

Weekly Compilation of
**Presidential
Documents**



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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, January 26, 2007

Statement on Republican National Committee Leadership

January 19, 2007

The Republican Party has a long and rich history of empowering Americans to determine the future of our country. Today members of the Republican National Committee selected a new team of leaders who will build upon our strong legacy and will encourage more Americans to join our party.

We are fortunate that the Republican National Committee will be under the leadership of Senator Mel Martinez as general chairman, Mike Duncan as chairman, and Jo Ann Davidson as cochairman. Senator Martinez will help our party effectively communicate the Republican message of hope and opportunity for all Americans. Mike Duncan is a proven leader who will organize thousands of dedicated staff and volunteers to educate Americans about the great promise of our agenda. Jo Ann Davidson will continue to draw upon her extensive political experience to help expand our support in communities throughout our country.

I am pleased that this team has been put into place and look forward to working with them on our continued efforts to keep our country safe and prosperous.

NOTE: This item was not received in time for publication in the appropriate issue.

The President's Radio Address

January 20, 2007

Good morning. For many Americans, the new year began with a resolution to live a better and healthier life. Whatever goals you have set for yourself this year, one goal we can all share is reforming our Nation's health care system.

Americans are fortunate to have the best health care system in the world. The Government has an important role to play in our

system. We have an obligation to provide care for the most vulnerable members of our society—the elderly, the disabled, and poor children and their parents. We are meeting this responsibility through Medicare, Medicaid, and the State Children's Health Insurance Program. We must strengthen these vital programs, so that they are around when future generations need them.

For all other Americans, private health insurance is the best way to meet their needs. But rising health care costs are making insurance too expensive for millions of our citizens. Health care costs are growing more than two times faster than wages, and this is making it harder for working families to buy insurance on their own. Rising costs are also making it harder for small businesses to offer health coverage to their employees. Our challenge is clear: We must address these rising costs, so that more Americans can afford basic health insurance, and we need to do it without creating a new Federal entitlement program or raising taxes.

Our Nation is making progress toward this goal. We created health savings accounts, which empower patients and can reduce the cost of coverage. We are working to pass association health plans, so that small businesses can insure their workers at the favorable discounts that big businesses get. We must pass medical liability reform, so we can stop the junk lawsuits that drive costs through the roof and good doctors out of practice. We've taken important steps to increase transparency in health care pricing and give patients more information about the quality of their doctors and hospitals.

One of the most promising ways to make private health insurance more affordable is by reforming the Federal Tax Code. Today, the Tax Code unfairly penalizes people who do not get health insurance through their job. It unwisely encourages workers to choose overly expensive, gold-plated plans. The result is that insurance premiums rise, and

many Americans cannot afford the coverage they need.

We need to fix these problems, and one way to do so is to treat health insurance more like homeownership. The current Tax Code encourages homeownership by allowing you to deduct the interest on your mortgage from your taxes. We can reform the Tax Code so that it provides a similar incentive for you to buy health insurance. So in my State of the Union Address next Tuesday, I will propose a tax reform designed to help make basic private health insurance more affordable—whether you get it through your job or on your own.

As we reform the Federal Tax Code, we will also support the innovative measures that States are taking to address the problem of the uninsured. Governors across the Nation have put forward plans to make basic private health insurance more accessible for their citizens. When I go before Congress next week, I will announce a new effort, led by Health and Human Services Secretary Michael Leavitt, to help Governors reduce the number of people in their States without private health insurance.

All of these changes are based on a clear principle: Health insurance should be available; it should be affordable; and it should put you and your doctor in charge of your medical decisions. I look forward to working with Congress to pass the initiatives that I lay out next week, so we can help millions more Americans enjoy better care, new choices, and healthier lives.

Thank you for listening.

NOTE: The address was recorded at 7:35 a.m. on January 19 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on January 20. The transcript was made available by the Office of the Press Secretary on January 19 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Telephone Remarks to the March for Life

January 22, 2007

Yes, Nellie, thank you. Thank you very much, Nellie. And I want to thank everybody

there for taking part in today's March for Life. I appreciate so very much the devotion to such an honorable cause, and the good work everyone is doing to defend life.

And, Nellie, it's good to hear your voice again, and I thank you very much for giving me a chance to visit with you and the crowd that is assembled there on the Mall.

It is important for all Americans to remember that our Declaration of Independence states that every person has the right to life, liberty, and the pursuit of happiness. It also states that these rights come from our Creator and that governments are formed to secure these rights for all their citizens. And we believe every human life has value, and we pray for the day when every child is welcome in life and protected into law.

Nellie, I want to thank you very much and the Members of Congress there who have worked hard to make progress toward this goal over the last 6 years. I want the folks assembled there to know that we're making progress. We promoted adoption, support parental notification laws, ended Federal funding for abortions overseas, and are funding crisis pregnancy programs.

I had the privilege of signing legislation that extends legal protection to children who are born despite abortion attempts, allows prosecutors to charge those who harm or kill a pregnant woman with harming or killing her unborn child as well. I signed into law a ban on the cruel practice of partial-birth abortions, and we will vigorously defend that law in the courts.

Nellie, what I'm saying is, is that we're building a culture of life here. And I want to thank you and everybody assembled for helping.

We are a caring nation, and our values should also guide us on how we harness the gifts of science. New medical breakthroughs bring the hope of cures for terrible diseases and treatments that can improve the lives of millions. Our challenge is to make sure that science serves the cause of humanity instead of the other way around.

Last summer I vetoed a bill that would support the taking of innocent life in the hope of finding medical benefits for others, and I have made it clear to the Congress,

we must pursue medical advances in the name of life, not at the expense of it.

As we move forward, we've all got to remember that a true culture of life cannot be built by changing laws alone. We've all got to work hard to change hearts. We will find areas where we can agree and, at the same time, work to persuade more of our fellow citizens to join this great cause. The sanctity of life is written in the hearts of all men and women. And so I say, go forth with confidence that a cause rooted in human dignity and appealing to the best instincts of our citizens cannot fail.

Again, Nellie, thank you very much. I appreciate your dedication to this important cause. I send my thanks to all there on the Mall. I ask for God's blessings on your work and that God continue to bless our country.

Thank you.

NOTE: The President spoke at 12:07 p.m. from Camp David, MD, to march participants on the National Mall in Washington, DC. In his remarks, he referred to Nellie J. Gray, president, March for Life Education and Defense Fund.

Address Before a Joint Session of the Congress on the State of the Union

January 23, 2007

Thank you very much. And tonight I have the high privilege and distinct honor of my own as the first President to begin the State of the Union message with these words: Madam Speaker.

In his day, the late Congressman Thomas D'Alesandro, Jr., from Baltimore, Maryland, saw Presidents Roosevelt and Truman at this rostrum. But nothing could compare with the sight of his only daughter, Nancy, presiding tonight as Speaker of the House of Representatives. Congratulations, Madam Speaker.

Two Members of the House and Senate are not with us tonight, and we pray for the recovery and speedy return of Senator Tim Johnson and Congressman Charlie Norwood.

Madam Speaker, Vice President Cheney, Members of Congress, distinguished guests, and fellow citizens: The rite of custom brings us together at a defining hour when decisions are hard and courage is needed. We enter

the year 2007 with large endeavors underway and others that are ours to begin. In all of this, much is asked of us. We must have the will to face difficult challenges and determined enemies and the wisdom to face them together.

Some in this Chamber are new to the House and the Senate, and I congratulate the Democrat majority. Congress has changed, but not our responsibilities. Each of us is guided by our own convictions, and to these we must stay faithful. Yet we're all held to the same standards and called to serve the same good purposes: to extend this Nation's prosperity; to spend the people's money wisely; to solve problems, not leave them to future generations; to guard America against all evil; and to keep faith with those we have sent forth to defend us.

We're not the first to come here with a Government divided and uncertainty in the air. Like many before us, we can work through our differences, and we can achieve big things for the American people. Our citizens don't much care which side of the aisle we sit on, as long as we're willing to cross that aisle when there is work to be done. Our job is to make life better for our fellow Americans and to help them build a future of hope and opportunity, and this is the business before us tonight.

A future of hope and opportunity begins with a growing economy, and that is what we have. We're now in the 41st month of uninterrupted job growth, a recovery that has created 7.2 million new jobs so far. Unemployment is low; inflation is low; wages are rising. This economy is on the move, and our job is to keep it that way, not with more government but with more enterprise.

Next week, I'll deliver a full report on the state of our economy. Tonight I want to discuss three economic reforms that deserve to be priorities for this Congress.

First, we must balance the Federal budget. We can do so without raising taxes. What we need is spending discipline in Washington, DC. We set a goal of cutting the deficit in half by 2009 and met that goal 3 years ahead of schedule. Now let us take the next step. In the coming weeks, I will submit a budget that eliminates the Federal deficit within the next 5 years. I ask you to make the same

commitment. Together we can restrain the spending appetite of the Federal Government, and we can balance the Federal budget.

Next, there is the matter of earmarks. These special interest items are often slipped into bills at the last hour—when not even C-SPAN is watching. *[Laughter]* In 2005 alone, the number of earmarks grew to over 13,000 and totaled nearly \$18 billion. Even worse, over 90 percent of the earmarks never make it to the floor of the House and Senate. They are dropped into committee reports that are not even part of the bill that arrives on my desk. You didn't vote them into law; I didn't sign them into law; yet they're treated as if they have the force of law. The time has come to end this practice. So let us work together to reform the budget process, expose every earmark to the light of day and to a vote in Congress, and cut the number and cost of earmarks at least in half by the end of this session.

And finally, to keep this economy strong, we must take on the challenge of entitlements. Social Security and Medicare and Medicaid are commitments of conscience, and so it is our duty to keep them permanently sound. Yet we're failing in that duty. And this failure will one day leave our children with three bad options: huge tax increases; huge deficits; or huge and immediate cuts in benefits. Everyone in this Chamber knows this to be true, yet somehow we have not found it in ourselves to act. So let us work together and do it now. With enough good sense and good will, you and I can fix Medicare and Medicaid and save Social Security.

Spreading opportunity and hope in America also requires public schools that give children the knowledge and character they need in life. Five years ago, we rose above partisan differences to pass the No Child Left Behind Act, preserving local control, raising standards, and holding schools accountable for results. And because we acted, students are performing better in reading and math and minority students are closing the achievement gap.

Now the task is to build on the success without watering down standards, without taking control from local communities, and

without backsliding and calling it reform. We can lift student achievement even higher by giving local leaders flexibility to turn around failing schools and by giving families with children stuck in failing schools the right to choose someplace better. We must increase funds for students who struggle and make sure these children get the special help they need. And we can make sure our children are prepared for the jobs of the future and our country is more competitive by strengthening math and science skills. The No Child Left Behind Act has worked for America's children, and I ask Congress to reauthorize this good law.

A future of hope and opportunity requires that all our citizens have affordable and available health care. When it comes to health care, Government has an obligation to care for the elderly, the disabled, and poor children, and we will meet those responsibilities. For all other Americans, private health insurance is the best way to meet their needs.

But many Americans cannot afford a health insurance policy, and so tonight I propose two new initiatives to help more Americans afford their own insurance. First, I propose a standard tax deduction for health insurance that will be like the standard tax deduction for dependents. Families with health insurance will pay no income or payroll tax—or payroll taxes on \$15,000 of their income. Single Americans with health insurance will pay no income or payroll taxes on \$7,500 of their income. With this reform, more than 100 million men, women, and children who are now covered by employer-provided insurance will benefit from lower tax bills. At the same time, this reform will level the playing field for those who do not get health insurance through their job. For Americans who now purchase health insurance on their own, this proposal would mean a substantial tax savings—\$4,500 for a family of four making \$60,000 a year. And for the millions of other Americans who have no health insurance at all, this deduction would help put a basic, private health insurance plan within their reach. Changing the Tax Code is a vital and necessary step to making health care affordable for more Americans.

My second proposal is to help the States that are coming up with innovative ways to

cover the uninsured. States that make basic private health insurance available to all their citizens should receive Federal funds to help them provide this coverage to the poor and the sick. I have asked the Secretary of Health and Human Services to work with Congress to take existing Federal funds and use them to create Affordable Choices grants. These grants would give our Nation's Governors more money and more flexibility to get private health insurance to those most in need.

There are many other ways that Congress can help. We need to expand health savings accounts. We need to help small businesses through association health plans. We need to reduce costs and medical errors with better information technology. We will encourage price transparency. And to protect good doctors from junk lawsuits, we need to pass medical liability reform. In all we do, we must remember that the best health care decisions are not made by government and insurance companies but by patients and their doctors.

Extending hope and opportunity in our country requires an immigration system worthy of America, with laws that are fair and borders that are secure. When laws and borders are routinely violated, this harms the interests of our country. To secure our border, we're doubling the size of the Border Patrol and funding new infrastructure and technology.

Yet even with all these steps, we cannot fully secure the border unless we take pressure off the border, and that requires a temporary-worker program. We should establish a legal and orderly path for foreign workers to enter our country to work on a temporary basis. As a result, they won't have to try to sneak in, and that will leave border agents free to chase down drug smugglers and criminals and terrorists. We'll enforce our immigration laws at the worksite and give employers the tools to verify the legal status of their workers, so there's no excuse left for violating the law.

We need to uphold the great tradition of the melting pot that welcomes and assimilates new arrivals. We need to resolve the status of the illegal immigrants who are already in our country without animosity and without amnesty. Convictions run deep in

this Capitol when it comes to immigration. Let us have a serious, civil, and conclusive debate, so that you can pass and I can sign comprehensive immigration reform into law.

Extending hope and opportunity depends on a stable supply of energy that keeps America's economy running and America's environment clean. For too long, our Nation has been dependent on foreign oil. And this dependence leaves us more vulnerable to hostile regimes and to terrorists who could cause huge disruptions of oil shipments and raise the price of oil and do great harm to our economy.

It's in our vital interest to diversify America's energy supply. The way forward is through technology. We must continue changing the way America generates electric power by even greater use of clean coal technology, solar and wind energy, and clean, safe nuclear power. We need to press on with battery research for plug-in and hybrid vehicles and expand the use of clean diesel vehicles and biodiesel fuel. We must continue investing in new methods of producing ethanol, using everything from wood chips to grasses to agricultural wastes.

We made a lot of progress, thanks to good policies here in Washington and the strong response of the market. And now even more dramatic advances are within reach. Tonight I ask Congress to join me in pursuing a great goal. Let us build on the work we've done and reduce gasoline usage in the United States by 20 percent in the next 10 years. When we do that, we will have cut our total imports by the equivalent of three-quarters of all the oil we now import from the Middle East.

To reach this goal, we must increase the supply of alternative fuels by setting a mandatory fuels standard to require 35 billion gallons of renewable and alternative fuels in 2017—and that is nearly five times the current target. At the same time, we need to reform and modernize fuel economy standards for cars the way we did for light trucks and conserve up to 8½ billion more gallons of gasoline by 2017.

Achieving these ambitious goals will dramatically reduce our dependence on foreign oil, but it's not going to eliminate it. And so as we continue to diversify our fuel supply,

we must step up domestic oil production in environmentally sensitive ways. And to further protect America against severe disruptions to our oil supply, I ask Congress to double the current capacity of the Strategic Petroleum Reserve.

America is on the verge of technological breakthroughs that will enable us to live our lives less dependent on oil. And these technologies will help us be better stewards of the environment, and they will help us to confront the serious challenge of global climate change.

A future of hope and opportunity requires a fair, impartial system of justice. The lives of our citizens across our Nation are affected by the outcome of cases pending in our Federal courts. We have a shared obligation to ensure that the Federal courts have enough judges to hear those cases and deliver timely rulings. As President, I have a duty to nominate qualified men and women to vacancies on the Federal bench, and the United States Senate has a duty as well, to give those nominees a fair hearing and a prompt up-or-down vote on the Senate floor.

For all of us in this room, there is no higher responsibility than to protect the people of this country from danger. Five years have come and gone since we saw the scenes and felt the sorrow that the terrorists can cause. We've had time to take stock of our situation. We've added many critical protections to guard the homeland. We know with certainty that the horrors of that September morning were just a glimpse of what the terrorists intend for us—unless we stop them.

With the distance of time, we find ourselves debating the causes of conflict and the course we have followed. Such debates are essential when a great democracy faces great questions. Yet one question has surely been settled: that to win the war on terror, we must take the fight to the enemy.

From the start, America and our allies have protected our people by staying on the offense. The enemy knows that the days of comfortable sanctuary, easy movement, steady financing, and free flowing communications are long over. For the terrorists, life since 9/11 has never been the same.

Our success in this war is often measured by the things that did not happen. We cannot

know the full extent of the attacks that we and our allies have prevented, but here is some of what we do know. We stopped an Al Qaida plot to fly a hijacked airplane into the tallest building on the west coast. We broke up a Southeast Asian terror cell grooming operatives for attacks inside the United States. We uncovered an Al Qaida cell developing anthrax to be used in attacks against America. And just last August, British authorities uncovered a plot to blow up passenger planes bound for America over the Atlantic Ocean. For each life saved, we owe a debt of gratitude to the brave public servants who devote their lives to finding the terrorists and stopping them.

Every success against the terrorists is a reminder of the shoreless ambitions of this enemy. The evil that inspired and rejoiced in 9/11 is still at work in the world. And so long as that's the case, America is still a nation at war.

In the mind of the terrorists, this war began well before September the 11th and will not end until their radical vision is fulfilled. And these past 5 years have given us a much clearer view of the nature of this enemy. Al Qaida and its followers are Sunni extremists possessed by hatred and commanded by a harsh and narrow ideology. Take almost any principle of civilization, and their goal is the opposite. They preach with threats, instruct with bullets and bombs, and promise paradise for the murder of the innocent.

Our enemies are quite explicit about their intentions. They want to overthrow moderate governments and establish safe havens from which to plan and carry out new attacks on our country. By killing and terrorizing Americans, they want to force our country to retreat from the world and abandon the cause of liberty. They would then be free to impose their will and spread their totalitarian ideology. Listen to this warning from the late terrorist Zarqawi: "We will sacrifice our blood and bodies to put an end to your dreams, and what is coming is even worse." Usama bin Laden declared: "Death is better than living on this Earth with the unbelievers among us."

These men are not given to idle words, and they are just one camp in the Islamist

radical movement. In recent times, it has also become clear that we face an escalating danger from Shi'a extremists who are just as hostile to America and are also determined to dominate the Middle East. Many are known to take direction from the regime in Iran, which is funding and arming terrorists like Hizballah—a group second only to Al Qaida in the American lives it has taken.

The Shi'a and Sunni extremists are different faces of the same totalitarian threat. Whatever slogans they chant when they slaughter the innocent, they have the same wicked purposes. They want to kill Americans, kill democracy in the Middle East, and gain the weapons to kill on an even more horrific scale.

In the sixth year since our Nation was attacked, I wish I could report to you that the dangers have ended. They have not. And so it remains the policy of this Government to use every lawful and proper tool of intelligence, diplomacy, law enforcement, and military action to do our duty, to find these enemies, and to protect the American people.

This war is more than a clash of arms; it is a decisive ideological struggle. And the security of our Nation is in the balance. To prevail, we must remove the conditions that inspire blind hatred and drove 19 men to get onto airplanes and to come and kill us. What every terrorist fears most is human freedom, societies where men and women make their own choices, answer to their own conscience, and live by their hopes instead of their resentments. Free people are not drawn to violent and malignant ideologies, and most will choose a better way when they're given a chance. So we advance our own security interests by helping moderates and reformers and brave voices for democracy. The great question of our day is whether America will help men and women in the Middle East to build free societies and share in the rights of all humanity. And I say, for the sake of our own security, we must.

In the last 2 years, we've seen the desire for liberty in the broader Middle East, and we have been sobered by the enemy's fierce reaction. In 2005, the world watched as the citizens of Lebanon raised the banner of the Cedar Revolution. They drove out the Syrian

occupiers and chose new leaders in free elections. In 2005, the people of Afghanistan defied the terrorists and elected a democratic legislature. And in 2005, the Iraqi people held three national elections, choosing a transitional government, adopting the most progressive, democratic Constitution in the Arab world, and then electing a Government under that Constitution. Despite endless threats from the killers in their midst, nearly 12 million Iraqi citizens came out to vote in a show of hope and solidarity that we should never forget.

A thinking enemy watched all of these scenes, adjusted their tactics, and in 2006, they struck back. In Lebanon, assassins took the life of Pierre Gemayel, a prominent participant in the Cedar Revolution. Hizballah terrorists, with support from Syria and Iran, sowed conflict in the region and are seeking to undermine Lebanon's legitimately elected Government. In Afghanistan, Taliban and Al Qaida fighters tried to regain power by regrouping and engaging Afghan and NATO forces. In Iraq, Al Qaida and other Sunni extremists blew up one of the most sacred places in Shi'a Islam, the Golden Mosque of Samarra. This atrocity, directed at a Muslim house of prayer, was designed to provoke retaliation from Iraqi Shi'a, and it succeeded. Radical Shi'a elements, some of whom receive support from Iran, formed death squads. The result was a tragic escalation of sectarian rage and reprisal that continues to this day.

This is not the fight we entered in Iraq, but it is the fight we're in. Every one of us wishes this war were over and won. Yet it would not be like us to leave our promises unkept, our friends abandoned, and our own security at risk. Ladies and gentlemen, on this day, at this hour, it is still within our power to shape the outcome of this battle. Let us find our resolve and turn events toward victory.

We're carrying out a new strategy in Iraq, a plan that demands more from Iraq's elected Government and gives our forces in Iraq the reinforcements they need to complete their mission. Our goal is a democratic Iraq that upholds the rule of law, respects the rights of its people, provides them security, and is an ally in the war on terror.

In order to make progress toward this goal, the Iraqi Government must stop the sectarian violence in its capital. But the Iraqis are not yet ready to do this on their own. So we're deploying reinforcements of more than 20,000 additional soldiers and marines to Iraq. The vast majority will go to Baghdad, where they will help Iraqi forces to clear and secure neighborhoods and serve as advisers embedded in Iraqi Army units. With Iraqis in the lead, our forces will help secure the city by chasing down the terrorists, insurgents, and the roaming death squads. And in Anbar Province, where Al Qaida terrorists have gathered and local forces have begun showing a willingness to fight them, we're sending an additional 4,000 United States marines, with orders to find the terrorists and clear them out. We didn't drive Al Qaida out of their safe haven in Afghanistan only to let them set up a new safe haven in a free Iraq.

The people of Iraq want to live in peace, and now it's time for their Government to act. Iraq's leaders know that our commitment is not open-ended. They have promised to deploy more of their own troops to secure Baghdad, and they must do so. They pledged that they will confront violent radicals of any faction or political party, and they need to follow through and lift needless restrictions on Iraqi and coalition forces, so these troops can achieve their mission of bringing security to all of the people of Baghdad. Iraq's leaders have committed themselves to a series of benchmarks: to achieve reconciliation; to share oil revenues among all of Iraq's citizens; to put the wealth of Iraq into the rebuilding of Iraq; to allow more Iraqis to reenter their nation's civic life; to hold local elections; and to take responsibility for security in every Iraqi Province. But for all of this to happen, Baghdad must be secure, and our plan will help the Iraqi Government take back its capital and make good on its commitments.

My fellow citizens, our military commanders and I have carefully weighed the options. We discussed every possible approach. In the end, I chose this course of action because it provides the best chance for success. Many in this Chamber understand that America must not fail in Iraq, be-

cause you understand that the consequences of failure would be grievous and far-reaching.

If American forces step back before Baghdad is secure, the Iraqi Government would be overrun by extremists on all sides. We could expect an epic battle between Shi'a extremists backed by Iran and Sunni extremists aided by Al Qaida and supporters of the old regime. A contagion of violence could spill out across the country, and in time, the entire region could be drawn into the conflict.

For America, this is a nightmare scenario; for the enemy, this is the objective. Chaos is the greatest ally—their greatest ally in this struggle. And out of chaos in Iraq would emerge an emboldened enemy with new safe havens, new recruits, new resources, and an even greater determination to harm America. To allow this to happen would be to ignore the lessons of September the 11th and invite tragedy. Ladies and gentlemen, nothing is more important at this moment in our history than for America to succeed in the Middle East, to succeed in Iraq, and to spare the American people from this danger.

This is where matters stand tonight, in the here and now. I have spoken with many of you in person. I respect you and the arguments you've made. We went into this largely united, in our assumptions and in our convictions. And whatever you voted for, you did not vote for failure. Our country is pursuing a new strategy in Iraq, and I ask you to give it a chance to work, and I ask you to support our troops in the field and those on their way.

The war on terror we fight today is a generational struggle that will continue long after you and I have turned our duties over to others. And that's why it's important to work together so our Nation can see this great effort through. Both parties and both branches should work in close consultation. It's why I've proposed to establish a special advisory council on the war on terror, made up of leaders in Congress from both political parties. We will share ideas for how to position America to meet every challenge that confronts us. We'll show our enemies abroad that we are united in the goal of victory.

And one of the first steps we can take together is to add to the ranks of our military so that the American Armed Forces are ready

for all the challenges ahead. Tonight I ask the Congress to authorize an increase in the size of our active Army and Marine Corps by 92,000 in the next 5 years. A second task we can take on together is to design and establish a volunteer civilian reserve corps. Such a corps would function much like our military reserve. It would ease the burden on the Armed Forces by allowing us to hire civilians with critical skills to serve on missions abroad when America needs them. It would give people across America who do not wear the uniform a chance to serve in the defining struggle of our time.

Americans can have confidence in the outcome of this struggle because we're not in this struggle alone. We have a diplomatic strategy that is rallying the world to join in the fight against extremism. In Iraq, multinational forces are operating under a mandate from the United Nations. We're working with Jordan and Saudi Arabia and Egypt and the Gulf States to increase support for Iraq's Government.

The United Nations has imposed sanctions on Iran and made it clear that the world will not allow the regime in Tehran to acquire nuclear weapons. With the other members of the Quartet—the U.N., the EU, and Russia—we're pursuing diplomacy to help bring peace to the Holy Land and pursuing the establishment of a democratic Palestinian state living side by side with Israel in peace and security. In Afghanistan, NATO has taken the lead in turning back the Taliban and Al Qaida offensive—the first time the Alliance has deployed forces outside the North Atlantic area. Together with our partners in China and Japan, Russia and South Korea, we're pursuing intensive diplomacy to achieve a Korean Peninsula free of nuclear weapons.

We will continue to speak out for the cause of freedom in places like Cuba, Belarus, and Burma, and continue to awaken the conscience of the world to save the people of Darfur.

American foreign policy is more than a matter of war and diplomacy. Our work in the world is also based on a timeless truth: To whom much is given, much is required. We hear the call to take on the challenges of hunger and poverty and disease, and that

is precisely what America is doing. We must continue to fight HIV/AIDS, especially on the continent of Africa. Because you funded the Emergency Plan for AIDS Relief, the number of people receiving lifesaving drugs has grown from 50,000 to more than 800,000 in 3 short years. I ask you to continue funding our efforts to fight HIV/AIDS. And I ask you to provide \$1.2 billion over 5 years so we can combat malaria in 15 African countries.

I ask that you fund the Millennium Challenge Account, so that American aid reaches the people who need it, in nations where democracy is on the rise and corruption is in retreat. And let us continue to support the expanded trade and debt relief that are the best hope for lifting lives and eliminating poverty.

When America serves others in this way, we show the strength and generosity of our country. These deeds reflect the character of our people. The greatest strength we have is the heroic kindness and courage and self-sacrifice of the American people. You see this spirit often if you know where to look, and tonight we need only look above to the gallery.

Dikembe Mutombo grew up in Africa amid great poverty and disease. He came to Georgetown University on a scholarship to study medicine, but Coach John Thompson took a look at Dikembe and had a different idea. [Laughter] Dikembe became a star in the NBA and a citizen of the United States, but he never forgot the land of his birth or the duty to share his blessings with others. He built a brand new hospital in his old hometown. A friend has said of this good-hearted man: "Mutombo believes that God has given him this opportunity to do great things." And we are proud to call this son of the Congo a citizen of the United States of America.

After her daughter was born, Julie Aigner-Clark searched for ways to share her love of music and art with her child. So she borrowed some equipment and began filming children's videos in her basement. The Baby Einstein Company was born, and in just 5 years, her business grew to more than \$20 million in sales. In November 2001, Julie sold Baby Einstein to Walt Disney Company, and with her help, Baby Einstein has grown into

a \$200 million business. Julie represents the great enterprising spirit of America. And she is using her success to help others—producing child safety videos with John Walsh of the National Center for Missing and Exploited Children. Julie says of her new project: “I believe it is the most important thing I have ever done. I believe that children have the right to live in a world that is safe.” And so tonight we are pleased to welcome this talented business entrepreneur and generous social entrepreneur, Julie Aigner-Clark.

Three weeks ago, Wesley Autrey was waiting at a Harlem subway station with his two little girls when he saw a man fall into the path of a train. With seconds to act, Wesley jumped onto the tracks, pulled the man into the space between the rails, and held him as the train passed right above their heads. He insists he’s not a hero. He says: “We got guys and girls overseas dying for us to have our freedoms. We have got to show each other some love.” There is something wonderful about a country that produces a brave and humble man like Wesley Autrey.

Tommy Rieman was a teenager pumping gas in Independence, Kentucky, when he enlisted in the United States Army. In December 2003, he was on a reconnaissance mission in Iraq when his team came under heavy enemy fire. From his Humvee, Sergeant Rieman returned fire. He used his body as a shield to protect his gunner. He was shot in the chest and arm and received shrapnel wounds to his legs, yet he refused medical attention and stayed in the fight. He helped to repel a second attack, firing grenades at the enemy’s position. For his exceptional courage, Sergeant Rieman was awarded the Silver Star. And like so many other Americans who have volunteered to defend us, he has earned the respect and the gratitude of our entire country.

In such courage and compassion, ladies and gentlemen, we see the spirit and character of America. And these qualities are not in short supply. This is a decent and honorable country—and resilient too. We’ve been through a lot together. We’ve met challenges and faced dangers, and we know that more lie ahead. Yet we can go forward with confidence, because the State of our Union is

strong, our cause in the world is right, and tonight that cause goes on. God bless.

See you next year. Thank you for your prayers.

NOTE: The President spoke at 9:13 p.m. in the House Chamber of the Capitol. In his address, he referred to John Thompson, Jr., former Georgetown University head men’s basketball coach. The Office of the Press Secretary also released a Spanish language transcript of this address.

Remarks on Energy in Wilmington, Delaware

January 24, 2007

Thank you all. Please be seated. Thanks for coming. Thanks for such a warm welcome here in Delaware. I thank you—for those of you who stayed up for the speech last night, thanks. [*Laughter*] If you’re 60 and over, it’s a little late to stay up, I understand. But it’s exciting always to go in front of the Congress. And I appreciate the good Senator, Tom Carper, for joining us, and thanks for bringing along Martha, a DuPont alumna, by the way.

And I want to thank Congressman Mike Castle as well, for joining me here in Delaware. And thanks for paying attention last night. [*Laughter*] I asked Castle if he stayed awake for the whole thing, and he said, “Well, just the first 55 minutes.” And I said, “Well”—[*laughter*].

I’m excited to be here to talk about what I talked—part of what I talked about last night. And I can’t think of a better place to talk about innovation, technology change, and a better tomorrow than DuPont. The history of this company—[*applause*]. I thank Chad Holliday for inviting me here and introducing me to some of your fellow workers who are really putting this country on the leading edge of technological change. And I want to spend a little time talking about this energy initiative.

But first I want to thank all the good folks at DuPont for really leading with your brains. And as the Secretary of Energy, Sam Bodman, told me coming in—he said, when he was a—see, he’s, like, a graduate from MIT, which—so he’s a smart guy, and I’m the President. But anyway—[*laughter*]—it’s

the way it works sometimes, you know. He said, when he went to MIT, they looked at DuPont as a case study on how to make sure science and practical applications came together. And that's what I saw today—I'm going to spend—as I said, I'm going to spend a little time talking about. And so I want to thank—Chad, thank you and the team for inviting me and all the good employees for taking time to come and visit.

I want to thank the Governor. Madam Governor, thank you for coming. I appreciate Governor Minner for joining us. Being a Governor is a great job, and I kind of know what I'm talking about. [Laughter] And I know you agree with me. I know Carper agrees with me, and I know Castle agrees with me as well. [Laughter] And I know Pete du Pont agrees with me, and I'm proud that former Governor Pete du Pont has joined us here today as well. So thank you current Governor and former Governor for joining us.

Speaker, thanks for being here. I'm proud to see you again. Charlie Copeland, thank you for coming as well. For the statehouse folks, I appreciate you serving. For local government, thanks as well.

I'm here to talk about an interesting opportunity for our country. I made the case last night to the American people that we have got to do something about our dependence on oil—for two reasons: One, dependence on oil provides an economic and national security risk, a problem that this country better start dealing with in a serious fashion now, before it becomes acute. And second, we've got to be wise stewards of the environment, and dependency on oil makes it harder to be wise stewards of the environment.

And what's interesting about the debate is, it's the confluence of national security and economic security concerns and environmental concerns that come together and can be solved at the same time by technologies. It's really what's begun to evolve here in America. In other words, we can get beyond the post-Kyoto—the pre-Kyoto era with a post-Kyoto strategy, the center of which is new technologies.

Now I said last night—and I want to spend a little time talking about it—that the American people have got to understand that when

you're dependent on oil, particularly from overseas, if demand goes up for the product in other countries relative to supply, the price of product is going to go up here. We're in a global economy. And so when the Chinese economy grows or the Indian economy grows—which we want it to do, by the way—when their economy grows, it provides markets for your products. So it's in our interests that we trade. But we've got to understand that when the globe becomes interconnected economically, the demand increases in other countries can cause the price of oil to go up here, and it has an economic effect on our own economy. The more dependent we are on oil from overseas, the more likely it is somebody else's demand is going to affect what you pay at the pump for gasoline.

Secondly, if you're dependent on oil overseas, it means that—and a hostile regime, a regime hostile to the United States produces that oil—you become vulnerable to the activity of a hostile regime. In other words, somebody doesn't like us; they produce the oil; they decide to do something about it; they can affect us. That's—when I talk about the national security risks, that's what I mean. In other words, you don't want your President sitting in the Oval Office worried about the activities of a hostile regime that could have all kinds of impacts on our security, starting with economic security.

Dependence on oil, as well, means that if a terrorist were able to destroy infrastructure somewhere else in the world, it's going to affect what you pay for at the gasoline pump. In other words, as we learned, the terrorists attacked us in brutal ways; they attacked us by flying airplanes into our buildings. But we're also vulnerable to attacks through infrastructure around the world that could cause your price, the price you pay, to go up.

And so we've got to do something about it. In other words, Government has got to be more than just talkers; we got to be problem-solvers. That's what the American people expect us to do. That's why I said last night, it doesn't matter what side of the aisle we sit on; what the American people expect is for people on both sides of the aisle to come together and solve problems. And this

is a problem, and I'm going to work with Congress to get it solved.

Now, the good news is, is that we're on the verge of some unbelievable technological breakthroughs. At this company you've got 2,500 scientists; some of the smartest people in our country work here, all trying to develop new technologies. This isn't anything new for DuPont, by the way. This is like what you've been doing for a long time—but trying to develop new technologies to help us solve this problem. And that's why I've come here. You're employing the best minds possible to address the problem of economic and national security and environmental issues, because we're dependent on oil. And the American people have got to know that you're making progress.

As an aside, when I talked about the immigration bill last night, I also want you to know, I understand that we need to make sure that when a smart person from overseas wants to come and work in DuPont, it's in our interests to allow him or her to do so. We've got to expand what's called H1B visas. I know the Senator and the Congressman understand that. I'm looking forward to working with Congress to do just that. It makes no sense, by the way—I know, I'm getting off topic here—[laughter]—but I feel strongly about what I'm telling you. It makes no sense to say to a young scientist from India, "You can't come to America to help this company develop technologies that help us deal with our problems." So we've got to change that as well, change that mindset in Washington, DC. I know we can work together on that.

So we're spending a lot of money, by the way—your money—on developing—on helping to develop new technologies. I think it's an appropriate use of taxpayers' money, to spend on developing new technologies to help us deal with problems that affect today and the future for your children. We spent about 10 billion so far on the technologies that are—I think are going to help change America and our habits. And we're going to spend more.

Part of my request to Congress is going to be—we want to put \$2.7 billion of your money to help concerns and smart people develop new ways of powering our homes and powering our automobiles. And we're

making some progress. Let me just share a couple of things that we're doing. One, we're spending a lot of your money on clean coal technology. The reason why is, we've got a lot of coal. If you want to be less dependent on oil from overseas—and by the way, we import about 60 percent of our oil today. In 1985, that was 27 percent of our oil. So we're becoming exponentially more dependent.

And we've got a lot of coal. And the fundamental question is, can we burn that coal to heat your homes in a way that doesn't endanger the environment? And so we're spending a lot of money to do that. It's called clean coal technology. We're spending billions. The dream one day is for us to be able to say, here's a coal-fired plant that has zero emissions. And it's possible. It's likely, as a matter of fact. And so we're spending time—money doing that.

We're also spending money on wind and solar. As a matter of fact, I saw your solar panel expert. And we spent a little time on—here's the dream: The dream is, someday, the technology will be such that you'll be—your house will become a little power generator. And if you use—if you got excess electricity generated by solar, you'll be able to feed it back into your grid. Is that possible? Yes, it's possible. As a matter of fact, the advance in solar technology has been quite dramatic. There's more advance still to be done, which requires your money being spent to help concerns—develop new solar energy.

We got a lot of wind—particularly in Washington. [Laughter] That's what Castle was saying last night after 55 minutes. [Laughter] Wind energy is an interesting alternative.

I strongly believe that if we're that interested in greenhouse gases and renewable fuels, this country has got to be aggressive about establishing a safe nuclear power. If that is—one of our objectives is to be serious about dealing with the environment, there's no cleaner source of energy than nuclear power. And so we're spending money and research to make sure that the next generation powerplant is safe. But also, we're spending money, interestingly enough, on how to process spent fuels better. And believe it or not, actually, we're beginning to permit nuclear powerplants here in America.

And that's going to be good for your children. It's going to make us less dependent on natural gas from overseas, and it's going to make us better stewards of the environment.

But the big gains to be made is—for oil, if we're trying to become less dependent on oil for economic and national security reasons, is going to be made in our automobiles and the power we use in our automobiles. That's really where we're going to make significant strides.

Just a couple of things that are happening that are interesting: One, we began a hydrogen initiative that—where a lot of smart folks are beginning to research whether or not we can power automobiles by hydrogen. We think it's possible. But it's not going to be possible until I'm 75, which is probably 15 years from now. Your children may very well likely be driving in automobiles powered by hydrogen—the waste product which is water, by the way. But something has got to happen in the interim. I mean, we can't wait, for economic reasons or national security reasons, for hydrogen to kick in. In other words, it's still a dream.

And so we're pushing two interesting types of technologies: one, battery technologies—lithium ionic batteries. For all you history majors out there, let me put it to you this way—[laughter]—one of these days, you're going to plug your car into your garage, and you're going to be able to drive the first 20 miles on electricity, and your car is not going to have to look like a golf cart. [Laughter] And that technology is coming. And we're spending money to encourage that kind of technology.

American automobile companies, as well as foreign automobile companies competing for market share here in the United States, understand that's where the consumer mentality is evolving. And they're beginning to spend their own money, as well as help from the Federal Government, to develop new batteries. It's going to be an exciting time, really, when you think about it, when you're able to drive the first 20 miles in a plug-in hybrid vehicle without one drop of gasoline, which makes the country less dependent on oil.

Secondly, we're spending a lot of money on different kinds of fuels—ethanol. I don't

know if you know, but we're now up to about a little over 5 billion gallons a year of ethanol usage. That's a threefold increase in 5 years' time. But what's interesting about technological advances, as you know better than me, is that as technology becomes more widely used and the markets begin to evolve, that kind of usage is going to accelerate quite dramatically. So the first 5 years may be relatively slow, but the next 5 years is going to be quite dramatic in the amount of ethanol produced.

However, there is a constraint, and that is, the ethanol use today comes from corn, and we've got hog growers and chicken growers that need corn to feed their animals. And therefore, it's going to be kind of a strain, at some point in time, on the capacity for us to have enough ethanol to be able to make us less dependent on oil. So what you're doing at DuPont becomes vital, and that is cellulosic research.

And we spent time with some of your scientists that are very bright people—and not only bright people but optimistic people—about the arrival of the day where we're going to be able to make ethanol, which will power your automobiles, not just from corn but from wood chips or switch grass or waste from corn itself, from the stalks. There's all kinds of opportunities to make energy to power your automobiles from that which had been discarded as waste in the past. And right here at DuPont, you're on the leading edge of change.

I came wondering whether or not cellulosic ethanol was one of these things down the road that may be happening, may not, could end up being science or science fiction. It's going to be science. It's working. As a matter of fact, when I looked at those scientists that you employ here and heard them say, “This is a reality. Mr. President, this is going to be something that we can live by”—really, I got to tell you, I'm incredibly encouraged by what I saw. And you need to be too. And we need to be thankful as a nation for companies like DuPont who are spending shareholders' money to make sure this country becomes less dependent on oil and better stewards of the environment.

As I said, I do believe, strongly believe, there's a role for Government—one, spending money directly. I mentioned 2.7 billion for our '08 request from Congress—monies which, by the way, get joint-ventured with initiatives, for example, that take place here in DuPont.

Secondly, I strongly believe that—and by the way, in the farm bill, request in the farm bill, we're going to put 1.6 billion over 10 years to continue this kind of research as well. But I also strongly believe in the research and development tax credit. I believe Tax Code should provide incentives. And one incentive that makes a lot of sense for this country is to incent you to continue to invest your money on research and development. And Congress really needs to make the research and development tax credit permanent. See, it lays out for a year, so it's good for next year and—[*applause*]. The reason I say that, there's got to be certainty in planning. I mean, your financial people are sitting around saying, "Well, I wonder if they're going to renew it next year?"—which actually does affect investment around the country. And so to the extent that we can make this a permanent part of the Tax Code, it will add certainty to planners, and when you have certainty in planners, it means it's more likely we're going to get better research and more money into the experiments that these good scientists are doing here at DuPont.

And so last night, based upon what I just told you—based upon optimism, new science, progress that we have made—I announced a goal for the country, which is to reduce gasoline consumption by 20 percent over the next 10 years. If we are—when we do that, it will mean that we have reduced the amount of imported oil from the Middle East—or the equivalent of the imported oil from the Middle East by about three-quarters. And that's important. It's really going to be important for your children that this country has become able to—be able to say to the hostile regime, "Leave us alone. You can't affect us. We'll protect ourselves in all kinds of ways from you."

And so I put out a mandatory fuel standard. This is a Government mandate that says we'll be using 35 billion gallons of alternative fuels by 2017. This is a firm statement. You

know, I signed an energy bill that had renewable fuel standards of seven billion gallons. And so this is five times larger than that. I base it on—and this is a practical declaration—and I base it on the fact of how much we've increased ethanol, but I've also based it on the fact that we're going to have breakthroughs in cellulosic ethanol as well.

And to couple that, in order to make sure that we're 20 percent less dependent in 10 years, I also proposed to Congress that we change the fuel efficiency standards in our automobiles. Something that the American people don't know about is that during my administration, we changed the CAFE standard for trucks. And basically, we said, we're going to take the weight of each type of truck and set a fuel standard specific to weight. It's a little hard to explain, except for it has achieved a lot of conservation efficiencies. We need to do the same thing for cars.

If you have an overall fleet CAFE standard, what ends up happening is, is that the bigger cars have lower gas mileages than they could otherwise and the little cars have high gas mileages, which reduces the safety in the automobiles. And so we believe that if you make—set CAFE standards based upon weight, it will help meet consumer demand and makes better science. As a matter of fact, this is an idea we got from the National Academy of Science.

And so Congress, I'm hopeful, recognizes the great potential in new technologies, that we're able to have a new mandatory fuel standard and new CAFE standards for our automobiles, all aiming to make us less dependent on oil, and thereby, making us more secure nationally and be able to say we're better stewards of the environment.

I said two things last night I want to follow up on. One, I don't know if you know this, but technology for the exploration for hydrocarbons is unbelievably advanced these days. And I'm confident that—I know we're going to need, if we want to be less dependent on foreign oil, we need to be exploring here at home. I mean, there's some unbelievably great deep water gas potential in the Gulf of Mexico, for example, and we can explore for those hydrocarbons in environmentally friendly ways. And we need to continue to do so. In other words, it's going to take awhile

to get to a world where we're much less dependent on foreign oil, and we need to be exploring in environmentally friendly ways, and we can.

And if a terrorist threat—if terrorism is a threat to the supply of—our energy supply, then I believe it makes sense to address that terrorist threat by doubling the size of the Strategic Petroleum Reserve, so that, rather than 750 million gallons of crude oil in storage in case there's a disruption based upon a terrorist threat, there's a billion-five. In other words, if we're saying dependence on oil creates a terrorist threat, let's do something about it now. Let's say that if the threat does come, there's enough crude oil in storage to be able to deal with the short-term economic consequences of an attack.

And so that's why I said what I said the other night. It's really a comprehensive plan. I hope I can leave you with the impression that—a couple of things: One, an approach to energy security that's aggressive also is a good approach to environmental quality; and secondly, that such an approach requires a multiplicity of research projects. In other words, it's not going to be one cure to dependence on oil; it's going to be a variety of new technologies that are coming forth to do so.

Today I signed an Executive order that says we're going to commit the Government to the following things: That we're going to purchase more hybrid and flexible-fuel vehicles that run on ethanol—because we own a lot of cars, and therefore, it's one thing to say, this is the goal; it's another thing to actually participate in achieving that goal, and that's what we're going to do.

Secondly, we're going to purchase plug-in hybrid vehicles as soon as they hit the market. I think that will give some surety to those who have invested in new technologies, to know that the Federal Government is going to be a purchaser, when commercially available. In other words, we're not going to waste your taxpayers' money, but we're going to participate in a new market. I don't think you want us buying above market. I think you want us to be wise about how we spend it. [Laughter]

We're going to purchase—increase our purchases of renewable power from new

sources. We're going to reduce the gas consumption of the Federal fleet by 20 percent over 10 years. We're going to be joining with America. We set the goal; it doesn't make much sense for the Federal Government to set the goal and then not participate, and we will. And so the Executive order commits this Government to doing what I know is going to happen.

I love being around entrepreneurs and people that dream big dreams. And today I understand some are out there scratching their heads, saying, "You expect me to believe, President, that I'm going to be driving a car, the fuel from which has been derived from switch grass?" And my answer is, "Yes, I do." That's what I believe. You know why I feel that way? Because the people here at DuPont feel that way. The people here at DuPont have always dreamed big dreams. And if you look at the history, they have followed through. There have been unbelievable new technologies that have come from the minds of the folks who work here.

And the same thing is happening in energy. It's coming. It's coming. And the role of the Federal Government is to set high goals—and in this case, mandatory fuel standards—to say, we're dedicated, committed, and we're going to achieve the goal. And that way, when it's all said and done, when we've done our duty to serving the American people, we can look back and say to this next generation, we tried to leave you a little better world.

And so I want to thank you for giving me a chance to come and talk about that better world. It's on the way. And I'm excited to be a part of it, and I know you are as well.

God bless.

NOTE: The President spoke at 11:01 a.m. in the DuPont Theater at the Hotel du Pont. In his remarks, he referred to Charles O. "Chad" Holliday, Jr., chairman of the board and chief executive officer, DuPont; Terry R. Spence, speaker, Delaware State House of Representatives; and Charles L. Copeland, minority leader, Delaware State Senate.

**Executive Order 13423—
Strengthening Federal
Environmental, Energy, and
Transportation Management**

January 24, 2007

By the authority vested in me as President by the Constitution and the laws of the United States of America, and to strengthen the environmental, energy, and transportation management of Federal agencies, it is hereby ordered as follows:

Section 1. Policy. It is the policy of the United States that Federal agencies conduct their environmental, transportation, and energy-related activities under the law in support of their respective missions in an environmentally, economically and fiscally sound, integrated, continuously improving, efficient, and sustainable manner.

Sec. 2. Goals for Agencies. In implementing the policy set forth in section 1 of this order, the head of each agency shall:

(a) improve energy efficiency and reduce greenhouse gas emissions of the agency, through reduction of energy intensity by (i) 3 percent annually through the end of fiscal year 2015, or (ii) 30 percent by the end of fiscal year 2015, relative to the baseline of the agency's energy use in fiscal year 2003;

(b) ensure that (i) at least half of the statutorily required renewable energy consumed by the agency in a fiscal year comes from new renewable sources, and (ii) to the extent feasible, the agency implements renewable energy generation projects on agency property for agency use;

(c) beginning in FY 2008, reduce water consumption intensity, relative to the baseline of the agency's water consumption in fiscal year 2007, through life-cycle cost-effective measures by 2 percent annually through the end of fiscal year 2015 or 16 percent by the end of fiscal year 2015;

(d) require in agency acquisitions of goods and services (i) use of sustainable environmental practices, including acquisition of biobased, environmentally preferable, energy-efficient, water-efficient, and recycled-content products, and (ii) use of paper of at least 30 percent post-consumer fiber content;

(e) ensure that the agency (i) reduces the quantity of toxic and hazardous chemicals

and materials acquired, used, or disposed of by the agency, (ii) increases diversion of solid waste as appropriate, and (iii) maintains cost-effective waste prevention and recycling programs in its facilities;

(f) ensure that (i) new construction and major renovation of agency buildings comply with the *Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings set forth in the Federal Leadership in High Performance and Sustainable Buildings Memorandum of Understanding (2006)*, and (ii) 15 percent of the existing Federal capital asset building inventory of the agency as of the end of fiscal year 2015 incorporates the sustainable practices in the *Guiding Principles*;

(g) ensure that, if the agency operates a fleet of at least 20 motor vehicles, the agency, relative to agency baselines for fiscal year 2005, (i) reduces the fleet's total consumption of petroleum products by 2 percent annually through the end of fiscal year 2015, (ii) increases the total fuel consumption that is non-petroleum-based by 10 percent annually, and (iii) uses plug-in hybrid (PIH) vehicles when PIH vehicles are commercially available at a cost reasonably comparable, on the basis of life-cycle cost, to non-PIH vehicles; and

(h) ensure that the agency (i) when acquiring an electronic product to meet its requirements, meets at least 95 percent of those requirements with an Electronic Product Environmental Assessment Tool (EPEAT)-registered electronic product, unless there is no EPEAT standard for such product, (ii) enables the Energy Star feature on agency computers and monitors, (iii) establishes and implements policies to extend the useful life of agency electronic equipment, and (iv) uses environmentally sound practices with respect to disposition of agency electronic equipment that has reached the end of its useful life.

Sec. 3. Duties of Heads of Agencies. In implementing the policy set forth in section 1 of this order, the head of each agency shall:

(a) implement within the agency sustainable practices for (i) energy efficiency, greenhouse gas emissions avoidance or reduction, and petroleum products use reduction, (ii) renewable energy, including bioenergy, (iii)

water conservation, (iv) acquisition, (v) pollution and waste prevention and recycling, (vi) reduction or elimination of acquisition and use of toxic or hazardous chemicals, (vii) high performance construction, lease, operation, and maintenance of buildings, (viii) vehicle fleet management, and (ix) electronic equipment management;

(b) implement within the agency environmental management systems (EMS) at all appropriate organizational levels to ensure (i) use of EMS as the primary management approach for addressing environmental aspects of internal agency operations and activities, including environmental aspects of energy and transportation functions, (ii) establishment of agency objectives and targets to ensure implementation of this order, and (iii) collection, analysis, and reporting of information to measure performance in the implementation of this order;

(c) establish within the agency programs for (i) environmental management training, (ii) environmental compliance review and audit, and (iii) leadership awards to recognize outstanding environmental, energy, or transportation management performance in the agency;

(d) within 30 days after the date of this order (i) designate a senior civilian officer of the United States, compensated annually in an amount at or above the amount payable at level IV of the Executive Schedule, to be responsible for implementation of this order within the agency, (ii) report such designation to the Director of the Office of Management and Budget and the Chairman of the Council on Environmental Quality, and (iii) assign the designated official the authority and duty to (A) monitor and report to the head of the agency on agency activities to carry out subsections (a) and (b) of this section, and (B) perform such other duties relating to the implementation of this order within the agency as the head of the agency deems appropriate;

(e) ensure that contracts entered into after the date of this order for contractor operation of government-owned facilities or vehicles require the contractor to comply with the provisions of this order with respect to such facilities or vehicles to the same extent as

the agency would be required to comply if the agency operated the facilities or vehicles;

(f) ensure that agreements, permits, leases, licenses, or other legally-binding obligations between the agency and a tenant or concessionaire entered into after the date of this order require, to the extent the head of the agency determines appropriate, that the tenant or concessionaire take actions relating to matters within the scope of the contract that facilitate the agency's compliance with this order;

(g) provide reports on agency implementation of this order to the Chairman of the Council on such schedule and in such format as the Chairman of the Council may require; and

(h) provide information and assistance to the Director of the Office of Management and Budget, the Chairman of the Council, and the Federal Environmental Executive.

Sec. 4. Additional Duties of the Chairman of the Council on Environmental Quality. In implementing the policy set forth in section 1 of this order, the Chairman of the Council on Environmental Quality:

(a) (i) shall establish a Steering Committee on Strengthening Federal Environmental, Energy, and Transportation Management to advise the Director of the Office of Management and Budget and the Chairman of the Council on the performance of their functions under this order that shall consist exclusively of (A) the Federal Environmental Executive, who shall chair, convene and preside at meetings of, determine the agenda of, and direct the work of, the Steering Committee, and (B) the senior officials designated under section 3(d)(i) of this order, and (ii) may establish subcommittees of the Steering Committee, to assist the Steering Committee in developing the advice of the Steering Committee on particular subjects;

(b) may, after consultation with the Director of the Office of Management and Budget and the Steering Committee, issue instructions to implement this order, other than instructions within the authority of the Director to issue under section 5 of this order; and

(c) shall administer a presidential leadership award program to recognize exceptional and outstanding environmental, energy, or

transportation management performance and excellence in agency efforts to implement this order.

Sec. 5. Duties of the Director of the Office of Management and Budget. In implementing the policy set forth in section 1 of this order, the Director of the Office of Management and Budget shall, after consultation with the Chairman of the Council and the Steering Committee, issue instructions to the heads of agencies concerning:

- (a) periodic evaluation of agency implementation of this order;
- (b) budget and appropriations matters relating to implementation of this order;
- (c) implementation of section 2(d) of this order; and
- (d) amendments of the Federal Acquisition Regulation as necessary to implement this order.

Sec. 6. Duties of the Federal Environmental Executive. A Federal Environmental Executive designated by the President shall head the Office of the Federal Environmental Executive, which shall be maintained in the Environmental Protection Agency for funding and administrative purposes. In implementing the policy set forth in section 1 of this order, the Federal Environmental Executive shall:

- (a) monitor, and advise the Chairman of the Council on, performance by agencies of functions assigned by sections 2 and 3 of this order;
- (b) submit a report to the President, through the Chairman of the Council, not less often than once every 2 years, on the activities of agencies to implement this order; and
- (c) advise the Chairman of the Council on the Chairman's exercise of authority granted by subsection 4(c) of this order.

Sec. 7. Limitations. (a) This order shall apply to an agency with respect to the activities, personnel, resources, and facilities of the agency that are located within the United States. The head of an agency may provide that this order shall apply in whole or in part with respect to the activities, personnel, resources, and facilities of the agency that are not located within the United States, if the head of the agency determines that such ap-

plication is in the interest of the United States.

(b) The head of an agency shall manage activities, personnel, resources, and facilities of the agency that are not located within the United States, and with respect to which the head of the agency has not made a determination under subsection (a) of this section, in a manner consistent with the policy set forth in section 1 of this order to the extent the head of the agency determines practicable.

Sec. 8. Exemption Authority. (a) The Director of National Intelligence may exempt an intelligence activity of the United States, and related personnel, resources, and facilities, from the provisions of this order, other than this subsection and section 10, to the extent the Director determines necessary to protect intelligence sources and methods from unauthorized disclosure.

(b) The head of an agency may exempt law enforcement activities of that agency, and related personnel, resources, and facilities, from the provisions of this order, other than this subsection and section 10, to the extent the head of an agency determines necessary to protect undercover operations from unauthorized disclosure.

(c) (i) The head of an agency may exempt law enforcement, protective, emergency response, or military tactical vehicle fleets of that agency from the provisions of this order, other than this subsection and section 10.

(ii) Heads of agencies shall manage fleets to which paragraph (i) of this subsection refers in a manner consistent with the policy set forth in section 1 of this order to the extent they determine practicable.

(d) The head of an agency may submit to the President, through the Chairman of the Council, a request for an exemption of an agency activity, and related personnel, resources, and facilities, from this order.

Sec. 9. Definitions. As used in this order:

(a) "agency" means an executive agency as defined in section 105 of title 5, United States Code, excluding the Government Accountability Office;

(b) "Chairman of the Council" means the Chairman of the Council on Environmental Quality, including in the Chairman's capacity

as Director of the Office of Environmental Quality;

(c) “Council” means the Council on Environmental Quality;

(d) “environmental” means environmental aspects of internal agency operations and activities, including those environmental aspects related to energy and transportation functions;

(e) “greenhouse gases” means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride;

(f) “life-cycle cost-effective” means the life-cycle costs of a product, project, or measure are estimated to be equal to or less than the base case (i.e., current or standard practice or product);

(g) “new renewable sources” means sources of renewable energy placed into service after January 1, 1999;

(h) “renewable energy” means energy produced by solar, wind, biomass, landfill gas, ocean (including tidal, wave, current and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project;

(i) “energy intensity” means energy consumption per square foot of building space, including industrial or laboratory facilities;

(j) “Steering Committee” means the Steering Committee on Strengthening Federal Environmental, Energy, and Transportation Management established under subsection 4(b) of this order;

(k) “sustainable” means to create and maintain conditions, under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic, and other requirements of present and future generations of Americans; and

(l) “United States” when used in a geographical sense, means the fifty states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Northern Mariana Islands, and associated territorial waters and airspace.

Sec. 10. General Provisions. (a) This order shall be implemented in a manner consistent

with applicable law and subject to the availability of appropriations.

(b) Nothing in this order shall be construed to impair or otherwise affect the functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.

(c) This order is intended only to improve the internal management of the Federal Government and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its departments, agencies, instrumentalities, entities, officers, employees or agents, or any other person.

Sec. 11. Revocations; Conforming Provisions. (a) The following are revoked:

- (i) Executive Order 13101 of September 14, 1998;
- (ii) Executive Order 13123 of June 3, 1999;
- (iii) Executive Order 13134 of August 12, 1999, as amended;
- (iv) Executive Order 13148 of April 21, 2000; and
- (v) Executive Order 13149 of April 21, 2000.

(b) In light of subsection 317(e) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), not later than January 1 of each year through and including 2010, the Secretary of Defense shall submit to the Senate and the House of Representatives a report regarding progress made toward achieving the energy efficiency goals of the Department of Defense.

(c) Section 3(b)(vi) of Executive Order 13327 of February 4, 2004, is amended by striking “Executive Order 13148 of April 21, 2000” and inserting in lieu thereof “other executive orders”.

George W. Bush

The White House,
January 24, 2007.

[Filed with the Office of the Federal Register, 8:50 a.m., January 25, 2007]

NOTE: This Executive order was published in the *Federal Register* on January 26.

Remarks Prior to a Meeting With the Joint Chiefs of Staff and Combatant Commanders

January 24, 2007

It's my pleasure to welcome Secretary Gates, the Joint Chiefs, and the combatant commanders to the White House. First of all, it's an honor to be in the presence of such fine citizens, men who are doing their duty to protect this country. And we have no more solemn duty than to protect America in this war against extremists and radicals.

I'm looking forward to our discussion about the theaters in which you are representing America. I'm looking forward to discussion about the new way forward in Iraq. I thank you for your service.

I also call upon the Senate to move quickly to confirm Lieutenant General Petraeus as the commander of the Multi-National Forces—Iraq, Admiral Fallon as the commander of Central Command, and General Casey as the Army Chief of Staff. It is important to get these three fine individuals in their posts as soon as possible so that we have continuity as we do our duty to protect the American people.

We'll have a good, wide-ranging discussion here, and then Laura and I have the high privilege of welcoming you and your spouses to dinner tonight. Welcome, and thank you for coming.

NOTE: The President spoke at 5:06 p.m. in the Cabinet Room at the White House. In his remarks, he referred to Secretary of Defense Robert M. Gates; Lt. Gen. David H. Petraeus, USA, commanding general, U.S. Army Combined Arms Center and Fort Leavenworth; and Gen. George W. Casey, Jr., USA, commanding general, Multi-National Force—Iraq.

Remarks in a Discussion on Health Care in Lee's Summit, Missouri

January 25, 2007

The President. Rich, thank you very much for inviting us here to Saint Luke's. We had a fascinating tour of your facility. It is safe to say that Saint Luke's hospital—the Saint Luke's Health System understands the power of technology to help compassionate doctors

and nurses better do their job. And technology is a—we saw, like, unbelievably interesting medical programs, programs that enable doctors to better analyze disease and deal with disease before it becomes acute, which is important.

The reason why I emphasize the information technology aspects of this hospital is that part of the role of Government is to encourage people to make decisions to help hold the cost of health care down. And when a hospital modernizes, when you go from files to electronics, it helps hold the cost of health care down.

One of the interesting things about medicine is that medicine tends to have lagged behind the rest of our economy when it comes to information technology. And yet under Rich's leadership, this facility and its sister facilities are doing some really interesting reforms we'll talk about a little bit.

I want to thank George Pagels, who is the CEO of this facility. George, thank you. He's a doctor and gave us the tour—met a lot of really fine nurses and docs, by the way. I appreciate Senator Bond joining us. Thanks for coming—and of course, our Secretary of Health and Human Services, who will say something here in a minute.

I want to talk a little bit about a comprehensive strategy to make health care available and affordable. There is no question in my mind that a proper role for the Federal Government is to help the poor and the elderly and the diseased get health care. We'll do that. And to the extent that these important programs need to be reformed and strengthened, we will do that as well. Witness what we did with Medicare. Medicare was old and stagnant; it needed to be reformed. We reformed it through a generous prescription drug benefit that has actually worked; it's helped our seniors. And so we will do our duty at the Federal level, and when we find deficiencies in Federal programs, we will work to correct them, for the good of the citizens and the taxpayers.

The second aspect of our responsibility is to work to make health care available and affordable for all our citizens, and the best way to do that is through private health insurance. Therein lies part of the debate we have in Washington. We believe the private sector

is the best delivery of health care. We know there's a role for the Federal Government, but it's not to dictate; it's not to be the decisionmaker. And so Mike and I and others in my administration have been strategizing on how best to make health care available and affordable.

Here are some ways. One, helping spread information technology—we're the biggest user of health care in the United States, and therefore, we can help people understand the benefits of using information technology. Secondly, price transparency—one reason we came to this hospital is that under Rich's leadership, this hospital system has been willing to place its prices and its quality ratings out for consumers to see.

I mean, health care is an interesting industry, isn't it, where a lot of times you have no idea about the price of the service you're paying for. You just assume it's okay. Somebody says, "Here's your price," and you say, "Okay, I'll pay it." We believe that with price transparency and quality assessments, consumers will have a better decisionmaking process. And we want consumers making the decision in health care.

Think about a system where there's a third-party payer—so you've got your insurance; somebody pays your bills for you; and you're not involved. You just kind of assume that the third-party payer is making a rational decision on your behalf. And our view is, is that in order to have—to worry about health care costs, the more a consumer is involved, the more likely we'll be able to deal with the increasing cost of health care.

Another reform is medical liability reform. I'm walking around the hospital here; a professional comes up to me and says, "We practice too much medicine for fear of lawsuits," which raises the cost of your bill. See, if the medical provider is worried about getting sued, they will make decisions on how to stay out of the court of law more than—as important as decisions on how to keep you healthy. Medical liability is a real problem in a lot of States.

And we are trying to get the United States Congress to hear that same call. And I'll keep working on medical liability reform. Why—to help make health care more affordable. But also, when you get a lot of lawsuits, it

causes good docs to quit the practice of medicine. There are a lot of counties in the country that do not have ob-gyn because these lawsuits have run them out of practice. And it's not right, and it's not fair. And so we need to have the political will in Washington to take on a very powerful lobby, which is the trial lawyers, and prevent these frivolous lawsuits from running up the cost of your medicine and running good docs out of practice.

A couple of other points I want to make before we talk to the—talk about this new initiative I laid out to the country. I think it's very important to help develop plans that make the consumer in charge of as much of the health care decision as possible. These are called—one idea is health savings accounts. This basically says that there is a product available for you to use where you're the decisionmaker and you're able to contribute tax-free, earn money in your account tax-free, take money out tax-free on medicine. If you don't spend the money in your account one year, you can roll it over. It becomes a savings account. It's an incentive for you to make good decisions about your life, and it also provides catastrophic care in case something bad happens to you. We'll talk about health savings accounts here in a minute, and their effect on enabling people who do not have insurance to have health care available and affordable for them.

Finally, small businesses need help. I mean, it's hard to be able to buy insurance when you're a stand-alone company. And insurance is basically a spreading of risk through pooling of risk, and we just need to allow small businesses to be able to buy insurance at the same discounts that big companies can by pooling risk.

In other words, a restaurant in Missouri ought to be able to have their employees insured with a restaurant in Texas. In other words, put them all in the same pool so they can get the benefits of spreading risk. Now, these are practical things to get done. And they're hard to get done in Washington because people in Washington have a different view. They want the Government basically making the decisions for health care. The view of the people here is that you ought to be making those decisions.

One way to encourage you to make the right decisions when it comes to health care is to take the inequities out of the Tax Code. If you work for a company, you pay—you get your health care free, in essence. It's part of the benefit package. If you're a stand-alone person, you pay your health care on an after-tax basis. In other words, there's discrimination in the Tax Code based upon who you work for. It makes it harder for people to be able to—individuals or small-company employees to be able to buy health care.

And so what we've said—and Michael spent a little time describing this—we've said that all Americans who have health care ought to be allowed to have a \$15,000 deduction on your income taxes if you're a married couple—if you're married, and if you're not, \$7,500. In other words, the benefits you receive from your company become part of your taxable income, offset by a \$15,000 deduction. And so if the benefits you get from your company are \$11,000, you'll have \$4,000 deducted from your income. And that's important.

It also will help people who are uninsured or on the verge of being uninsured. In other words, it encourages the development of an individual market. It makes it more likely an individual will be able to afford health care. If you've got a family of four with \$60,000 income, you get a substantial tax savings, which will then enable your health insurance to be more affordable. And we'll talk about that.

The point I'm trying to make to you is, the system is geared toward enabling the individual to have more control over his or her decisionmaking and make the Tax Code fair for the individual. And finally, I've instructed Michael to work with States. We believe that there's been some very innovative policy that takes place at the State level to cover the uninsured, to help the sick, to help those who are poor be able to get insurance. And so we're going to have flexibility with Federal money that goes to States, and all we request is the States develop a basic health insurance plan that becomes more affordable. Oftentimes the plan that is only available for the individual is priced out of their control because of mandates and add-ons. And Michael is going to say to Governors, "Look, we're

going to help you. You got some interesting ideas. We think it makes sense to use Federal money to help you with those ideas, but you need to develop a basic plan so that health care is affordable for more of our citizens."

And here's a comprehensive strategy. A lot of times in Washington, they say, "Well, let's just design it there in the Federal Government; it will all work." It won't, in my judgment. It will become bureaucratic; it will become costly; it won't empower individuals; it will make it harder to get affordable health care.

And so here's a strategy, a multiple-pronged strategy, a strategy that says there's a lot of things we need to do to help our American citizens be able to buy private health insurance.

Leavitt is in charge. Michael is the Secretary of Health and Human Services. He's spent a lot of time on the subject. You might want to add a few comments, and then we can hear from some of our citizens here.

[*At this point, Secretary of Health and Human Services Michael O. Leavitt made brief remarks.*]

The President. Yes, Leavitt, one thing before you get—I see we've got some cameramen here. Why don't you give them the cameraman story.

Secretary Leavitt. I had a terrific conversation yesterday.

The President. For all you cameramen out there.

Secretary Leavitt. Someone asked me—actually, it was a news organization here in Missouri, anticipating our trip, asked me, "What are you going to talk about?" And I said, essentially, we've got this problem that we're trying to solve, with people who work in restaurants or in daycare centers or are self-employed, and it's unfair that they should be treated in a way. And I could see the cameraman—

The President. He's an independent contractor; he's on his own, basically.

Secretary Leavitt. But he was behind the camera doing this, which is unusual. [*Laughter*]

The President. Because he wants to be treated just like the person who works for

big corporate America, and he wants to be able to have that deduction.

Secretary Leavitt. So before we were even off the satellite, he's saying—"And you should have said independent cameramen." [Laughter] He said, "Do you know how much I pay for insurance?" He says, "It's \$1,350 a month, and I have to pay it after I pay my taxes, and it's just not fair."

It isn't fair. This is the right thing to be doing.

The President. Thank you.

Rich, thanks for having us. Appreciate you inviting—letting us tour your hospital here.

[G. Richard Hastings, president and chief executive officer, Saint Luke's Health System, made brief remarks.]

The President. The other thing that's interesting about what Rich is doing—availability of health care—they've got, like, a specialist sitting in Kansas City capable of analyzing somebody's graphs in a remote region, which, again, remember it's affordability and availability for health care. And information technology is able to make medicine available throughout rural Missouri or rural Kansas, for example. And it's very exciting, and I appreciate what you're doing.

Mr. Hastings. Thank you, sir.

Secretary Leavitt. I want to make certain you all understand here three things that are happening that need to happen all over the country—here that are happening. The first is, you're a connected system. If a patient wants to get their medical records, they can do it in a convenient way. People need to have access to their own records in a way that will be convenient to them. And this idea that a patient then can have an independent assessment of the quality of the care that their provider is giving them is revolutionary and very important.

But then you combine that with the ability for people to know what it costs. Once you have the cost and the quality, you're now making decisions based on value. And that's what we hope in the future. The whole system will become a connected system that has competition based on value, where consumers—where consumers are making decisions, as opposed to someone other than the consumer.

The President. Dr. Jim Kelly. Why don't you tell people what you do, Doctor?

James B. Kelly. Thank you, Mr. President.

The President. Let me guess. [Laughter]

[Dr. Kelly, anesthesiologist, Saint Luke's Hospital of Kansas City, made brief remarks.]

The President. I don't think people know what you mean by defensive medicine. Why don't you describe that?

Dr. Kelly. Well, you're always concerned. One, we're here to take care of patients, and that's our primary objective. But if you are told that you do a poor job or go—everybody lives in fear of being sued, and they will go to extreme lengths to document that everything they're doing is the right thing. If any of us were so unfortunate to fall down right now and bump our head, it would be hard to get out of this hospital, if you tell the emergency room physician that you hit your head, without a CT scan, maybe even an overnight stay in the ICU. They want to make sure that they're okay and not just trust their clinical skills, that it's a little bump on the head.

The President. In other words, practicing maybe too much medicine—

Dr. Kelly. Too much medicine and extra tests.

The President. It actually costs the Federal Government something like 23 billion a year.

[Dr. Kelly made further remarks.]

The President. Well, I appreciate you. I happen to believe this is a Federal issue. When I first came to Washington, I said, we ought to allow these—each State to determine their own medical liability reform. I believe it's—and I chose to make it a Washington issue because it's costing our taxpayers so much money. When I say "costing," we're a big consumer of health care through Medicare, Medicaid, veterans' benefits. And when doctors' premiums go up, they charge more. And with doctors in fear of being sued, they practice more medicine than is necessary.

And I don't know if 20 billion is the right number, but it is a lot. I think it is something

like that. And that's extra money for the taxpayers. And I'd like to get it done in Washington, DC, frankly. And I believe medical liability is a huge—I know it's a huge issue in a lot of States, and we'd like to help you. Thanks for working on it. Appreciate you being involved.

Jim Henderson.

Jim Henderson. Thank you, Mr. President.

The President. President—

Mr. Henderson. Not like you, but thank you very much. [Laughter]

The President. —of Dynamic Sales, Inc. Where are you based, and what do you do?

Mr. Henderson. St. Louis, Missouri. We're a construction and industrial supply company—

The President. Great. How are you doing?

Mr. Henderson. —and I'm a second-generation owner. It's been very good. The economy has been very good to us, and the business has been booming. We're on our 11th record year.

The President. Good.

Mr. Henderson. So we've very pleased.

The President. All because of good management.

Mr. Henderson. From the top down. [Laughter]

The President. That's right. How many employees?

Mr. Henderson. We have seven employees, five full-time, two part-time.

The President. Right, and your issue with health care?

[Mr. Henderson made further remarks, concluding as follows.]

Mr. Henderson. So when they say, "Well, we can keep your premiums the same," they're not really saving us anything, because we're having to pass that along to the employees, of which I am an employee of the corporation. So now my health insurance costs just went up too. And it's just a vicious cycle that we've been dealing with for over 17 years.

The President. This is probably the biggest problem we hear from small businesses around the country. And in that small busi-

nesses create most new jobs in America, it makes sense to come up with plans to help small businesses thrive.

Michael, I don't know if you want to comment on this—

Secretary Leavitt. I'd be interested—

The President. —deductibility plan because I think it's going to save your employees a lot of money and make it easier for you to be in a position to do what you want to do, which is be—consider yourself a good employer.

Mr. Henderson. Well, that's the hard thing, is when you're trying to hire more people, health insurance is really important. And if you're telling people, "Well, we've got a \$2,000 deductible and a 70/30 split, but hey, we're a good company to work for," well, you might be a nice family company to work for, but I can't afford to work here.

The President. Have you looked at this deal that I proposed?

Mr. Henderson. Yes, sir, I have. And from what I've looked at, off of the information you've sent to me, I think that it's going to be very attractive.

The President. And how does it help you?

Secretary Leavitt. Jim could describe it, or I—well, I mean, Jim is like a lot of other small businesses. If he and his employees had this ability to have this standard exemption—in Jim's case personally, he'd have the exemption; he'd get the tax savings. It would be—he'd have about a \$2,183 increase in his take-home pay. The value of the actual deduction to him would be 7,200, which would go a long ways to helping defer some of those costs.

When you look at that example—and take Martha, for example. Martha had a similar problem as Jim did and chose to go to a health savings account. When you combine these two, it becomes well within the grasp of almost any employee to have an affordable, basic health insurance. Martha, maybe you could—

The President. Yes. Just one point before you go. I think it's very important for our citizens to know that as we level the playing field between employees of little companies and big companies, it makes it easier for small companies to stay in business. The Tax Code, it treats a certain group of people in

the United States unfairly when it comes to health care. People who work for big businesses get their health care on a—without—with no—they pay no taxable income on it. Small companies who are having trouble staying in business because of the nature of their size of the company pass on the increased cost to their employees. And we've got to level the playing field from a taxes perspective. It is by far the most hopeful and fair option of any medical health care option out there today, unless, of course, you want the Federal Government running it all, saying, "Okay, we'll provide you insurance; we'll provide everybody insurance," which would be a mistake.

Anyway, listen to health savings accounts, but I don't want to be Mr. Lecturer. But she is—it's an interesting option for you.

Mr. Henderson. I did look at those, but for our employees, they weren't as attractive, because our employees said, "If I can set aside \$2,000 a year or whatever to put into a health savings account, I'd be doing it anyway."

Secretary Leavitt. So they'll be able to—with this tax change, they'll now have the money that can go to do just that.

Mr. Henderson. That's been what's so frustrating about this, is each year those costs go up—we want to make it affordable for our employees—the company's paying more for the insurance that they're receiving. We don't get to turn around and say to our customers, "Hey, we're raising your prices"—

The President. No, that's right.

Mr. Henderson. —"25 percent because our insurance went up." And when we ask the insurance, "Why is it going up; we haven't had these major losses," their reply is, "Because we can." That's what I was told, "Because we can." I'd like to tell all my customers that—hey, I'm raising your prices 25 percent because I can.

The President. Right. It's a problem, and the reason I've come here to discuss this with a frustrated small-business owner like you is because we believe that we've designed a solution that will help a lot.

Mr. Henderson. Yes, sir.

The President. Martha.

Martha Gelencher. Yes, Mr. President.

The President. Why don't you tell everybody what you do? Are you as passionate about your employees as my man Jim?

Ms. Gelencher. Yes, I am.

The President. That's good.

Ms. Gelencher. I've been in the business for 30-plus years, and having health insurance has always been a big issue. I think we as employee—individuals now are facing what Jim said is—the individual and the employer are facing the same problem right now.

The President. Let me ask you something. How many employees do you have?

Ms. Gelencher. Thirty, of which six are full-time.

The President. Right. And so you started getting squeezed.

Ms. Gelencher. Yes, from the very beginning. In fact, no one wanted—for many years, no one wanted to insure someone that had only 30 employees.

The President. Yes, or six full-timers.

Ms. Gelencher. Yes. It's like, well, you're just not—

The President. It's one reason why you don't have a lot of leverage.

Ms. Gelencher. Right.

The President. People don't want to insure you.

Mr. Henderson. If we drop below five, we've been told—

The President. Yes. So you're at 6 full-time, 24 part-time. And you started looking at options, and what happens?

Ms. Gelencher. Well, we went with the HSAs; we've been with them for 2½ years. We were able to give more full-time people insurance. We save 40 percent of what we had been paying.

The President. Yes, see, that's why I think—get somebody to—HSAs really do hold the cost down for small businesses.

Ms. Gelencher. They really do. They really do.

The President. It's a little difficult to get the employee to sign on at first, right? It's a novel concept, as opposed to somebody paying your bills. An HSA basically says, you're in charge of your own health care.

Ms. Gelencher. Right, and it gives the small-business person a little advantage over

the larger-business person, because they have their own savings account——

The President. That's right.

Ms. Gelencher. ——and they can—it grows, and it's theirs, and they become more responsible for how they spend their health care.

The President. A high deductible catastrophic care plan with the company and/or the individual contributing tax-free the amount of the deductible into a savings account. The person owns their savings account. In other words, it's beneficial to small business because it's cheaper to buy the HSA than it is normal insurance that you're battling for. Have you found that to be true?

Ms. Gelencher. I agree with you 100 percent. Yes. And our employees are very pleased. And I mean, really, it was a lifesaver for us because it just became such a big problem, as we see all across the board now, with individuals—low income, middle income—most of our people are middle income, so that's to their advantage.

The President. See, the problem with small businesses and individuals is that there's no market relative to—like big companies. There just isn't. And we need to help establish a market. Demand will yield the supply of insurance policies, so long as States enable there to be the development of a basic plan without mandates and things added on to it. And that's really one of the benefits of HSAs, by the way. It's like a basic health care plan.

Let me ask you something. Do your employees like the idea of being able to—of course they like the idea—your employees are able to take their health care with them from job to job—take the savings account aspect?

Ms. Gelencher. Exactly.

The President. It's theirs, not yours.

Ms. Gelencher. Right.

Secretary Leavitt. May I ask Martha a question?

The President. Yes, sure.

Secretary Leavitt. Martha, I have an HSA, so I have some experience with this, but I'm curious as to your experience with them. Did it cause you to be more interested in what things were costing than when you just had an insurance card?

Ms. Gelencher. Exactly. Exactly.

Secretary Leavitt. I remember the first time I walked into a drug store with my HSA and presented them with my new card. And I knew I was—that my savings—my health savings account would be paying part of it. And they—this prescription I had was going to be \$379. And I'd been getting this prescription for quite awhile, and I had no idea what it was going to cost. And I said to the druggist, "Is there a generic version of this?" It was—it changed my way of thinking about this completely. Did you have that experience?

Ms. Gelencher. Exactly the same.

Secretary Leavitt. Have you seen any kind of change in the way your employees have thought about this as a result?

[*Ms. Gelencher, owner, Corporate Building Services, made further remarks.*]

Secretary Leavitt. Something that Rich said and that Martha has said that is important, one of the things they are doing here at Saint Luke's is that they are allowing people to know what the prices are in advance. A lot of people go to hospitals and they say, "I'd like to know how much this costs." And the hospital just isn't equipped to answer that question or the doctor just doesn't think about what the cost is because usually it's just about processing the insurance.

This very—this gets at the heart of how we keep costs down. Suddenly people begin to ask themselves, is there a generic version of this; how much should this cost? Those are the kinds of questions that begin to create small businesses with a competitive product. And hospitals like the one we're in today have led in that transparency, knowing the quality, knowing the cost, being involved in the decision. It's a very important way to keep costs down.

The President. Yes, that's why the best health care system is one that recognizes that decisions made by doctors and patients are the best decisions. It's best to hold down costs. It's best to enhance quality. It is really what happens in most other aspects of our market. It doesn't happen—happening in health care. And the policies that we're detailing are trying to encourage more consumer involvement in order to hold down

costs. And it's a foreign concept for a lot of people because it hasn't been happening for years. And it's a concept that, frankly, some in Washington don't like because it runs contrary to a philosophy that basically says, the Federal Government is a better decision-maker.

Anyway, thanks for joining us. Thanks for being an innovator. The tax deduction is going to help your folks—

Ms. Gelencher. Yes, very much so.

The President. —\$15,000, 7,500 for a single person.

Ms. Gelencher. And I can't imagine why someone would not—

The President. Be for it?

Ms. Gelencher. —think it would. [Laughter]

The President. Well, it's an interesting question, particularly since it's a revenue-neutral proposal, which is important. Cost money or lose money, it's—according to the experts, it's revenue-neutral.

Jones—Dan Jones, where do you live?

Dan Jones. I live in St. Louis, Missouri.

The President. You do—home of the mighty Cardinals.

Mr. Jones. Yes, sir. Yes, Mr. President.

The President. They came to the White House recently.

[Mr. Jones, service engineer, *Software To Go*, made further remarks.]

The President. Here's the classic guy—young guy in the marketplace, basically priced out of the individual market.

Mr. Jones. Yes, sir.

The President. And the plan helps him. Matter of fact, what they were telling me coming in that you could buy a good health care plan for about \$1,350.

Mr. Jones. Yes, we were looking at that. And within the State of Missouri, I can get about \$1,300 for a really nice health care for the year.

The President. Save 2,270 in taxes.

Mr. Jones. Over the year.

The President. So you put \$929 in your pocket.

Mr. Jones. Absolutely.

The President. Does it make sense to do that? I think it does.

Mr. Jones. What could you do with just a little over—under a thousand dollars? That's Christmas, you know. [Laughter]

The President. Well, why don't you think about saving it? [Laughter]

Mr. Jones. Yes, well, I got a gigantic family, and I got a godchild who, "Buy me this, buy me that."

The President. Anyway, there are plenty of people who feel like they're doing just fine when it comes to health insurance, particularly those who work for big corporate America, which is fine. It's just that the system discriminates against the Dan Joneses because the Tax Code that has evolved over time has made it harder for him, relative to other people in our society, to purchase insurance.

And this is exactly what this plan is designed to do. We're trying to move somebody like Dan from being a statistic, an uninsured person, into insurance. And here is a logical way for the Government to do so. And if people in Washington are serious about dealing with the uninsured, here is a serious idea for them to consider. Instead of just dismissing things because of pure politics, we have put forth ideas that are worthy of debate and we believe will work. And I know that our citizens, fellow citizens, regardless of their political party, expect there to be a serious dialog on constructive ideas that are put forward to make sure people like Dan Jones have got private insurance. And I thank you for coming and sharing—how many people work in your firm?

Mr. Jones. Three full-time employees right now, but hopefully more.

The President. But you're growing.

Mr. Jones. Absolutely.

The President. There you are.

Mr. Jones. Small businesses, they grow. And the more money you save along the way, the more you can grow.

The President. There you go. Well, thank you for coming.

Mr. Jones. Thank you, Mr. President.

The President. Tom. Appreciate you coming, Tom.

Thomas R. Beauregard. Sure.

The President. Tom Beauregard. What do you do?

Mr. Beauregard. I lead a business within United Health Care that's focused on extending access to the uninsured.

The President. Oh, really?

[*Mr. Beauregard, lead strategist, Hewitt Associates LLC, made further remarks, concluding as follows.*]

Mr. Beauregard. And then the other thing we see is just changes in the labor market, where you've got people moving from job to job. So the average individual will have about 10 jobs across their career now.

The President. That's right.

Mr. Beauregard. So there really is a need for—

The President. That's an interesting point—excuse me. A lot of people in America probably know this, but just in case they don't, most people change jobs, like, seven or eight times before they're 35 years old, in America these days.

Mr. Beauregard. And it's accelerating.

The President. That means you better have a portable health care plan.

[*Mr. Beauregard made further remarks.*]

The President. I appreciate your studying it. You may need to come up to Washington to testify. [*Laughter*] Thank you very much.

Why don't we end with Esmerelda. Esmerelda, welcome.

Esmerelda Wergin. Thank you.

The President. You are a—where do you work?

Mrs. Wergin. I work at my grandmother's restaurant, Ninfa's Tortillas. I'm a waitress there.

The President. Ninfa's? You recommend it?

Mrs. Wergin. Oh, yes. [*Laughter*] My grandma—

The President. How are your cheese enchiladas?

Mrs. Wergin. Perfect. [*Laughter*] And she makes them herself.

The President. Does she really?

Mrs. Wergin. Yes, she's back there.

The President. What's her name? Ninfa?

Mrs. Wergin. Ninfa. Ninfa.

The President. That's what I thought. [*Laughter*] Good. Married?

Mrs. Wergin. Yes, married with two children.

The President. And how old?

Mrs. Wergin. I have a 2-year-old and a 7-year-old, both boys.

The President. Fabulous, fabulous. And so give us your health insurance story.

[*Mrs. Wergin made further remarks.*]

The President. This plan we've outlined would save Esmerelda and her family 3,500 a year. Does it make sense to level the playing field and have a rational Tax Code and enable her to be able to purchase health insurance? I think it does. Rather than having your family sit outside the system, grinding away on trying to find a health care system that they can afford, why not help them afford health care system through making the Tax Code fair? That's all we're asking.

Isn't that right?

Mrs. Wergin. Oh, whatever you say, Mr. President. [*Laughter*]

The President. Esmerelda, thanks for coming.

Mrs. Wergin. Your welcome.

The President. I hope people got a flavor of what we're trying to get done, that this plan helps people be able to afford private health insurance, and that is really the crux of good health care. Good health care is a health care system where government helps people who need help like the poor, those who are hard to insure. Part of what we recognize is that Mike needs to give States flexibilities to help set up risk pools, to be able to add selection when it comes to individualized markets. But ultimately, the best health care plan is one that trusts people like Esmerelda and her family or Jones—Dan Jones—to make decisions, and is one that enables our small-business sector to remain economically viable.

We thought long and hard about what to propose. We proposed a bold initiative, an initiative that takes equities—out of the system, so people are treated fairly. And I know Americans expect that the United States Congress will take a good look at all ideas to determine how best to make this health care system run well.

And I thank you all for coming and giving us a chance to talk with you. I appreciate

your candor, appreciate what you do for the country. Thank you. Good job.

NOTE: The President spoke at 12:08 p.m. at Saint Luke's East—Lee's Summit hospital. In his remarks, he referred to George A. Pagels, chief medical officer, Saint Luke's Health System, and chief executive officer, Saint Luke's East—Lee's Summit hospital.

Proclamation 8102—Fifth Anniversary of USA Freedom Corps, 2007

January 25, 2007

By the President of the United States of America

A Proclamation

The great strength of our Nation is found in the heroic kindness, courage, and self-sacrifice of the American people. Every day, individuals show the good heart of our country by volunteering to help make someone's life better. Since 2002, the USA Freedom Corps has provided access to volunteer opportunities for millions of Americans. On the fifth anniversary of the USA Freedom Corps, we honor volunteers who give their time and talents to make a difference in the lives of others, and we recognize that helping those in need makes America a more hopeful country.

The USA Freedom Corps was created to encourage Americans to answer the call to serve a cause greater than themselves. By matching willing volunteers with opportunities in their communities, the USA Freedom Corps brings Americans together to mentor children, assist the elderly, clean up neighborhoods, and perform countless acts of generosity. The USA Freedom Corps has helped support national service programs such as AmeriCorps, Citizen Corps, Peace Corps, and Senior Corps. Through programs like these, volunteers all across the country bring comfort and kindness to people at home and abroad.

Through the USA Freedom Corps website at volunteer.gov, all Americans can find ways to serve in our country's armies of compassion. By answering the universal call to help a neighbor, individual Americans can transform towns and cities into more caring com-

munities and neighborhoods and make America a better place.

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 January 29, 2007, as the Fifth Anniversary of the USA Freedom Corps. I call upon the citizens of this great country to find ways to volunteer and help their fellow Americans. I commend the efforts of the USA Freedom Corps and all those who have already answered the call to serve, and I encourage all Americans to give of their time, energy, and talents to make America even stronger.

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

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., January 29, 2007]

NOTE: This proclamation will be published in the *Federal Register* on January 30.

Memorandum on Assignment of Functions Under the Darfur Peace and Accountability Act of 2006

January 25, 2007

Memorandum for the Secretary of State

Subject: Assignment of Functions under the Darfur Peace and Accountability Act of 2006

By the authority vested in me as President by the Constitution and laws of the United States, including section 301 of title 3, United States Code, I hereby assign to you the functions of the President under sections 6(a), 6(b), and 6(f) of the Darfur Peace and Accountability Act of 2006 (Public Law 109–344). In performing such functions, you shall consult with other heads of departments and agencies, as appropriate.

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

George W. Bush

Remarks Following a Meeting With Military Leaders and an Exchange With Reporters

January 26, 2007

The President. I just had a full briefing with General David Petraeus about the way forward in Iraq. I want to thank the Secretary and General Pace, National Security Adviser for joining this discussion. Congratulations.

Lt. Gen. David H. Petraeus. Thank you, sir.

The President. The Senate confirmed this good man without a dissenting vote. I appreciate the quick action of the United States Senate. I appreciate them giving General David Petraeus a fair hearing, and I appreciate the vote. My instructions to the general is: Get over to the zone as quickly as possible and implement a plan that we believe will yield our goals.

I thank the general and his family. I particularly want to thank your family for supporting you and supporting our Nation. One of the amazing things about our country is that we've got military folks who volunteer to go into a tough zone to protect the American people from future harm, and they've got families who stand by them. And whether you be a general or a private in the military, there is a U.S.—there's a family member saying, "I love you, and I support you."

And so, General, I congratulate you, and I congratulate the volunteers and their families for making the hard decisions necessary to protect its people from a grave danger. And you're going into an important battle in this war on terror, and I give you my full support and wish you Godspeed.

Lt. Gen. Petraeus. Thank you, Mr. President. If I could thank the Senate as well, thank my family, and above all, thank those great soldiers, sailors, airmen, marines, and civilians who are out there on the frontlines of the global war on terror.

The President. All right. I'll answer a couple of questions. Jennifer [Jennifer Loven, Associated Press].

War on Terror Strategy

Q. Thank you, sir. The other night in your State of the Union Address, you asked Congress to give your plan a chance. But law-

makers, Democrats and Republicans, didn't really miss a step in starting to turn out resolutions against that plan. Why do you think it's okay to go ahead without their support?

The President. One of the things I've found in Congress is that most people recognize that failure would be a disaster for the United States. And in that I'm the decision-maker, I had to come up with a way forward that precluded disaster. In other words, I had to think about what's likely to work.

And so I worked with our military and I worked with Secretary Gates to come up with a plan that is likely to succeed. And the implementor of that plan is going to be General Petraeus. And my call to the Congress is, is that I know there is skepticism and pessimism, and that they are—some are condemning a plan before it's even had a chance to work. And they have an obligation and a serious responsibility, therefore, to put up their own plan as to what would work.

I've listened a lot to Members of Congress. I've listened carefully to their suggestions. And I have picked the plan that I think is most likely to succeed, because I understand, like many in Congress understand, success is very important for the security of the country.

Let's see—Steven [Steve Holland, Reuters], yes, sir.

Iraq/Iran

Q. Yes, sir. This policy of going after the Iranians inside Iraq, are you concerned that that could be a provocative act in the region?

The President. I made it very clear, as did the Secretary, that our policy is going to be to protect our troops in Iraq. It just makes sense that if somebody is trying to harm our troops or stop us from achieving our goal or killing innocent citizens in Iraq, that we will stop them. That's an obligation we all have, is to protect our folks and achieve our goal.

Now, some are trying to say that because we're enforcing—helping ourselves in Iraq by stopping outside influence from killing our soldiers or hurting Iraqi people, that we

want to expand this beyond the borders. That's a presumption that simply is not accurate. We believe that we can solve our problems with Iran diplomatically and are working to do that. As a matter of fact, we're making pretty good progress on that front. As you know, the Iranians, for example, think they want to have a nuclear weapon. And we've convinced other nations to join us to send a clear message, through the United Nations, that that's unacceptable behavior.

And so, yes, we're going to continue to protect ourselves in Iraq and, at the same time, work to solve our problems with Iran diplomatically. And I believe we can succeed. The choice is the Iranian Government's choice, see. And one of the things that the Iranian Government has done is, they've begun to isolate their nation to the harm of the Iranian people. And the Iranian people are proud people, and they've got a great history and a great tradition.

Our struggle is not with the Iranian people. As a matter of fact, we want them to flourish, and we want their economy to be strong. And we want their mothers to be able to raise their children in a hopeful society. My problem is with a government that takes actions that end up isolating their people and ends up denying the Iranian people their true place in the world. And so we'll work diplomatically, and I believe we can solve our problems peacefully.

Thank you all very much.

NOTE: The President spoke at 10:20 a.m. in the Oval Office at the White House. Participating in the meeting were Secretary of Defense Robert M. Gates; Gen. Peter Pace, USMC, Chairman, Joint Chiefs of Staff; Lt. Gen. David H. Petraeus, incoming commanding general, Multi-National Force—Iraq; and National Security Adviser Stephen J. Hadley.

Remarks to the House Republican Conference in Cambridge, Maryland January 26, 2007

Thank you. I appreciate the warm applause. Thank you very much. It's good to be with you again—twice in one week, and I'm better off for it. [Laughter] Laura sends her very best to those of you who've run and

won and to your families. I want to say something about the families. I know how hard it is to be in a political family, and I know the sacrifices that the spouse and children make. And so on behalf of a grateful nation, I thank you for standing by your loved one as he or she serves a noble cause, and that is the cause of democracy here in the greatest country on the face of the Earth, the United States.

I am glad to be among friends. I count a lot of you as personal friends. I particularly count the leadership as friends. I've gotten to know John Boehner and Roy Blunt over the past 6 years. I value their friendship; I look forward to working with them. And I know that the Republican Party is in good hands in the House of Representatives with these fine leaders.

I, of course, have known Kay a long time. She and I were blessed, like old Judge Carter, to be raised in Texas. For those of you from Texas, you know what I'm talking about, being blessed to be raised there—for the rest of you, come on down and visit us sometime. [Laughter]

I've come to admire Adam Putnam. You call him Adam; I call him "Red." [Laughter] But, nevertheless, he is a strong leader and a good friend. I appreciate Tom Cole and Thaddeus McCotter as well. These two gentlemen are new to the leadership, but I'm confident they'll be able to provide a lot of good direction to the caucus. And so I'm looking forward to working with you all, and I appreciate you taking on big responsibilities.

I want to spend a little time talking about the state of the Union. I want to remind you that as a result of our philosophy, this economy of ours is strong. I said to the country the other night, we're a country with low inflation, low unemployment, and increasing wages. We've got people working, and they're putting more money in their pocket. And one of the reasons this economy is strong is because we had the wisdom to cut the taxes on the working people. And we need to keep them low.

I'm looking forward to working with you on balancing the budget. Your old colleague Rob Portman, who is now the head of the OMB, will be submitting a budget that shows

we can balance this budget within the next 5 years without raising taxes on the American people.

I want to work with you on earmarks. I know many of you are concerned about these spending items that just show up in bills that you didn't vote on and you didn't discuss. I want to work with you on entitlement reform. There's a lot of discussion about the budget, and there ought to be. There's focus on whether or not we can balance the budget in the short term, but the truth of the matter is, the bigger problem we've got is unfunded liabilities inherent in programs like Medicare and Social Security. And in my judgment, now is the time to fix this problem and not pass them on to future Congresses and future Presidents.

I know it sounds counterintuitive for a Texan to say that we're too dependent on oil—but we are. And we need to do something about it. And the amazing thing is, we're on the verge of technological breakthrough that will enable us to power our cars in different ways, starting with ethanol derived from corn, and eventually, ethanol derived from wood chips, cornstalks, all kinds of stuff. It's called cellulosic ethanol. And I ask you to join me in continuing to spend taxpayers' money on research that will be necessary to develop new technology so we become less dependent on foreign sources of oil.

I want to work with you on health. I'm a big believer in No Child Left Behind. I think it needs to be reauthorized. I want to work with you on immigration reform, and I want to work with you on health care reform. These are big ideas, and it's going to require us working together to get the job done on behalf of the American people.

And I also appreciate your understanding that we're still a nation at war. You know, when I talked to the country the other night, I wish I could have reported differently. But it's not the truth, and it's not the reality. There's an enemy out there that would still like to strike us. And as I said, and I know most of you believe, the best way to defend this country is to stay on the offense and bring the enemy to justice before they hurt us again.

I talked about the progress and the advance that democracy was making around the Middle East, and then the fact that the enemy struck back. And they struck back against these young democracies, because they cannot stand the thought of freedom. You see, the best way to defeat totalitarianism in the long run is to offer a more hopeful ideology. And that's what we offer through the ideology based on human rights and human dignity, the central theme of which is: All people desire to be free. And it's in the interests of the United States to not only defend ourselves against the enemy in the short term, but it's in the interests of our children and grandchildren to spread freedom so that we can live in peace in the long term.

I've spent time talking about Iraq, and I'll talk with you a little bit later on. But my message to the American people was, I thought about all kinds of ideas about Iraq. And I told the American people, I fully understand there are differences of opinion. But one of the things I have discovered is, in Washington, DC, most people understand the consequences of failure. And if failure is not an option, then it's up to the President to come up with a plan that is more likely to succeed. And I spent a lot of time on the subject, because I understand how serious the issue is. And the plan I outlined to the American people is one that I believe can succeed.

Today I had the honor of welcoming David Petraeus to the Oval Office. He had just been confirmed by the United States Senate without one dissenting vote. And as I looked at that general, who is willing to go back into the war zone to represent our country, it reminded me, as the President, I must make sure he has everything he needs—that he thinks he needs to succeed in the mission that we have sent him on. And I look forward to working with you to make sure that our generals and our troops that we put into harm's way have the support of the United States Congress.

I talked about the need to have a foreign policy that's more than just military, a foreign policy that's got active diplomacy, which we do all around the world. I mentioned in my speech that the United States does not stand alone. As a matter of fact, our troops are in

Iraq based upon a United Nations mandate. We're working with the countries in the neighborhood to support this young democracy and making it clear the stakes of the ideological struggle we're in.

I talked about the fact that we've encouraged and worked with NATO to be an active participant in Afghanistan—it's the first time that alliance has deployed outside of Europe in the history of its existence. I talked about the fact that we will never forget the importance of freedom, whether it be in our hemisphere, in Cuba, or in Burma or in Belarus. And when we call a human tragedy "genocide," like in Darfur, we'll continue to rally the world to solve the problem.

I want to thank Members of the Congress for supporting the HIV/AIDS initiative on the continent of Africa. It gave me great pleasure to tell the American citizens that because your actions—because you acted, 50,000 people—what was once 50,000 people receiving lifesaving drugs has increased to 800,000 people in 3 short years. I firmly believe what I said: To whom much is given, much is required. A lot has been given to the United States, and it's in our interests to help people who suffer from disease and hunger. And I thank you for your support. And the next great initiative is to eliminate malaria in countries on the continent of Africa, and I ask you to join me.

I said, finally, introducing the people that were there, something I believe: I believe the state of this Union is strong, and it's strong because the character and decency of the American people remain strong.

And so I'm looking forward to serving with you this year and next year. I thank you for your sacrifices. I have confidence in the future of this country, because we're a country full of such decent and courageous and loving people.

Thanks for having me.

NOTE: The President spoke at 12:26 p.m. at the Hyatt Regency Chesapeake Bay. In his remarks, he referred to Lt. Gen. David H. Petraeus, USA, incoming commanding general, Multi-National Force—Iraq.

Statement on the International Day of Commemoration in Memory of the Victims of the Holocaust

January 26, 2007

On the second International Day of Commemoration, we remember and mourn the victims of the Holocaust.

Sixty-two years after the liberation of Auschwitz, we must continue to educate ourselves about the lessons of the Holocaust and honor those whose lives were taken as a result of a racist ideology that embraced a national policy of violent hatred and bigotry. It is also our responsibility to honor the survivors and those courageous souls who refused to be bystanders and instead risked their lives to try and save the Nazis' intended victims.

Remembering the victims, heroes, and lessons of the Holocaust is particularly important today as Holocaust denial continues, urged on by the Iranian regime, which pervasively seeks to call into question the historical fact of the Nazis' campaign of mass murder. We must continue to condemn the resurgence of anti-Semitism, that same virulent intolerance that led to the Holocaust, and we must combat bigotry and hatred in all their forms, in America and abroad.

May God bless the memory of the victims of the Holocaust. And may we never forget.

Proclamation 8103—National African American History Month, 2007

January 26, 2007

By the President of the United States of America

A Proclamation

African Americans have been an integral part of America for generations, and our Nation is stronger because of their contributions. During National African American History Month, we honor the achievements of African Americans and recognize our continued responsibility to strive for equality for all our citizens.

With grace and determination, African-American men and women have shaped our

Nation and influenced American life. Frederick Douglass, W.E.B. DuBois, Rosa Parks, and Martin Luther King, Jr., advanced the cause of civil rights for all Americans and helped change the course of American history. Educators Booker T. Washington and Carter G. Woodson helped break down racial barriers in education to provide opportunity for all people. Americans have benefited from the achievements of scientists like George Washington Carver. Artists such as Pearl Bailey, Ella Fitzgerald, and Louis Armstrong inspired Americans and created some of the most celebrated music this Nation has ever produced.

The theme of this year's National African American History Month, "From Slavery to Freedom: Africans in the Americas," recalls African Americans' long journey to justice and commemorates the courage and persistence of the heroes who called on our Nation to live up to its founding promise. A century after African-American soldiers fought for their freedom on the battlefields of the Civil War, African Americans struggled peacefully for their rights in the streets of Birmingham, Alabama, and on the Mall in Washington, D.C. Courageous civil rights leaders answered hate and discrimination with love and dignity, toppled segregation laws, and worked to make America a more just and hopeful Nation.

All Americans can be proud of the progress we have made, yet the work for a more perfect union is not done. As we celebrate National African American History Month, we reaffirm our commitment to build a society where every individual has the opportunity to achieve the promise of this great land.

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 February 2007 as National African American History Month. I call upon public officials, educators, and all the people of the United States to observe this month with appropriate programs and activities that honor the significant contributions African Americans have made to our Nation.

In Witness Whereof, I have hereunto set my hand this twenty-sixth day of January, in the year of our Lord two thousand seven, and of the Independence of the United States of America the two hundred and thirty-first.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., January 30, 2007]

NOTE: This proclamation will be published in the *Federal Register* on January 31.

Executive Order 13424—Further Amendment to Executive Order 13285, Relating to the President's Council on Service and Civic Participation

January 26, 2007

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the President's Council on Service and Civic Participation, it is hereby ordered that Executive Order 13285 of January 29, 2003, as amended, is further amended by revising section 4(b) to read as follows: "(b) Unless further extended by the President, this order shall expire on November 30, 2008."

George W. Bush

The White House,
January 26, 2007.

[Filed with the Office of the Federal Register, 8:45 a.m., January 29, 2007]

NOTE: This Executive order will be published in the *Federal Register* on January 30.

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.

January 20

In the morning, the President had an intelligence briefing. Later, he and Mrs. Bush traveled to Camp David, MD.

During the day, the President met with Secretary of State Condoleezza Rice and Secretary of Defense Robert M. Gates.

January 22

In the morning, the President had an intelligence briefing.

In the afternoon, the President and Mrs. Bush returned to Washington, DC.

Later in the afternoon, in the Family Theater, the President participated in a speech preparation session for his January 23 State of the Union Address.

The President announced his intention to nominate James R. Clapper, Jr., to be Under Secretary of Defense for Intelligence.

The President announced his intention to designate Howard Radzely as Acting Deputy Secretary of Labor.

January 23

In the morning, the President had an intelligence briefing.

January 24

In the morning, the President had an intelligence briefing. Later, he traveled to Wilmington, DE, where he toured DuPont Experimental Station.

Later in the morning, prior to his departure from New Castle Airport, the President met with members of the National Guard. He then returned to Washington, DC, arriving in the afternoon.

Later in the afternoon, in the Oval Office, the President and Vice President Dick Cheney met with Gen. Dan K. McNeill, USA, incoming commander, NATO's International Security Assistance Force in Afghanistan.

In the evening, in the Yellow Oval Room, the President and Mrs. Bush hosted the annual dinner for the Joint Chiefs of Staff and combat commanders and their spouses.

January 25

In the morning, the President had an intelligence briefing. Later, he traveled to Kansas City, MO, where, upon arrival, he met with USA Freedom Corps volunteer Susan Hos-

kins. He then traveled to Lee's Summit, MO, where he toured Saint Luke's East—Lee's Summit hospital.

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

The President made additional disaster assistance available to Alabama by authorizing an increase in the level of Federal funding for public assistance projects undertaken as a result of Hurricane Katrina.

January 26

In the morning, the President had an intelligence briefing. Later, he traveled to Cambridge, MD.

In the afternoon, the President returned to Washington, DC. Later, he and Mrs. Bush went to Blair House where they attended a reception for Counsel to the President Harriet E. Miers. Later, they returned to the White House.

During the day, the President met with Republican Members of the House of Representatives.

In the evening, the President attended a retirement reception for Chief Usher Gary Walters.

**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 January 22

Ryan C. Crocker,
of Washington, a career member of the Senior Foreign Service with the rank Personal Rank of Career Ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Iraq.

J. Michael McConnell,
of Virginia, to be Director of National Intelligence, vice John D. Negroponte.

John D. Negroponte, of New York, to be Deputy Secretary of State, vice Robert B. Zoellick, resigned.

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 January 22

Transcript of a press briefing by Press Secretary Tony Snow

Transcript of a press briefing by Special Assistant to the President for Economic Policy Julie Goon and Council of Economic Advisers member Katherine Baicker on the President's health care initiative to be announced during his State of the Union Address

Statement by the Press Secretary announcing that the President received the report and recommendations of Presidential Emergency Board No. 240

Fact sheet: Affordable, Accessible, and Flexible Health Coverage

Released January 23

Transcript of a press briefing by Counselor to the President Daniel J. Bartlett, National

Security Adviser Stephen J. Hadley, Deputy Chief of Staff for Policy Joel Kaplan, and Press Secretary Tony Snow on the State of the Union Address

Fact sheet: Twenty in Ten: Strengthening America's Energy Security

Excerpts: State of the Union Address

Advance text: State of the Union Address

Text: Guest List for the First Lady's Box at the 2007 State of the Union

Released January 24

Transcript of a press gaggle by Deputy Press Secretary Dana Perino

Fact sheet: Strengthening America's Energy Security and Improving the Environment

Released January 25

Transcript of a press gaggle by Press Secretary Tony Snow

Statement by the Press Secretary on disaster assistance to Alabama

Acts Approved by the President

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.