Give me your thoughts on investments. Obviously, you're a smart guy, started your own business prior to graduating from college. You've got ambitions, dreams, hopes.

Mr. Hodge. Well, the same year I started my company, I also opened a Roth IRA with Fidelity and started capping it out each year because I realized—

The President. Tell people what a Roth IRA is. Some people listening may not understand what a Roth IRA is.

Mr. Hodge. It's basically another retirement account that you can set aside, I believe this year, it's 3,500 a year tax-free. And you could return that money to you at around 55, I believe.

The President. Right. In other words, it's in a savings account. It's a way for an individual to set aside some of his own money in this case and watch it grow.

Mr. Hodge. Definitely.

The President. Yes.

Mr. Hodge. And again, I check it online and get monthly statements so I always know what's going on with my money.

The President. So you're paying attention. Sure.

Mr. Hodge. I'm definitely paying attention.

The President. Yes. Don't you like the idea of people paying attention to their assets and watching them grow? I think it's an incredibly fantastic opportunity to spread that opportunity throughout our entire society. So Social Security, yes, this is the subject here. [Laughter]

Mr. Hodge. Well, I know that Social Security won't be around, and yet your plan for personalized accounts takes advantage of one of the principles I learned in economics, was compound interest and amortization, the fact that I could have an account that I have control over that makes—turns my money and allows it to make more money is far better than any alternative.

The President. Yes, compound interest for some may be a concept they're not familiar with. Money grows exponentially?

Mr. Hodge. That's correct.

The President. How would you describe compound interest?

Mr. Hodge. Your money grows depending on how you have it quarterly or yearly. And every year—

The President. Tends to accumulate and get bigger and bigger and bigger.

Mr. Hodge. Definitely.

The President. Do you realize that if you're a person who's made \$35,000 over your lifetime, and the Government allowed you to take a third of your payroll taxes over that period of time and set it aside in a conservative mix of stocks and bonds, that over time, when it came time to retire, that money you set aside would grow to be \$250,000. That's the compounding rate—that's what, when you keep investing your money, keep reinvesting and interest—the compounding rate of interest allows for that kind of growth.

Think about that. A person who has made \$35,000 over their life, allowed to take a third of the payroll taxes, set it aside in the personal savings account they call their own. That person has got a nest egg, tangible assets that they can then pass on to whomever they choose. That's the power of compounding interest. We don't have that power if we hold your money in Government to the extent that you can have if you hold it yourself. And that's what—that's what Yuctan is talking about. He said—I think he's saying, "Just give me the chance." He wants—

Some people may not choose, by the way, to set aside their money. That's okay. The great thing about America is we ought to be giving people the opportunity to make that decision. Government ought not to make it for people, particularly since—the interesting thing is that, as I said earlier, Congress has already made that decision for themselves. [Laughter] Don't you find that ironic?

Mr. Hodge. I do.

The President. Yes. [Laughter] It's called leading the witness. [Laughter] Good luck on the wedding, July 3d. Gosh, you're awesome.

Mr. Hodge. Thank you very much.

The President. Yes. And I'm looking forward to meeting the fiancée after the event.

Mr. Hodge. And the in-laws are here too—[laughter]—my mother-in-law and two sisters-in-law.

The President. Yes, that's a smart move—[laughter]—a really smart move.

Mr. Hodge. Thank you, Mr. President.

The President. Didn't need an MBA to figure that out. That's good. [Laughter]

Colleen and Justin Rummel, welcome.

Colleen Rummel. Good morning.

The President. Thanks for coming. What do you all do?

Mrs. Rummel. My name is Colleen Rummel, and I graduated from Ball State in 2000. And we came out here, and we began working at Verizon right away, and I'm an analyst there.

The President. You two work together?

Mrs. Rummel. Yes, we do, two floors apart. [Laughter]

The President. Really, interesting.

Mrs. Rummel. Yes, it's interesting. It's fun, and it's, you know, it's nice to be able to see him all the time.

The President. Yes. [Laughter]

Mrs. Rummel. We do drive separately, though.

The President. The definition of a new-lywed. [Laughter] That's great. How is work?

Mrs. Rummel. It's good. I have actually contributed to the 401(k) right away—

The President. Got a 401(k)?

Mrs. Rummel. Yes, yes, and they have a great matching program, so we took advantage of that because we wanted to make sure that we had something, because I've never felt that Social Security really would be available for us.

The President. Isn't that interesting? A lot of people feel that way, your age?

Mrs. Rummel. Seems like it.

The President. Yes. Well, I'm going to keep talking about it. See, I think it's really important for people your age to understand the truth. The best thing the President can do is just out lay the truth. Just put the facts out there. People can make up their own mind about whether or not they feel comfortable about Social Security. You're—I guess, you're getting the message—401(k)s, again, so people fully understand what that is?

Mrs. Rummel. We get to set aside up to a certain percentage of our paycheck pre-tax, per pay period. And some companies offer a matching program where they will match up to the next percentage to help affect your growth—

The President. Right.

Mrs. Rummel. —and grow your investment.

The President. You and old Justin there, figure out what you're going to invest in?

Mrs. Rummel. Actually, our son. We have an almost 11-month-old son, and once he was born, we realized with all the costs that come with raising children, just child care and braces and college, and gosh, he just started almost walking, so now we're thinking, "Oh my gosh, he's just going to get into everything in."

The President. She is, yes.

Mrs. Rummel. We realized that we need the—we need to make sure we have some money set aside so that way, you know, if something happens to us, he's taken care of besides—especially if he's above the age of getting death benefits from the parents.

The President. Yes, I appreciate that. Justin, you got anything to offer there? Mom's doing a heck of a job. [Laughter]

Justin Rummel. She's talking for me, as usual. The program that is actually set aside is mainly for our son, Gavin. He's the main focus with that, the idea of being able to take money, set it aside, and also bring it back, is definitely a key factor, but along with that—alongside of that, the idea that Social Security won't be there for us when we retire, and we're taking the steps for it. What I'm really concerned about is what's going to happen to him and what he's going to have to deal with at the point where Social Security becomes bankrupt.

The President. Yes. That's a great question. First of all, I've always said Social Security is a generational issue. Once the grandparents here in America understand they're going to get their check, then they start saying, "What about my grandkids?" Here you've got young parents wondering about their child—their child, Gavin. And it's a natural question for people from one generation to ask.

You know, we—those of us who are baby boomers were very fortunate to have a generation before us make huge sacrifices for the country. They confronted problems. They confronted big problems. It's now our obligation to confront the same problems so that the next generation coming up will say, "Thankfully—thankfully the generation ahead of us did the right thing."

There's a lot of parents, you know, beginning to—when they figure out what's going on, are beginning to say, "Gosh, we've got

a serious problem for my child, and I expect the Government to do something about it.”

Here we’ve got a young couple, used to managing their own money. Mom has said she’s not sure Social Security is going to be there. Dad said, “If it’s not there for us, it’s definitely going to be a burden for my kid.”

See, the issue here is, once you see the problem, whether or not we’ve got the political will to deal with it. Otherwise we strap a—younger generations with enormous financial burdens. And I appreciate you worrying about your kid. You need to worry about yourself, too, because you’re going to be paying into a system that is bankrupt in 2041.

Thanks for coming. Good luck.

Mrs. Rummel. Thank you.

The President. Good.

Mr. Rummel. Thank you.

The President. Yes. I appreciate you being here.

Paul Sanchez.

Paul Sanchez. How are you doing?

The President. Pretty cool. [Laughter] So, so. [Laughter] Feeling great, thank you. How are you doing? [Laughter]

Mr. Sanchez. I’m doing great.

The President. You’re looking good.

Mr. Sanchez. This is fun. This is new for me, so—

The President. Well, welcome. Are you employed?

Mr. Sanchez. Yes, sir, I am. I’m a certified financial planner. I work for Sullivan, Bruyette, Speros & Blayney in Tysons Corner, Virginia.

The President. Yes, here’s your chance. Looking for some customers?

Mr. Sanchez. Absolutely. [Laughter] Can never have too many of those, right?

The President. That’s right. Where were you raised?

Mr. Sanchez. San Antonio, Texas. [Laughter]

The President. Did you know George? [Laughter]

Mr. Sanchez. No, I don’t.

The President. High school? Yes, where did you go to high school?

Mr. Sanchez. John Jay High School in San Antonio.

The President. John Jay, very good.

Mr. Sanchez. You know that school?

The President. Yes, of course. I was, remember, the Governor. [Laughter] How quickly they forget.

Mr. Sanchez. I could really test you and ask if you know the mascot, but I won’t do that.

The President. No. [Laughter] So, like, why did you sign up for this panel, just out of curiosity?

[Mr. Sanchez made further remarks.]

The President. Yes. Isn’t it interesting to hear people sit up here and say, “I’m not so sure Social Security is going to be there for me.” I don’t remember saying that when I was 20 years old. As a matter of fact, I was pretty confident that—when I thought about it—the promise Government had made to me and others would be kept. And here, we’ve got citizens sitting up here saying, “I don’t think the system is going to be there for me.” It’s an interesting dynamic that people in Washington must pay attention to. In other words, they’re saying, “We’ve got a problem.”

And the sad thing is, we’ve got folks who are just beginning to pay into the system. It must be a little discouraging to be paying into a system that you’re not sure is going to be there.

Mr. Sanchez. Well, I try to put a positive spin on it. My dad is 60, so he’s counting down the days to where he gets it, so I figure, he’ll get some of what I’m paying in.

The President. No, that’s—I appreciate that. And—

Mr. Sanchez. He does too.

The President. Yes, that’s right. [Laughter] No, I’m supposed to be the funny guy. [Laughter]

Mr. Sanchez. I figured I was from Texas; we could share a little bit. [Laughter]

The President. *Compadre.* [Laughter] You know, you—first of all, you hear these stories about people saying, “Gosh, well, if I were in the stock market and the market declined, I’d lose everything.” Give people a sense, as a planner, of how you help people at the end of their life prepare for a different risk portfolio.

Mr. Sanchez. When I started investing, it was in 1997, right out of college. So I’ve

seen two extremes. I've seen a bull market that has just taken off, and I've seen a bear market just go way down. But what that brings you back to is fundamentals. When you see extremes, you've got to go back to fundamentals. When you look long term, we're always showing clients the power of investing over 20, 25, 30 years, and there's a lot of power there. So you've just got to pick a strategy, be disciplined with it, understand your risk tolerance, and like you're saying, you can go to Treasury bonds if you're so risk-averse. But if you're someone like myself, who is willing to take a little risk, put half or 70 percent in stocks, and watch it grow and work for you.

The President. I suspect your risk portfolio will change as you get a little older, don't you?

Mr. Sanchez. Absolutely, it will change. But for now, I'm still pretty—

The President. And that's important for people to understand. In other words, there's flexibility, where you can decide to match your—you put your money where you're comfortable. As you get older, you can transfer from, say, a mix of bonds and stocks to only bonds, relatively risk-free bonds, so that there's more security the closer you come to retirement. You're not stuck in one type of investment vehicle.

Secondly, one of the things that you hear about—well, you know, Wall Street is going to gouge these people. Do you realize, there's a lot of folks around the country who work for local governments that enable their—local governments enable their people to invest in private accounts, put their own money in a personal savings account. That happens a lot. I was in Galveston, Texas. That happens in Galveston. Yes, it's hard to believe—[laughter]—but it happens in Ohio. It happens in the State of Ohio. And people need to know that fees can be managed properly, so you're not gouged. The Government is going to make sure you're not gouged. If we're wise enough to create these accounts for people, there's going to be Government oversight to make sure that people are treated fairly. And that's what you've got to know.

Mr. Sanchez. Index, index funds.

The President. Yes, see, index funds. Whatever the heck that means. [Laughter] No, just kidding. [Laughter]

I do want to thank you all for coming. I hope you have found this to be an interesting dialog. Most particularly, I hope you have—if you're a younger American, I hope you pay attention to this issue like these good folks have done. There's a lot at stake for you. It may not seem like it now—"22 years old, got a lot of life ahead of me." I'm telling you, if the Government doesn't act, you're going to be saddled with a big burden. When you get old enough, you're going to be saying, "How come they didn't act? How come the United States Congress is so focused on their parties, political parties, that they didn't have the courage to make sure the system was solvent for me?" The Social Security system is solvent for people who were born prior to 1950. You don't have a thing to worry about. But if you've got a child or a grandchild coming up and working hard, you'd better be worried about whether or not this Congress can do its duty.

I'm confident we're going to get something done. I believe the more the people understand the nature of the problem, the more they're going to speak out to their elected Representatives. The more they understand the nature of the problem, the more they're going to be saying to those of us who are serving, "Go get it fixed." And I'm fully prepared to help in the process. I put forth ideas to move the process along. Anybody who has got a good idea, bring it forward. And then we'll be able to say, when we solve it, "We did our duty for a generation of Americans coming up."

Thanks for giving us a chance to visit with you. God bless.

NOTE: The President spoke at 10:29 a.m. at the James Lee Community Center. In his remarks, he referred to Patricia D. Franckewitz, director, Fairfax County Department of Community and Recreation Services; Joyce White, director, James Lee Community Center; and Richard Parsons, co-chair, President's Commission to Strengthen Social Security.

Remarks at a Tree Planting Ceremony in Honor of Arbor Day

April 29, 2005

The President. Glad you all are here. Ready, Mr. Secretary?

Secretary of Agriculture Mike Johanns. I'm ready.

The President. First of all, I'm honored—we're honored to be here with the Secretary of Agriculture as well as Marshal Case, who is head of The American Chestnut Foundation. We are planting an American chestnut tree here at the White House. This is the 133d year of Arbor Day. Our message is to our fellow citizens: Plant trees. It's good for the economy, and it's good for the environment.

As well Marshal informs me that The American Chestnut Foundation has worked very closely with the Agriculture Department to coming up with a disease-resistant strain of the American chestnut. And he says we're making good progress and that one day the American chestnut, which had been wiped out by blight, will be coming back. And this is our little part to help it come back.

So, Mr. Secretary, are you prepared?

Secretary Johanns. I am ready. Let's—

The President. A man known for showing a lot of things. [Laughter]

Secretary Johanns. Exactly.

The President. Ready to go?

Secretary Johanns. Yes, I am ready.

The President. All right, let's do it.

NOTE: The President spoke at 1 p.m. on the North Lawn at the White House. In his remarks, he referred to Marshal T. Case, president and chief executive officer, The American Chestnut Foundation. A tape was not available for verification of the content of these remarks.

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.

April 23

In the morning, at the Bush Ranch in Crawford, TX, the President had an intelligence briefing.

April 25

In the morning, the President had an intelligence briefing.

Later in the morning, the President welcomed Crown Prince Abdullah of Saudi Arabia to the Bush Ranch. Later, he met with the Crown Prince.

In the afternoon, the President had lunch with the Crown Prince.

The White House announced that the President will welcome Prime Minister Konstandinos Karamanlis of Greece to the White House on May 20.

The President announced his designation of C. David Welch as a member of the Presidential delegation to attend the funeral services of former President Ezer Weizman of Israel on April 26.

April 26

In the morning, the President had an intelligence briefing. Later, he traveled to Galveston, TX, where, upon arrival, he met with USA Freedom Corps volunteer Dorothy Paterson.

In the afternoon, the President returned to Washington, DC.

The President announced his intention to nominate Sandra L. Pack to be Assistant Secretary of the Treasury (Management) and, upon appointment, to designate her as Chief Financial Officer.

The President announced his intention to nominate Randal Quarles to be an Under Secretary of the Treasury (Domestic Finance).

The President announced his intention to nominate John J. Sullivan to be General Counsel of the Department of Commerce.

The President announced his intention to nominate James Philip Terry to be Chairman of the Board of Veterans' Appeals.

The President announced his intention to nominate John M. Reich to be Director of the Office of Thrift Supervision at the Department of the Treasury.

The President announced his intention to designate F. Duane Ackerman as Chairman

of the President's National Security Telecommunications Advisory Committee.

The President announced his intention to redesignate Patricia F. Russo as Vice Chairman of the President's National Security Telecommunications Advisory Committee.

The President announced his intention to redesignate Steven J. Law as a member of the Overseas Private Investment Corporation.

April 27

In the morning, the President had an intelligence briefing. Later, he met with Secretary of Defense Donald H. Rumsfeld.

In the afternoon, the President met with Republican Members of the House of Representatives to discuss legislative priorities.

In the evening, at a private residence, the President made remarks at a National Republican Senatorial Committee reception.

The President announced his intention to nominate Molly Hering Bordonaro to be Ambassador to Malta.

The President announced his intention to nominate Donald E. Booth to be Ambassador to Liberia.

The President announced his intention to nominate Joseph A. Mussomeli to be Ambassador to Cambodia.

The President announced his intention to nominate David Horton Wilkins to be Ambassador to Canada.

The President announced his intention to nominate Julie Finley for the rank of Ambassador during her tenure of service as U.S. Representative to the Organization for Security and Cooperation in Europe.

The President announced his intention to nominate Shara L. Aranoff to be Commissioner of the U.S. International Trade Commission.

The President announced his intention to nominate Richard J. Griffin to be Assistant Secretary of State for Diplomatic Security.

The President announced his intention to designate Deborah A. Price as Acting Assistant Secretary of Education for Legislative and Congressional Affairs.

The President announced his intention to nominate Dennis P. Walsh to be a member of the National Labor Relations Board.

April 28

In the morning, the President had an intelligence briefing.

Later in the morning, in the Oval Office, the President met with President Martin Torrijos of Panama.

The President announced his intention to nominate Kevin F. Sullivan to be Assistant Secretary of Education for Communications and Outreach.

The President announced his intention to nominate Richard L. Skinner to be Inspector General of the Department of Homeland Security.

The President announced his intention to designate Bruce N. Crandlemire as Acting Inspector General of the U.S. Agency for International Development.

April 29

In the morning, the President had an intelligence briefing. He then traveled to Falls Church, VA. Later, he returned to Washington, DC.

In the afternoon, the President had lunch with Vice President Dick Cheney.

During the day, in the Oval Office, the President met with editors of "The Papers of George Washington."

The White House announced that the President will welcome Nigerian President and Chairman of the African Union Olusegun Obasanjo to the White House on May 5.

The President announced his intention to nominate Rodney E. Hood to be a member of the National Credit Union Administration Board.

The President declared an emergency in New Hampshire and ordered Federal aid to supplement State and local recovery efforts in the area struck by record snow on March 11–12.

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.

Submitted April 25

Robert B. Holland III,
of Texas, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice Carole Brookins, resigned.

Charles E. Johnson,
of Utah, to be an Assistant Secretary of Health and Human Services, vice Janet Hale, resigned.

Brian D. Montgomery,
of Texas, to be an Assistant Secretary of Housing and Urban Development, vice John Charles Weicher.

Roger Dwayne Pierce,
of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde.

James H. Bilbray,
of Nevada, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position he was appointed during the last recess of the Senate.

Philip Coyle,
of California, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position he was appointed during the last recess of the Senate.

Adm. Harold W. Gehman, Jr., USN, (Ret.),
of Virginia, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position he was appointed during the last recess of the Senate.

James V. Hansen,
of Utah, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position he was appointed during the last recess of the Senate.

Gen. James T. Hill, USA, (Ret.),
of Florida, to be a member of the Defense Base Closure and Realignment Commission

(new position), to which position he was appointed during the last recess of the Senate.

Gen. Lloyd Warren Newton, USAF, (Ret.),
of Virginia, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position he was appointed during the last recess of the Senate.

Anthony Joseph Principi,
of California, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position he was appointed during the last recess of the Senate.

Samuel Knox Skinner,
of Illinois, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position he was appointed during the last recess of the Senate.

Brig. Gen. Sue Ellen Turner, USAF, (Ret.),
of Texas, to be a member of the Defense Base Closure and Realignment Commission (new position), to which position she was appointed during the last recess of the Senate.

Submitted April 27

Shara L. Aranoff,
of Maryland, to be a member of the U.S. International Trade Commission for a term expiring December 16, 2012, vice Marcia E. Miller, term expired.

Ben S. Bernanke,
of New Jersey, to be a member of the Council of Economic Advisers, vice Harvey S. Rosen.

Dennis P. Walsh,
of Maryland, to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 2009 (reappointment).

David Horton Wilkins,
of South Carolina, to be Ambassador to Canada, vice Argeo Paul Cellucci.

Submitted April 28

Donald E. Booth,
of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor,

to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Liberia.

Molly Hering Bordonaro, of Oregon, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

Julie Finley, of the District of Columbia, to be U.S. Representative to the Organization for Security and Cooperation in Europe, with the rank of Ambassador.

Richard J. Griffin, of Virginia, to be an Assistant Secretary of State (Diplomatic Security), vice Francis X. Taylor, resigned.

Richard J. Griffin, of Virginia, to be Director of the Office of Foreign Missions, and to have the rank of Ambassador during his tenure of service, vice Francis X. Taylor, resigned.

Catherine Lucille Hanaway, of Missouri, to be U.S. Attorney for the Eastern District of Missouri for the term of 4 years, vice Raymond W. Gruender, resigned.

Joseph A. Mussomeli, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Cambodia.

Richard L. Skinner, of Virginia, to be Inspector General, Department of Homeland Security, vice Clark Kent Ervin.

Kevin F. Sullivan, of New York, to be Assistant Secretary for Communications and Outreach, Department of Education, vice Laurie Rich, resigned.

Dina Habib Powell, of Texas, to be an Assistant Secretary of State (Educational and Cultural Affairs), vice Patricia de Stacy Harrison.

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 April 25

Transcript of a press briefing by Secretary of State Condoleezza Rice and National Security Adviser Stephen J. Hadley on the President's visit with the Crown Prince of Saudi Arabia

Statement by the Press Secretary: Visit by Prime Minister Karamanlis of Greece to Washington

Released April 26

Transcript of a press gaggle by Press Secretary Scott McClellan

Fact sheet: Millions Enjoy Ownership and Control Outside of Social Security

Released April 27

Transcript of a press briefing by Press Secretary Scott McClellan

Statement by the Press Secretary announcing that the President signed S. 167

Fact sheet: Promoting Energy Independence and Security

Released April 28

Fact sheet: Strengthening Social Security for Those in Need

Released April 29

Transcript of a press briefing by Press Secretary Scott McClellan

Statement by the Press Secretary announcing that the President signed H.R. 787

Statement by the Press Secretary on disaster assistance to New Hampshire

Statement by the Press Secretary on the upcoming visit by Nigerian President and Chairman of the African Union Olusegun Obasanjo

Fact sheet: Strengthening Social Security for Today's Younger Workers

**Acts Approved
by the President**

Approved April 27

S. 167 / Public Law 109-9
Family Entertainment and Copyright Act of
2005

Approved April 29

H.R. 787 / Public Law 109-10
To designate the United States courthouse
located at 501 I Street in Sacramento, Cali-
fornia, as the “Robert T. Matsui United
States Courthouse”