

The 2007 State Of The Union Address

Tonight, President Bush Will Address The Major Issues Facing Our Nation And Discuss Opportunities For Both Parties To Work Together To Accomplish Big Objectives For The American People. The President will unveil a positive, comprehensive agenda that will improve the daily lives of the American people and explain how our actions in the world will make our Nation safer and more secure. The President believes we can find practical ways to advance the American Dream and keep our Nation safe without either party compromising its principles.

President Bush's Agenda For Spreading Hope And Opportunity In America

In The State Of The Union Address, President Bush Will Discuss A Domestic Agenda Including:

- **Energy:** President Bush will ask Congress and America's scientists, farmers, industry leaders, and entrepreneurs to join him in pursuing the goal of reducing U.S. gasoline usage by 20 percent in the next ten years – Twenty in Ten. We will reach the President's Twenty in Ten goal by increasing the supply of renewable and alternative fuels and by reforming and modernizing Corporate Average Fuel Economy (CAFE) standards for cars and extending the current light truck rule. The President's energy plan also includes stepping up domestic oil production in environmentally sensitive ways and doubling the current capacity of the Strategic Petroleum Reserve (SPR).
- **Health Care:** President Bush will announce his proposals to make basic, private health insurance available and affordable for more Americans. The President's plan includes reforming the tax code with a standard deduction for health insurance so all Americans get the same tax breaks for health insurance, and helping states make affordable private health insurance available to their citizens.
- **Spending Reform:** President Bush will discuss three major reforms to spend taxpayer dollars wisely: balancing the budget through pro-growth policies and spending restraint, enacting common-sense reforms to help prevent billions of taxpayer dollars from being spent on unnecessary earmarks, and reforming entitlement programs.
- **Education:** President Bush will discuss his priorities for strengthening and reauthorizing the No Child Left Behind Act (NCLB) this year.
- **Immigration:** President Bush will call on Congress to pass a comprehensive immigration reform bill that will secure our borders, enhance interior and worksite enforcement, create a temporary worker program, resolve – without animosity and without amnesty – the status of illegal immigrants already here, and promote assimilation into our society.
- **Judges:** The President has a duty to nominate qualified men and women to fill vacancies on the Federal bench, and he calls on the Senate to give those nominees a fair hearing and a prompt up-or-down vote.

America's Actions In The World Will Make Our Nation Safer And More Secure

In The State Of The Union Address, President Bush Will Discuss An International Agenda Including:

- **War On Terror/Iraq:** The challenge playing out across the broader Middle East is more than a military conflict – it is the decisive ideological struggle of our time. For the safety of our people, America must succeed in Iraq, and the President believes his new Iraq plan is the best way to succeed. Tonight, the President will propose to establish a special advisory council on the War on Terror made up of leaders in Congress from both political parties.
- **Strengthening Our Military:** Tonight, President Bush will ask Congress for authority to increase the overall strength of our active Army and the Marine Corps by 92,000 Soldiers and Marines in the next five years.
- **The President's Emergency Plan For AIDS Relief (PEPFAR) And The President's Malaria Initiative:** The President's Emergency Plan for AIDS Relief (PEPFAR) and the President's Malaria Initiative are working abroad to save lives.

PRESIDENT BUSH'S DOMESTIC AGENDA

Energy

President Bush Will Ask Congress And America's Scientists, Farmers, Industry Leaders, And Entrepreneurs To Join Him In Pursuing The Goal Of Reducing U.S. Gasoline Usage By 20 Percent In The Next Ten Years – Twenty In Ten.

America Will Reach The President's Twenty In Ten Goal By:

- **Increasing The Supply Of Renewable And Alternative Fuels By Setting A Mandatory Fuels Standard To Require 35 Billion Gallons Of Renewable And Alternative Fuels In 2017 – Nearly Five Times The 2012 Target Now In Law.** In 2017, this will displace 15 percent of projected annual gasoline use.
- **Reforming And Modernizing Corporate Average Fuel Economy (CAFE) Standards For Cars And Extending The Current Light Truck Rule.** In 2017, this will reduce projected annual gasoline use by up to 8.5 billion gallons, a further 5 percent reduction that, in combination with increasing the supply of renewable and alternative fuels, will bring the total reduction in projected annual gasoline use to 20 percent.
 - **Congress Must Reform CAFE For Passenger Cars.** The Administration has twice increased CAFE standards for light trucks using an attribute-based method. An attribute-based system (for example, a size-based system) reduces the risk that vehicle safety is compromised, helps preserve consumer choice, and helps spread the burden of compliance across all product lines and manufacturers. Congress should authorize the Secretary of Transportation to apply the same kind of attribute-based method to passenger cars.

The President's Plan Will Help Confront Climate Change By Stopping The Projected Growth Of Carbon Dioxide Emissions From Cars, Light Trucks, And SUVs Within 10 Years.

The President's Plan To Strengthen America's Energy Security Also Includes:

- **Stepping Up Domestic Oil Production In Environmentally Sensitive Ways.**
- **Doubling The Current Capacity Of The Strategic Petroleum Reserve (SPR) To 1.5 Billion Barrels By 2027.** Doubling the SPR alone will provide approximately 97 days of net oil import protection, enhancing America's ability to respond to potential oil disruptions.

Health Care

President Bush Will Announce His Proposals To Make Basic, Private Health Insurance Available And Affordable For More Americans. Americans are fortunate to have the most advanced and innovative health care system in the world. The President's plan will make private health insurance more affordable and increase the number of Americans with health insurance. The plan will also help our Nation move away from reliance on government-run health care and toward a system in which Americans have better access to basic, affordable private insurance, and increased ownership of their medical decisions.

The President's Plan Includes Two Parts: Reforming The Tax Code With A Standard Deduction For Health Insurance So All Americans Get The Same Tax Breaks For Health Insurance And Helping States Make Affordable Private Health Insurance Available To Their Citizens.

1. **The President's Plan Will Help More Americans Afford Health Insurance By Reforming The Tax Code With A Standard Deduction For Health Insurance – Like The Standard Deduction For Dependents.** The President's primary goal is to make health insurance more affordable, allowing more Americans to purchase coverage. The

President's proposal levels the playing field for Americans who purchase health insurance on their own rather than through their employers, providing a substantial tax benefit for all those who now have health insurance purchased on the individual market. It also lowers taxes for all currently uninsured Americans who decide to purchase health insurance – making insurance more affordable and providing a significant incentive to all working Americans to purchase coverage, thereby reducing the number of uninsured Americans.

- **Under The President's Proposal, Families With Health Insurance Will Not Pay Income Or Payroll Taxes On The First \$15,000 In Compensation And Singles Will Not Pay Income Or Payroll Taxes On The First \$7,500.**
 - At the same time, health insurance would be considered taxable income. This is a change for those who now have health insurance through their jobs.
 - The President's proposal will result in lower taxes for about 80 percent of employer-provided policies.
 - Those with more generous policies (20 percent) will have the option to adjust their compensation to have lower premiums and higher wages to offset the tax change.

2. **The President's Affordable Choices Initiative Will Help States Make Basic Private Health Insurance Available And Will Provide Additional Help To Americans Who Cannot Afford Insurance Or Who Have Persistently High Medical Expenses.** For States that provide their citizens with access to basic, affordable private health insurance, the President's Affordable Choices Initiative will direct Federal funding to assist States in helping their poor and hard-to-insure citizens afford private insurance. By allocating current Federal health care funding more effectively, the President's plan accomplishes this goal without creating a new Federal entitlement or new Federal spending.

These Two Policies Will Work Together To Help More Americans Afford Basic Private Coverage. The President's proposed standard deduction for health insurance will help make basic private health insurance more affordable for families and individuals – whether they have insurance through their jobs or purchase insurance on their own. For those who remain unable to afford coverage, the President's Affordable Choices Initiative will help eligible States assist their poor and hard-to-insure citizens in purchasing private health insurance.

There Are Many Other Ways That Congress Can Help. We need to expand Health Savings Accounts, help small businesses through Association Health Plans, reduce costs and medical errors with better information technology, encourage price transparency, and protect good doctors from predatory lawsuits by passing medical liability reform.

Spending Reform

President Bush Will Discuss Three Major Reforms To Spend Tax Dollars Wisely And Keep America's Economy Strong. Next week, the President will deliver a full report on the state of our economy, which has added more than 7.2 million jobs since August 2003. Americans are finding jobs and taking home more pay.

To Spend Tax Dollars Wisely, We Must:

- **Balance The Budget Through Pro-Growth Policies And Spending Restraint.**
- **Enact Common-Sense Reforms To Help Prevent Billions Of Taxpayer Dollars From Being Spent On Unnecessary Earmarks.**
- **Reform Entitlement Programs To Address The Longer-Term Fiscal Challenge Facing Our Country.**

Education

President Bush Will Discuss His Priorities For The Reauthorization Of The No Child Left Behind Act (NCLB). In 2001, President Bush worked with Republicans and Democrats to pass NCLB with overwhelming support, and he was proud to sign it into law in 2002. President Bush is committed to reauthorizing NCLB this year and building on the good progress that has been made. Strengthening and reauthorizing NCLB is critical – if we were to lower standards and roll back accountability

now, we would be leaving children to the former status quo that failed them for decades.

- **NCLB Is Raising Student Achievement For Millions Of Children In Schools Nationwide.** Because of NCLB, every State and the District of Columbia now hold schools accountable for results by testing every child and evaluating students by student group. Minority students are closing the achievement gap, and student achievement is rising – more reading progress was made by 9-year-olds in five years than in the previous 28 years combined, and reading and math scores for 9-year-olds and fourth-graders have reached all-time highs.
- **Reauthorization Offers An Opportunity To Make Some Common Sense Changes To Strengthen NCLB And Increase Flexibility, But We Must Preserve NCLB's Core Principles:**
 - All students must be able to read and do math at grade level or above by 2014.
 - We must have higher expectations and demand greater accountability in order to improve the academic achievement of every student and to close the achievement gap using annual assessments and disaggregated data.
 - We must have effective teachers in core academic subjects in every classroom.
 - We must provide timely information and real options – including intensive tutoring and choice for children in consistently underperforming schools – for all parents with children in failing schools so they can make the best decisions for their children.
- **The President's Proposals To Strengthen NCLB Further The Goals Of His American Competitiveness Initiative.** Math and science skills are critical for success in college and the workplace. Our students must be equipped with the knowledge and skills to compete in the global economy.

Immigration

President Bush Will Call On Congress To Pass Comprehensive Immigration Reform. The President believes that America can simultaneously be a lawful, economically dynamic, and welcoming society. We must address the problem of illegal immigration and deliver a system that is secure, productive, orderly, and fair. The President calls on Congress to pass comprehensive immigration reform that will secure our borders, enhance interior and worksite enforcement, create a temporary worker program, resolve – without animosity and without amnesty – the status of illegal immigrants already here, and promote assimilation into our society. All elements of this problem must be addressed together – or none of them will be solved.

Judges

President Bush Will Call On The Senate To Give His Judicial Nominees A Fair Hearing And A Prompt Up-Or-Down Vote. President Bush and Congress have a shared obligation to ensure that vacancies in the Federal courts are filled.

PRESIDENT BUSH'S INTERNATIONAL AGENDA

War On Terror/Iraq

President Bush Will Discuss His Determination To Defeat The Terrorists Who Are Part Of A Broader Extremist Movement That Is Now Doing Everything It Can To Defeat Us In Iraq. If the extremists prevail in Iraq, the American people will be less safe and our enemies will be emboldened and more lethal.

- **The Challenge Playing Out Across The Broader Middle East Is More Than A Military Conflict – It Is The Decisive Ideological Struggle Of Our Time.** On one side are those who believe in freedom and moderation. On the other side are extremists who kill the innocent, and have declared their intention to destroy our way of life. It is in our Nation's interests to stand with moderates working for the cause of freedom across the Middle East.
- **For The Safety Of Our People, America Must Succeed In Iraq.** The consequences of failure are clear: radical Islamists would grow in strength and gain new recruits. They would be in a better position to topple moderate

governments, create chaos in the region, and use oil revenues to fund their ambitions. Iran would be emboldened in its pursuit of nuclear weapons, and our enemies would have a safe haven from which to plan and launch attacks on the American people.

- **Now Is The Time For The Iraqi Government To Act.** 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 re-enter their nation's political life, to hold local elections, and to take responsibility for security in every Iraqi province.
- **To Achieve Progress In Iraq, We Must First Secure Baghdad.** The President's plan to deploy more than 20,000 additional soldiers and Marines to Iraq will help the Iraqi government take back its capital and make good on its commitments.
- **The President Believes His New Iraq Plan Is The Best Way To Succeed.** Tonight, the President will propose to establish a special advisory council on the War on Terror made up of leaders in Congress from both political parties. It is important for our country to come together in this hour of war and to give the President's new plan an opportunity to succeed. More information on the President's Iraq strategy is available at:
<http://www.whitehouse.gov/news/releases/2007/01/20070110-3.html>.

Strengthening Our Military

President Bush Will Act On Defense Secretary Bob Gates' Recommendation And Ask Congress For Authority To Increase The Overall Strength Of Our Active Army And The Marine Corps By 92,000 Soldiers And Marines Through 2012. A larger, all-volunteer Army and Marine Corps will expand the capabilities of our armed forces while reducing the stress on the force and the war fighter caused by deployments in the Global War on Terror. It may take some time for these new troops to become available for deployment, but it is important that our men and women in uniform know that additional manpower and resources are on the way.

President's Emergency Plan For AIDS Relief (PEPFAR)

President Bush Will Discuss How The President's Emergency Plan For AIDS Relief (PEPFAR) Is Meeting His Commitment Of \$15 Billion Over Five Years To Support Treatment For 2 Million People, Prevention Of 7 Million New Infections, And Care For 10 Million People. PEPFAR is the largest international health initiative in history dedicated to a single disease. PEPFAR works worldwide, but targets 15 focus countries that are home to approximately half of the world's 39 million HIV-positive people: Botswana, Cote d'Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Vietnam, and Zambia.

Malaria

President Bush Will Discuss How The President's Malaria Initiative (PMI) Is Saving Lives. Announced by President Bush in June 2005, PMI is a five-year, \$1.2 billion program that challenges the private sector to join the U.S. government in combating malaria in 15 of the hardest-hit African countries. In December 2006, the President and Mrs. Bush hosted the White House Summit on Malaria, bringing together experts; corporations and foundations; African civic leaders; multi-lateral groups; and voluntary, faith-based, and non-profit organizations to join PMI in the goal of cutting malaria's mortality rate by 50 percent in these target countries, freeing the citizens of these African nations from the grip this of debilitating disease.

Civilian Response Capacity

President Bush Will Call For The Development Of A Strong Civilian Response Capacity To Provide Critical Assistance To The Development Of Civil Society And Reconstruction Efforts.

Twenty In Ten: Strengthening America's Energy Security

Tonight, President Bush Will Ask Congress And America's Scientists, Farmers, Industry Leaders, And Entrepreneurs To Join Him In Pursuing The Goal Of Reducing U.S. Gasoline Usage By 20 Percent In The Next Ten Years – **Twenty In Ten**. For too long, our Nation has been dependent on oil. America's dependence leaves us more vulnerable to hostile regimes, and to terrorists – who could cause huge disruptions of oil shipments, raise the price of oil, and do great harm to our economy.

America Will Reach The President's Twenty In Ten Goal By:

- **Increasing The Supply Of Renewable And Alternative Fuels By Setting A Mandatory Fuels Standard To Require 35 Billion Gallons Of Renewable And Alternative Fuels In 2017 – Nearly Five Times The 2012 Target Now In Law.** In 2017, this will displace 15 percent of projected annual gasoline use.
- **Reforming And Modernizing Corporate Average Fuel Economy (CAFE) Standards For Cars And Extending The Current Light Truck Rule.** In 2017, this will reduce projected annual gasoline use by up to 8.5 billion gallons, a further 5 percent reduction that, in combination with increasing the supply of renewable and alternative fuels, will bring the total reduction in projected annual gasoline use to 20 percent.

The President's Plan Will Help Confront Climate Change By Stopping The Projected Growth Of Carbon Dioxide Emissions From Cars, Light Trucks, And SUVs Within 10 Years.

The President's Plan To Strengthen America's Energy Security Also Includes:

- **Stepping Up Domestic Oil Production In Environmentally Sensitive Ways.**
- **Doubling The Current Capacity Of The Strategic Petroleum Reserve (SPR) To 1.5 Billion Barrels By 2027.**

Reducing Gasoline Consumption Through The Growth Of Alternative Fuel Sources

The President's Plan Calls For Facilitating The Growth Of Renewable And Alternative Fuel Sources By Increasing The Size And Expanding The Scope Of The Current Renewable Fuel Standard (RFS).

- The RFS, established by the President and Congress in the Energy Policy Act of 2005, has contributed to the rapid acceleration of the development and use of renewable fuels. Significant ongoing technological advances have made it possible to increase and expand the standard to displace even larger volumes of gasoline.
 - Under current law, fuel blenders must use 7.5 billion gallons of renewable fuels in 2012.
 - Under the President's proposal, the fuel standard will be set at **35 billion gallons of renewable and alternative fuels in 2017**. This will displace 15 percent of projected annual gasoline use in 2017. The President's proposal will also increase the scope of the current Renewable Fuel Standard (RFS), expanding it to an Alternative Fuel Standard (AFS).
 - The Alternative Fuel Standard will include sources such as corn ethanol, cellulosic ethanol, biodiesel, methanol, butanol, hydrogen, and alternative fuels.
 - The increased standard will contain multiple "safety valves."
 - The EPA Administrator and the Secretaries of Agriculture and Energy will have authority to waive or modify the standard if they deem it necessary, and the new fuel standard will include an automatic "safety valve" to protect against unforeseen increases in the prices of alternative fuels or their feedstocks.
- **American Technology And Innovation Will Lead To Energy Security.** President Bush believes our scientists, farmers, entrepreneurs, and industry leaders will continue to lead the world in developing and investing in cutting-edge technology, infrastructure, and farming methods. Advances in many fields will play an important role, such as continued improvement in crop yields, optimization of crops and cellulosic materials as fuel feedstock, and cost reduction in the

production of cellulosic ethanol and other alternative fuels. The increased and expanded fuel standard creates a tremendous incentive for research, development, and private investment into alternatives to oil.

- **Global Production Of Alternative Fuels Helps Us Reach Our Goal And Increases Our Energy Security.** The President expects most of the expanded fuel standard to be met with domestically-produced alternative fuels. However, importing alternative fuels also increases the diversity of fuel sources, which further increases our energy security.
- **The President's Plan Enables America To Lead The World To Energy Security.** By establishing such a visible and ambitious fuel standard, America's global leadership will help encourage our friends and allies to consider similar policies. Actions by America's friends and allies to increase their production of oil and oil alternatives, diversify their supplies, reduce their consumption, and increase their oil reserves will enhance the energy security of America and the rest of the world. Conversely, foreign actions that undermine free, open, and competitive markets for trade and investment in energy supplies diminish the energy security of America and the world. This is why America opposes the political manipulation of oil and gas exports.

Reducing Gasoline Consumption Through Increasing Vehicle Efficiency

The President's CAFE Plan Will Reduce Gasoline Consumption By Up To 8.5 Billion Gallons Per Year In 2017. The President's plan calls for reforming and increasing CAFE standards for cars, and for further increasing light truck and SUV standards. The President believes new technologies can be deployed to significantly improve fuel economy without impacting safety. Reducing projected consumption by up to 8.5 billion gallons in 2017 means a 5 percent reduction in projected gasoline consumption in that year. The fuel efficiency standard will have even larger benefits later, when consumers replace even more of the auto fleet with purchases of the more efficient new vehicles. These amounts are based on an assumption that on average, fuel efficiency standards for both light trucks and passenger cars are increased 4 percent per year, beginning in Model Year 2010 for cars and Model Year 2012 for light trucks. Given the changing nature of the marketplace for both cars and light trucks, the Secretary of Transportation will determine the actual standard and fuel savings in a flexible rulemaking process.

- **Congress Must Reform CAFE For Passenger Cars.** The Administration has twice increased CAFE standards for light trucks using an attribute-based method. An attribute-based system (for example, a size-based system) reduces the risk that vehicle safety is compromised, helps preserve consumer choice, and helps spread the burden of compliance across all product lines and manufacturers. Congress should authorize the Secretary of Transportation to apply the same kind of attribute-based method to passenger cars.
- **Congress Should Not Legislate A Particular Numeric Fuel Economy Standard.** The Secretary of Transportation should be given the authority to set the fuel standard, based on cost/benefit analysis, using sound science, and without impacting safety.
- **The President's Plan Incorporates Flexibility To Minimize Consumer Costs And Increase Consumer Benefits.** The plan will enable auto companies to increase fuel economy at the lowest possible cost to consumers by building flexibility into the CAFE standard for both cars and light trucks, such as giving companies the opportunity to buy and sell CAFE credits.

The President's Plan Calls For The U.S. Department Of Transportation (DOT) To Work With States And Cities To Explore Ways To Reduce Traffic Congestion, Help Save Fuel, And Reduce Commute Times. In 2003, drivers in America's 85 most congested urban areas experienced 3.7 billion hours of travel delay and wasted 2.3 billion gallons of fuel, costing a total of \$63 billion.

- **The President's Budget Redirects DOT Funds To A New \$175 Million Highway Congestion Initiative For State And Local Governments To Demonstrate Innovative Ideas For Curbing Congestion.** These ideas include congestion pricing, commuter transit services, commitments from employers to expand work schedule flexibility, and faster

deployment of real-time traffic information. In one year, this wasted fuel accounts for more than 20 million metric tons of carbon dioxide emissions.

Stepping Up Domestic Oil Production In Environmentally Sensitive Ways

The President Calls For Stepping Up Domestic Oil Production In Environmentally Sensitive Ways By:

- Continuing to support Congressional action to authorize environmentally responsible oil and gas exploration in a small area of the Arctic National Wildlife Refuge located in northern Alaska, which could produce as much as 1 million barrels of oil per day – Congress reserved this small area after the late 1970s oil shocks to help prevent future ones.
- Continuing to work with Congress to develop legislation to encourage investments in refinery capacity.
- Continuing to encourage all parties to resolve remaining issues regarding the Alaska Natural Gas Pipeline.

Doubling The Current Capacity Of The Strategic Petroleum Reserve

The President Proposes Doubling The Current Capacity Of The Strategic Petroleum Reserve (SPR) To 1.5 Billion Barrels By 2027. The SPR's purpose is to provide the United States with an emergency inventory of oil, an insurance policy in the event of a severe supply disruption, such as from a natural disaster or a terrorist attack in the energy supply chain. Doubling the SPR alone will provide approximately 97 days of net oil import protection, enhancing America's ability to respond to potential oil disruptions.

- **The SPR Is Currently At 691 Million Barrels And, Due To Increased Consumption, This Represents Only 55 Days Of Net Oil Imports.** In 1985, the SPR, with 493 million barrels of oil, represented 118 days of net oil imports.

Our Nation Has Already Made Great Progress In Strengthening Our Energy Security

Technology Has Enabled Us To Make Significant Progress. We need to continue with important research into plug-in and advanced hybrid vehicles, and expand the use of high efficiency clean diesel vehicles and biodiesel fuel. We must continue investing in new methods of producing ethanol and other biofuels. We must further expand the use of clean coal technology, solar and wind energy, and clean, safe nuclear power.

Including The 2008 Budget, The Federal Government Will Have Spent \$15 Billion Since 2001 To Develop Cleaner, Cheaper, More Efficient, And More Reliable Energy Sources.

The President Signed The Gulf Of Mexico Energy Security Act To Increase Domestic Oil And Gas Production By Allowing Access To Key Portions Of America's Outer Continental Shelf. This allows access to areas with potential resources of more than 1 billion additional barrels of oil and nearly 6 trillion cubic feet of natural gas.

The President's Plan Enables Us To Further Enhance Our Energy Security

Technology Will Help Diversify America's Energy Supply. America is close to technological breakthroughs that will decrease our oil dependency, protect our environment, and help us confront the serious challenge of global climate change. The President's new proposals build upon the advances made possible by the Administration's previous initiatives, including the Advanced Energy Initiative, American Competitiveness Initiative, and the Energy Policy Act of 2005.

Energy Security Will Be Further Enhanced By:

- **Increasing The Transportation Sector's Energy Diversity.** Increasing renewable and alternative fuels used in automobiles from 3 percent in 2006 to 15 percent in 2017 can give drivers a built-in defense against supply disruptions and high gasoline prices.
- **Increasing The Supply Of Oil Alternatives And Reducing Oil Demand.** The President's plan will reduce our oil

consumption by 10 percent in 2017, or 2 million barrels per day. Increasing the supply of oil alternatives and reducing oil demand could slow the growth of oil prices and lower the price over time, increasing our energy security.

- **Building Resilience Through Doubling The Current Capacity Of The Strategic Petroleum Reserve.** Uninterrupted oil supply is critical to our energy security. Increasing oil reserves strengthens our ability to respond to oil shortages and reduces our vulnerability to terrorist attacks on energy supplies and infrastructure.

The President's 2008 Budget Continues Robust Funding For Advanced Energy Technologies That Can Help Reduce Our Dependence On Foreign Oil And Provide Clean, Lower Carbon Energy To Change The Way We Power Our Homes And Businesses. The 2008 budget includes nearly \$2.7 billion for the Advanced Energy Initiative, an increase of 26 percent above the 2007 request and 53 percent above 2006. The 2008 budget provides \$179 million for the President's Biofuels Initiative, an increase of \$29 million (19 percent) compared to the 2007 budget. The President's Biofuels Initiative aims to accelerate cost reduction and commercial development of cellulosic ethanol, which can be made from abundant biomass materials, including agricultural waste and forest residues, and from dedicated energy crops such as switchgrass.

The President's Farm Bill Proposal Will Include More Than \$1.6 Billion Of Additional New Funding Over Ten Years For Energy Innovation, Including Bio-Energy Research, Energy Efficiency Grants, And \$2 Billion In Loans For Cellulosic Ethanol Plants.

The Administration's Ongoing Energy Policy

The Administration's 2001 National Energy Plan Provided A Blueprint For Diversifying And Conserving Our Energy Resources To Increase Our Energy Security.

- **Energy Policy Act Implementation:** In August 2005, the President signed the Energy Policy Act of 2005, which was a significant first step towards achieving greater energy security. Among its many achievements, the Energy Policy Act established the Renewable Fuel Standard that has increased the use of biofuels; provided incentives for renewable energy, clean coal, and advanced nuclear energy; and instituted mandatory reliability rules for the electricity grid and promoted investment in transmission upgrades.
- **Advanced Energy Initiative:** Building upon the Energy Policy Act's clean energy foundation, the President announced the Advanced Energy Initiative in the 2006 State of the Union Address. The Advanced Energy Initiative focuses on increasing R&D to encourage technological breakthroughs in the transportation and power sectors that will diversify our resource portfolio and reduce our dependence on foreign oil in order to strengthen our energy security. The Advanced Energy Initiative also incorporates the Global Nuclear Energy Partnership, aimed at reducing proliferation risks while expanding availability of clean, safe, climate-friendly nuclear energy.

The President's Plan Enables Us To Further Protect Our Environment

The President's Plan Will Help Confront Climate Change By Stopping The Projected Growth Of Carbon Dioxide Emissions From Cars, Light Trucks, And SUVs Within 10 Years.

- By 2017, the renewable fuel and fuel efficiency components of the plan would cut annual emissions from cars and light trucks by as much as 10 percent, about 175 million metric tons – equal to zeroing out the annual emissions of 26 million automobiles.
- The plan could cumulatively prevent the buildup of more than 600 million metric tons of carbon dioxide emissions.

The President's Plan Will Help Improve Public Health By Significantly Reducing Carbon Monoxide Emissions And Cancer-Causing Benzene Emissions.

The Administration Is Taking Action To Address Climate Change And Improve Air Quality And Human Health:

- **The Administration's Commitment:** The President has set a target of cutting our greenhouse gas intensity by 18 percent through the year 2012 and his budgets have devoted nearly \$29 billion to climate-related science, technology, international assistance, and incentive programs.
- **Asia-Pacific Partnership On Clean Development And Climate:** Launched the Asia-Pacific Partnership on Clean Development and Climate, in concert with partners Australia, China, India, Japan, and South Korea, representing 50 percent of the world's economy. The Partnership is accelerating investment and opening markets for cleaner, more efficient technologies, goods, and services while fostering sustainable economic growth and poverty reduction. Nearly 100 programs and actions are underway in eight public-private task forces: aluminum, building and appliances, cement, cleaner fossil energy, coal mining, power generation and transmission, renewable energy and distributed generation, and steel.
- **Working With G-8 Leaders:** Worked with G-8 leaders on a wide range of initiatives, including the 2005 launch of the G-8 Gleneagles Plan of Action for Climate Change, Clean Energy, and Sustainable Development, which encompasses more than 50 practical, results-oriented actions to address the interlinked issues of energy security and access, air pollution control, and climate change.
- **International Technology Partnerships:** Launched and actively contributed to major international technology partnerships to share breakthroughs and advances in fusion, hydrogen, next-generation nuclear power, renewable energy, energy efficiency, capture and underground storage of carbon dioxide emissions, and profitable capture of methane emissions from coal mines, landfills, inefficient oil and gas systems, and agricultural operations.
- **Cooperation With Private Industry:** Obtained specific commitments from 14 industrial sectors and the Business Roundtable, led by more than 100 major corporations, to address greenhouse gas emissions in partnership with the Department of Energy and Environmental Protection Agency.
- **Advancing Lower Carbon, Clean Coal Technologies:** Awarded nearly \$1 billion in tax credits last year, and will award \$650 million more this year, to help offset the cost of nearly \$10 billion in total investment to build more than nine highly efficient, advanced coal projects in at least nine states, using technology that cuts emissions through efficiency and holds the promise of cost-effective carbon capture and storage. This experience will culminate in 2012 with the construction of the \$1 billion FutureGen demonstration power plant, a public-private international partnership to build the world's first coal-fired power plant that produces electricity and hydrogen with nearly zero-emissions. The Administration is also pursuing large-scale tests in the United States designed to advance carbon sequestration technologies which can have the potential to store more than 600 billion metric tons of carbon dioxide, the equivalent of more than 200 years of emissions from energy sources in the United States.
- **Clean Air Interstate And Clean Air Mercury Rules:** Issued the Clean Air Interstate Rule (CAIR) and Clean Air Mercury

Rule (CAMR) to require power plants in the Eastern part of the United States to cut their emissions of sulfur dioxide, nitrogen oxide, and – for the first time – mercury, by nearly 70 percent, producing significant improvements to air quality, human health, and natural resources.

- **Clear Skies:** Proposed Clear Skies legislation to authorize in law the administrative changes of CAIR and CAMR and provide more flexible, more cost-effective, and nationwide application of the regulations.
- **New Source Review:** Proposed reforms to the New Source Review (NSR) program to eliminate regulatory uncertainty for power plants, refineries, and manufacturing facilities that want to improve efficiency, pollution control, and reliability. In the power sector, NSR reform will allow immediate efficiency investments and significantly lower carbon dioxide emissions, even as the power plants invest about \$50 billion over the next 15 years to cut their pollution to satisfy the new clean air regulations.

Affordable, Accessible, And Flexible Health Coverage

Tonight, President Bush Will Announce His Proposals To Make Basic, Private Health Insurance Available And Affordable For More Americans. Americans are fortunate to have the most advanced and innovative health care system in the world. The President's plan will make private health insurance more affordable and increase the number of Americans with health insurance. The plan will also help our Nation move away from reliance on government-run health care and toward a system in which Americans have better access to basic, affordable private insurance, and increased ownership of their medical decisions.

The President's Plan Includes Two Parts: Reforming The Tax Code With A Standard Deduction For Health Insurance So All Americans Get The Same Tax Breaks For Health Insurance And Helping States Make Affordable Private Health Insurance Available To Their Citizens.

1. **The President's Plan Will Help More Americans Afford Health Insurance By Reforming The Tax Code With A Standard Deduction For Health Insurance – Like The Standard Deduction For Dependents.** The President's primary goal is to make health insurance more affordable, allowing more Americans to purchase coverage. The President's proposal levels the playing field for Americans who purchase health insurance on their own rather than through their employers, providing a substantial tax benefit for all those who now have health insurance purchased on the individual market. It also lowers taxes for all currently uninsured Americans who decide to purchase health insurance – making insurance more affordable and providing a significant incentive to all working Americans to purchase coverage, thereby reducing the number of uninsured Americans.
 - **Under The President's Proposal, Families With Health Insurance Will Not Pay Income Or Payroll Taxes On The First \$15,000 In Compensation And Singles Will Not Pay Income Or Payroll Taxes On The First \$7,500.**
 - At the same time, health insurance would be considered taxable income. This is a change for those who now have health insurance through their jobs.
 - The President's proposal will result in lower taxes for about 80 percent of employer-provided policies.
 - Those with more generous policies (20 percent) will have the option to adjust their compensation to have lower premiums and higher wages to offset the tax change.
2. **The President's Affordable Choices Initiative Will Help States Make Basic Private Health Insurance Available And Will Provide Additional Help To Americans Who Cannot Afford Insurance Or Who Have Persistently High Medical Expenses.** For States that provide their citizens with access to basic, affordable private health insurance, the President's Affordable Choices Initiative will direct Federal funding to assist States in helping their poor and hard-to-insure citizens afford private insurance. By allocating current Federal health care funding more effectively, the President's plan accomplishes this goal without creating a new Federal entitlement or new Federal spending.

These Two Policies Will Work Together To Help More Americans Afford Basic Private Coverage. The President's proposed standard deduction for health insurance will help make basic private health insurance more affordable for families and individuals – whether they have insurance through their jobs or purchase insurance on their own. For those who remain unable to afford coverage, the President's Affordable Choices Initiative will help eligible States assist their poor and hard-to-insure citizens in purchasing private health insurance.

Unfair Subsidies In The Current Tax Code Are Making It Harder For Many Americans To Afford Health Insurance

The Tax Code Now Penalizes People Who Do Not Get Health Insurance Through Their Employers. Those who buy insurance on their own pay higher taxes for insurance than those who can get it through their job. The self-employed pay no income taxes on their premiums, but because they still owe payroll taxes, they are also disadvantaged compared to those who get health insurance from their employer. No one should have to pay higher taxes just because they do not work for an employer that provides health insurance. Under the current system, those without employer-provided health insurance – including the unemployed, retirees without retiree coverage, and workers at companies that do not offer health insurance

(most of which are small businesses) – may have to pay substantially more for health insurance than those with employer-provided plans, a cost which many cannot afford.

The Tax Code Now Penalizes People Who Choose Basic, Affordable Insurance Policies Over More Expensive Plans.

The more expensive the health insurance plan you receive through your employer, the more tax relief you get. This encourages many workers to choose lower wages and more expensive health insurance than they would choose if the tax code were not distorting their decision. One result is that insurance premiums rise, and many Americans cannot afford the coverage they need. Each family and worker should choose the balance of wages and health insurance that is right for them, without the tax code distorting their decisions.

Reforming The Tax Code With A Standard Deduction For Health Insurance To Make Private Health Insurance More Affordable

The President's Plan Will Reform The Tax Code To Help More Americans Afford Basic Private Health Insurance. The President proposes a standard tax deduction for health insurance (from income and payroll taxes) for every family and individual who has a private health insurance policy, regardless of the policy's cost or whether the policy was purchased individually or through an employer.

- **The President's Proposal Would Replace The Current Tax System, Which Favors The Most Expensive Employer-Provided Plans.** All families covered by a private family health insurance policy, whether purchased on their own or through their employer, will pay no income or payroll taxes on their first \$15,000 of compensation. All individuals covered by any single private health insurance policy will pay no income or payroll taxes on their first \$7,500 of compensation.
 - At the same time, health insurance would be considered taxable income. This is a change for those who now have health insurance through their jobs.
 - Under current law, companies deduct health insurance costs and wages as legitimate business expenses. The President's proposal would not change this.
- **Most Americans Who Purchase Health Insurance Through Their Employers Will See Their Tax Bills Go Down.** The President's proposal will result in lower taxes for about 80 percent of employer-provided policies. More than 100 million Americans who now get health insurance through their job will see their tax bills go down, and their health insurance will therefore be more affordable. Those with more generous policies (20 percent) will have the option to adjust their compensation to have lower premiums and higher wages to offset the tax change.
- **The President's Proposal Will Lower Taxes For Millions Of Americans Who Now Purchase Health Insurance On Their Own, Making Their Insurance More Affordable.** The President's proposal would level the playing field by giving all Americans the same standard deduction, whether they get health insurance through their job, or buy it on their own. The average tax bill will go down by more than \$3,650 when the policy would be implemented in 2009 for those families who now purchase health insurance on their own. This will make health insurance dramatically more affordable for the millions of Americans who do not get health insurance through their job and instead buy it on their own.
- **The President's Proposal Will Lower Taxes For All Uninsured Americans Who Purchase Health Insurance, Helping Millions Of Uninsured Americans Afford Coverage.** This proposal will lower the average tax bill of a family without health insurance by \$3,350 in 2009 – effectively reducing the average cost of health insurance by more than half for uninsured families trying to buy insurance on their own.

The President's Plan Will Help Rein In Runaway Health Care Spending. Our current system distorts people's decisions about how best to spend their income. This leads to higher health spending and lower-value care. The President's plan would lower the growth in national health care spending right away, and decrease spending even more in the long run with increased competition and the development of new cost-effective technologies.

The Proposal Is Budget Neutral Over Ten Years. The amount of the standard deduction will increase by the Consumer Price Index each year.

The Affordable Choices Initiative – Coverage For Vulnerable Americans

The President's Plan Will Support The Innovative Measures States Are Taking To Help Those Who Cannot Afford Insurance Or Who Have Persistently High Medical Expenses. Governors across the Nation have put forward plans to make basic private health insurance more accessible for their citizens. The President has directed Health and Human Services (HHS) Secretary Mike Leavitt to work with Governors and the Congress to make basic private health insurance available, and to help States pay private health insurance premiums for the poor and the hard to insure.

The President's Affordable Choices Initiative Provides States Incentives To Make Basic, Affordable Private Health Insurance Policies Available To Their Citizens. States that provide their citizens access to basic, private insurance at an affordable price would be eligible for funds under the Affordable Choices Initiative. The Secretary of HHS would be able to redirect Federal payments away from institutions and to needy individuals in eligible States. These grants would allow States to help low-income individuals purchase private health insurance.

The President's Proposal Would Shift Federal Funding To Help The Uninsured Buy Private Insurance And Take More Ownership Of Their Health Care. The Federal government now pays many of the health care bills of the uninsured through a complex mix of subsidies and payments to health care providers, with the result that billions of taxpayer dollars are spent inefficiently. The health care system needs to be transformed in a way that avoids costly and unnecessary medical visits and emphasizes upfront, affordable private health insurance options. Americans should "own" their own health plan, and money should follow the person rather than the institution.

The Affordable Choices Initiative Will Encourage States To Innovate. State participation would be voluntary, and States would design their own programs, subject to approval by the Secretary of HHS.

- States could offer direct premium assistance to low-income or hard-to-insure populations to purchase private health insurance.
- States could establish high risk pools, or expand existing high risk pools, for very sick individuals who are deemed uninsurable in the non-group market.
- States could help facilitate pooling of individuals and small businesses and organize their access to private health plans.

America Is A Compassionate Nation, And We Will Continue To Take Care Of The Most Vulnerable. For the elderly, disabled, low-income pregnant mothers, and children needing protection, the Federal government provides coverage through Medicare, Medicaid, and SCHIP – the State Children's Health Insurance Program. Under this Administration, 2 million more children have gained coverage through SCHIP.

Indirect Benefits Of Both The Standard Deduction For Health Insurance And The Affordable Choices Initiative

In Addition To The Direct Benefits Of These Policies, There Are Indirect Benefits Of Both The Standard Deduction For Health Insurance And The Affordable Choices Initiative That Will Lead To Cheaper Health Insurance Being Available To All Working Americans.

- The standard deduction for health insurance will encourage more people to buy insurance in the individual market. As more people join the individual market, the market will become more competitive and prices will come down.
- To take advantage of funds under the Affordable Choices Initiative, States must take steps to make health insurance more affordable within their States, such as reducing benefit or premium mandates.
- In addition, other policies proposed by the President like Association Health Plans and the ability to buy insurance across State lines would make the individual insurance market even more competitive and drive prices down further.

The President's Policies Are Helping Make Health Care More Affordable And Accessible

The President Is Working To Help Increase The Transparency Of America's Health Care System And Empower Americans To Find Better Value And Better Care. He has directed Federal agencies to share information with beneficiaries about prices paid to health care providers for procedures and about the quality of services provided by doctors,

hospitals, and other health care providers. Increased transparency about prices and quality will help bring more competition to health care, restraining its rising costs.

The President Is Working To Improve The Adoption Of Health Information Technology. Electronic health records reduce costs and improve the efficiency and effectiveness of medical treatment. In 2004, the President launched an initiative to make electronic health records available to most Americans within the next 10 years. Last year, he directed Federal agencies to use improved health IT systems to facilitate the rapid exchange of health information.

The President Has Proposed Expanding Health Savings Accounts (HSAs). HSAs allow people to save money for health care tax-free, and to take these accounts with them if they move from job to job. In December, the President signed legislation to bring HSAs within the reach of more Americans.

The President Has Proposed Strengthening The Buying Power Of America's Small Businesses By Forming Association Health Plans (AHPs). Small businesses, as well as civic and community groups, should be allowed to band together in AHPs to get the same discounts big companies receive.

The President Supports Permitting The Purchase Of Health Insurance Across State Lines. Americans should be allowed to buy the best health insurance for themselves, based on their own circumstances, instead of being limited to only the policies available in their State.

The President Has Proposed Medical Liability Reforms To Limit Costly And Frivolous Lawsuits. These lawsuits are wasting scarce resources, increasing health care costs, and driving doctors out of business.

The President Is Promoting Prevention, Wellness, And Fitness. Living a healthier life dramatically reduces illness and disease. The President encourages all Americans to lead a healthy lifestyle to prevent disease and improve their overall quality of life.

Building On Results: A Blueprint For Strengthening NCLB

Tonight, President Bush Will Discuss His Priorities For The Reauthorization Of The No Child Left Behind Act (NCLB). In 2001, President Bush worked with Republicans and Democrats to pass NCLB with overwhelming support, and he was proud to sign it into law in 2002. President Bush is committed to reauthorizing NCLB this year and building on the good progress that has been made. Strengthening and reauthorizing NCLB is critical – if we were to lower standards and roll back accountability now, we would be leaving children to the former status quo that failed them for decades.

- **NCLB Is Raising Student Achievement For Millions Of Children In Schools Nationwide.** Because of NCLB, every State and the District of Columbia now hold schools accountable for results by testing every child and evaluating students by student group. Minority students are closing the achievement gap, and student achievement is rising – more reading progress was made by 9-year-olds in five years than in the previous 28 years combined, and reading and math scores for 9-year-olds and fourth-graders have reached all-time highs.
- **Reauthorization Offers An Opportunity To Make Some Common-Sense Changes To Strengthen NCLB And Increase Flexibility, But We Must Preserve NCLB's Core Principles:**
 - All students must be able to read and do math at grade level or above by 2014.
 - We must have higher expectations and demand greater accountability in order to improve the academic achievement of every student and to close the achievement gap using annual assessments and disaggregated data.
 - We must have effective teachers in core academic subjects in every classroom.
 - We must provide timely information and real options – including intensive tutoring and choice for children in consistently underperforming schools – for all parents with children in failing schools so they can make the best decisions for their children.
- **The President's Proposals To Strengthen NCLB Further The Goals Of His American Competitiveness Initiative.** Math and science skills are critical for success in college and the workplace. Our students must be equipped with the knowledge and skills to compete in the global economy.

We Must Strengthen NCLB To Increase Flexibility And Help Struggling Schools Improve

1. **We Must Encourage Higher Academic Standards And Further Increase The Quality Of Available Information On Student Performance.**
 - **We Will Maintain Annual Academic Assessments And Accountability.** States must continue to report student assessment results to parents and hold schools accountable for improving the performance of all students. The disaggregation of achievement results and required 95 percent participation rate must continue to ensure that schools cannot hide failure to teach every child.
 - **We Will Promote High State Academic Standards.** To support greater transparency, we will require States to report the proficiency rates of both State and National Assessment of Educational Progress (NAEP) tests on the same public report card. Further, the Education Department will support cross-State comparisons by providing a platform for States and the general public to analyze and compare standards across the Nation.
2. **We Must Strengthen Our Public Schools With Incentives For School Reform And Empower Parents With Options For Students To Receive After-School Tutoring And Attend Higher-Performing Schools.**
 - **We Will Target Resources To Help Struggling Schools Improve With School Improvement Grants.** School Improvement Grants will support implementation of schools' restructuring plans and will support States' efforts to closely monitor and review those plans for each restructured school and to provide technical assistance to turn around low-performing schools.

- **We Will Give States And Districts More Tools And Flexibility To Turn Struggling Schools Around.** To make the accountability provisions of NCLB more meaningful, States will have more flexibility to precisely focus their technical assistance and interventions and direct resources to schools identified for improvement, corrective action, or restructuring.
 - **We Will Strengthen School Restructuring.** Schools subject to restructuring for chronic underperformance will be required either to make substantial changes in staff or to reconstitute the schools' governance structure.
 - **We Will Require Persistently Underperforming Schools To Offer "Promise Scholarships."** These scholarships will enable low-income students to transfer to private schools or out-of-district public schools, or receive intensive tutoring. Federal funds will follow the students to their new schools.
 - **We Will Offer Competitive Grants Through The "Opportunity Scholarships Program" To Help Communities Expand School Choice Options For Low-Income Parents And Students.** Similar to the Washington, D.C., choice program that the Federal government has funded since 2004, families would be able to send their children to a private school through a locally designed scholarship program. They could also seek intensive tutoring.
 - **We Will Increase The Availability Of High-Quality Charter Schools, Which Provide Important Options For Parents.** Charters will also have a greater degree of flexibility to use their grants in executing planning and startup activities.
 - **We Will Expand Access To Tutoring.** We will ensure that districts notify parents whose children are eligible for tutoring and require school districts to make full use of the Federal funds set aside for tutoring and other school choice activities.
 - **We Will Help Parents Get The Information They Need In Time To Make Informed Decisions About Their Children's School Choice Options.** We will strengthen enforcement mechanisms to ensure parents receive proper and timely notice of their tutoring and choice options, and school districts will be allowed to use Federal funds to conduct high-quality parent outreach campaigns.
3. **We Must Help Teachers Close The Achievement Gap Through Incentives For Effective Teachers And Research-Based Instructional Tools.**
- **We Will Expand The Teacher Incentive Fund.** The Teacher Incentive Fund supports State and local efforts to reward teachers who raise student achievement and work in needy schools.
 - **We Will Retain The Successful Reading First Program And Expand The Striving Readers Program To Ensure Students Have The Literacy Skills They Need To Make Academic Progress.** Reading First is the largest, most focused, and most successful early reading initiative ever undertaken in this country. To date, more than 5,600 schools in 1,600 districts nationwide have participated in this program. The Striving Readers Program funds targeted, intensive intervention and quality literacy instruction in school curricula for grades 6-12.
4. **We Must Incorporate The Education Components Of The American Competitiveness Initiative (ACI) Into NCLB, Thereby Raising The Rigor Of Our Nation's High Schools And Ensuring That Our Students Are Prepared For Success In The Competitive Global Economy.**
- **We Will Strengthen The Teaching Of Math In Elementary And Middle Schools By Implementing The Math Now Program Based On The Recommendations Of The National Math Panel, Both Key Components Of The ACI.** This program will provide resources to help teachers use scientifically proven practices, including those soon to be recommended by the National Math Panel, so that students enter high school ready to take advanced coursework.

- **We Will Increase Academic Rigor, As Outlined In The ACI, By Training More Teachers And Making Rigorous Advanced Placement Classes Available To More Low-Income Students.**
 - **Academic Competitiveness Grants Will Be Used To Provide Further Incentives For Students To Complete A Rigorous High School Program Of Study.** The program provides additional grant aid to low-income first- and second-year college students who complete a rigorous program of study in high school.
 - **We Will Encourage Talented Professionals, Especially In The Fields Of Math And Science, To Share Their Expertise In The Classroom Through The Adjunct Teacher Corps Proposed In ACI.** Competitive grants will be provided for school districts to engage in partnerships with public and private organizations to take advantage of the expertise in their communities.
 - **We Will Encourage A Greater Focus On Science By Including Student Achievement Results In Science In Accountability Decisions.** States will add science to their assessment systems at three grade levels by 2008. The reauthorized law will incorporate an expectation that all students achieve proficiency in science by the 2019-20 school year.
 - **We Will Commit Significant New Resources To Help High Schools Ensure Their Students Meet High Standards And Graduate On Time.** To ensure that high schools have the resources to help low-income students, there will be a substantial increase in funds for Title I high school students. Districts will be required to give their high schools at least 90 percent of the high schools' proportionate share of the new funds. A corresponding funding increase will ensure that elementary schools' Title I programs are not negatively affected.
5. **We Must Measure Individual Student Progress And Focus Interventions On Students Who Have Not Reached Grade Level.**
- **We Will Allow High-Quality Growth Models To Give Schools Credit For Improvement From Year-To-Year And Provide Another Way To Show Whether Achievement Gaps Are Closing.** States with well-established assessments and robust data systems may use growth models in their overall accountability system. Growth models allow States to measure individual students' progress over time.

President Bush's Plan For Comprehensive Immigration Reform

Tonight, President Bush Will Call On Congress To Pass Comprehensive Immigration Reform. The President believes that America can simultaneously be a lawful, economically dynamic, and welcoming society. We must address the problem of illegal immigration and deliver a system that is secure, productive, orderly, and fair. The President calls on Congress to pass comprehensive immigration reform that will secure our borders, enhance interior and worksite enforcement, create a temporary worker program, resolve – without animosity and without amnesty – the status of illegal immigrants already here, and promote assimilation into our society. All elements of this problem must be addressed together – or none of them will be solved.

1. The United States Must Secure Its Borders

Border Security Is The Basic Responsibility Of A Sovereign Nation And An Urgent Requirement Of Our National Security. We have more than doubled border security funding from \$4.6 billion in FY 2001 to \$10.4 billion in FY 2007. We will have also increased the number of Border Patrol agents by 63 percent – from just over 9,000 agents at the beginning of this Administration to nearly 15,000 at the end of 2007. We are also on track to increase this number to approximately 18,000 by the end of 2008, doubling the size of the Border Patrol during the President's time in office.

- **To Supplement The Border Patrol As Its Numbers Increase, Approximately 6,000 National Guard Members Have Been Sent To Our Southern Border In Coordination With Governors.** National Guard units are assisting the Border Patrol by operating surveillance systems, analyzing intelligence, installing fences and vehicle barriers, and building patrol roads. The National Guard is increasing the operational capacity of the Border Patrol to gain control of our Southern border.
- **The President's Secure Border Initiative (SBI) Is The Most Technologically Advanced Border Enforcement Initiative In American History.** Last year, we initiated a multi-year plan to secure our borders and reduce illegal immigration through comprehensive upgrading of technology used in controlling the border, including improved communications assets, expanded use of manned and unmanned aerial vehicles, and state-of-the-art detection technology.
- **The Administration Is Increasing Infrastructure Investment At The Border.** We are expanding detention capacity and developing rapidly deployable fencing technology that will be rolled out this year. In addition, the President is committed to building hundreds of miles of integrated, tactical infrastructure along the Southern border, which includes vehicle barriers, checkpoints, and lighting to help detect, deter, and prevent people from entering our country illegally.
- **The Administration Has Effectively Ended "Catch And Release" For Illegal Aliens Apprehended At The Borders.** In FY06 and FY07 the Administration funded 6,700 new detention beds, for a total of 27,500 detention beds this fiscal year.
- **The Administration Expanded The Use Of "Expedited Removal," Which Allows Us To Send Illegal Immigrants Home More Quickly.** The President is also working with Congress to mitigate court-imposed requirements that the Federal government release dangerous criminal aliens if their home countries do not take them back within a certain period of time.
- **The Administration Is Working Closely With State And Local Law Enforcement To Stop Illegal Immigration.** Immigration and Customs Enforcement (ICE) has the resources to train 1,500 State and local law enforcement officers under the 287(g) program in 2006 and 2007. DHS will work with its State and local partners to expand these programs, and received \$50 million in 2006 supplemental funding for this effort. In addition, DHS is expanding to State and local law enforcement agencies the Criminal Alien Program (CAP) previously in place with the Federal Bureau of Prisons to identify illegal aliens who are incarcerated in Federal, State, and local jails.

2. We Must Hold Employers Accountable For The Workers They Hire

In A Sharp Break From The Past, The Administration Is Addressing The Illegal Employment Of Undocumented Workers With A Tough Combination Of Criminal Prosecution And Forfeitures. Previously, worksite enforcement relied on a combination of administrative hearings and fines. The fines were so modest that some employers treated them as merely a cost of doing business, and employment of undocumented workers continued unabated.

- **The Number Of Arrests In Worksite Enforcement Cases Has Increased Dramatically During The President's Time In Office.** There were more than 4,300 arrests in worksite enforcement cases for 2006, more than seven times the arrests in 2002. In addition, the two largest worksite enforcement actions in U.S. history were conducted last year by ICE.
- **In Fall 2005, The President Signed A Bill Doubling Federal Resources For Worksite Enforcement.** In addition, the Administration has launched law enforcement task forces in 11 major cities to dismantle criminal rings that produce fake documents.
- **DHS Has Issued A Proposed "No-Match" Regulation To Assist Employers In Ensuring A Legal Workplace And To Help The Government Identify And Crack Down On Employers Who Knowingly Hire Illegal Workers.** In cases in which an employer has ten or more employees with inaccurate information, the Social Security Administration (SSA) sends the employer a "No-Match" letter. DHS's proposed "No-Match" regulation clarifies that employers may be held civilly and criminally liable when a letter is sent and employers ignore the discrepancies between SSA databases and the information provided about their employees.

Comprehensive Immigration Reform Must Include The Creation Of A New, Tamper-Proof Identification Card For Every Legal Foreign Worker So Businesses Can Verify The Legal Status Of Their Employees. A tamper-proof card would help us enforce the law and leave employers with no excuse for violating it. We will also work with Congress to expand "Basic Pilot" – an electronic employment eligibility verification system – and mandate that all employers use this system.

3. To Secure Our Border, We Must Create A Temporary Worker Program

America's Immigration Problem Will Not Be Solved With Security Measures Alone. There are many people on the other side of our borders who will do anything to come to America to work and build a better life. This dynamic creates tremendous pressure on our border that walls and patrols alone cannot stop.

As We Tighten Controls At The Border, We Must Also Address The Needs Of America's Growing Economy. The rule of law cannot permit unlawful employment of millions of undocumented workers in the United States. Many American businesses, however, depend on hiring willing foreign workers for jobs that Americans are not doing.

To Provide A Lawful Channel For Employment That Will Benefit Both The United States And Individual Immigrants, The President Has Called For The Creation Of A Temporary Worker Program. Such a program will serve the needs of our economy by providing a lawful and fair way to match willing employers with willing foreign workers to fill jobs that Americans have not taken. The program will also serve our law enforcement and national security objectives by taking pressure off the border and freeing our hard-working Border Patrol to focus on terrorists, human traffickers, violent criminals, drug runners, and gangs.

The Temporary Worker Program Should Be Grounded In The Following Principles:

- **American Workers Must Be Given Priority Over Guest Workers.** Employers should be allowed to hire guest workers only for jobs that Americans have not taken.
- **The Program Must Be Truly Temporary.** Participation should be for a limited period of time, and the guest workers must return home after their authorized period of stay. Those who fail to return home in accordance with the law should become permanently ineligible for a green card and for citizenship.
- **Participation Should Fluctuate With Market Conditions.** When the economy is booming, and there are not enough American workers available to help businesses grow, the program should be open to more participants. But when times are tough and Americans struggle to find jobs, the economy cannot and should not support as many guest workers.

4. We Must Bring Undocumented Workers Already In The Country Out Of The Shadows

Comprehensive Immigration Reform Must Account For The Millions Of Immigrants Already In The Country Illegally. Illegal immigration causes serious problems, putting pressure on public schools and hospitals and straining State and local budgets. People who have worked hard, supported their families, avoided crime, led responsible lives, and become a part of American life should be called in out of the shadows and under the rule of American law.

The President Opposes An Automatic Path To Citizenship Or Any Other Form Of Amnesty. Amnesty, as a reward for lawbreaking, would only invite further lawbreaking. Amnesty would also be unfair to those lawful immigrants who have patiently waited their turn for citizenship and to those who are still waiting to enter the country legally.

The President Supports A Rational Middle Ground Between A Program Of Mass Deportation And A Program Of Automatic Amnesty. It is neither wise nor realistic to round up and deport millions of illegal immigrants in the United States. But there should be no automatic path to citizenship. The President supports a rational middle ground founded on the following basic tenets:

- **No Amnesty.** Workers who have entered the country illegally and workers who have overstayed their visas must pay a substantial penalty for their illegal conduct.
- **In Addition To Paying A Meaningful Penalty, Undocumented Workers Must Learn English, Pay Their Taxes, Pass A Background Check, And Hold A Job For A Number Of Years Before They Will Be Eligible To Be Considered For Legalized Status.**
- **Any Undocumented Worker Seeking Citizenship Must Go To The "Back Of The Line."** The program should not reward illegal conduct by making participants eligible for citizenship ahead of those who have played by the rules and followed the law. Instead, program participants must wait their turn at the back of the line.

5. We Must Promote Assimilation Into Our Society By Teaching New Immigrants English And American Values

Those Who Swear The Oath Of Citizenship Are Doing More Than Completing A Legal Process – They Are Making A Lifelong Pledge To Support The Values And The Laws Of America. Americans are bound together by our shared ideals, our history, and the ability to speak and write the English language. Every new citizen has an obligation to learn the English language and the customs and values that define our Nation, including liberty and civic responsibility, appreciation for our history, tolerance for others, and equality. When immigrants assimilate, they advance in our society, realize their dreams, and add to the unity of America.

New Citizens Need Guidance To Succeed. The Office of Citizenship is creating new guides for immigrants and introducing a new pilot civics examination designed to foster a deeper understanding of civic virtues and the founding ideals. The President's Task Force on New Americans is fostering volunteerism through volunteer.gov and exploring partnerships with local organizations. Public libraries and faith-based and community groups will be encouraged to offer English language and civics instruction to immigrants who are seeking to make America their home.

Leading The Worldwide Fight Against HIV/AIDS

Tonight, President Bush Will Discuss How The President's Emergency Plan For AIDS Relief (PEPFAR) Is Meeting His Commitment Of \$15 Billion Over Five Years To Support Treatment For 2 Million People, Prevention Of 7 Million New Infections, And Care For 10 Million People. PEPFAR is the largest international health initiative in history dedicated to a single disease. PEPFAR works worldwide, but targets 15 focus countries that are home to approximately half of the world's 39 million HIV-positive people: Botswana, Cote d'Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Vietnam, and Zambia.

Since First Providing Antiretroviral Treatment In January 2004, PEPFAR Has Supported This Life-Saving Treatment For Approximately 822,000 People Living With HIV/AIDS. This is taking place through bilateral programs in PEPFAR's 15 focus countries in sub-Saharan Africa, Asia, and the Caribbean. Of the 822,000 individuals receiving treatment through PEPFAR, 61 percent are women and 9 percent are children age 14 and under.

- **PEPFAR Is Supporting The Leadership Of Local Communities.** PEPFAR works with partners in host nations to build local capacity in order to sustain prevention, treatment, and care efforts long after the initial five years of the Emergency Plan. Over 80 percent of PEPFAR partners are indigenous organizations.
- **PEPFAR Is Supporting Innovative Partnerships To Train Local Health Care Professionals.** For example, a PEPFAR initiative launched in May 2006 places health care professionals from the Ethiopian Diaspora community in volunteer assignments in Ethiopia to train and work side-by-side with Ethiopian counterparts. This initiative will use a new database to identify qualified professionals from the Diaspora to help Ethiopia's HIV/AIDS campaign.
- **PEPFAR's New Partner Initiative (NPI) Has Awarded Its First Round Of Grants For HIV/AIDS Prevention And Care.** President Bush launched the \$200 million New Partners Initiative on World AIDS Day 2005. On World AIDS Day 2006, the first round of 23 grants was awarded to organizations in the U.S. and Africa for up to \$72 million over three years. These organizations will work in 13 of PEPFAR's 15 focus countries.
 - **The NPI Is Identifying And Supporting Organizations Providing Health Care In The Developing World, Including Faith-Based And Community Organizations, To Achieve Local Ownership And Long-Term Sustainability.**

The U.S. Supports The Most Diverse Prevention Portfolio Of Any International Partner. In addition to the ABC (Abstain, Be faithful, and the correct and consistent use of Condoms) approach, the U.S. supports programs that focus on prevention of mother-to-child transmission, on blood safety and safe medical injections, on injecting drug users, on HIV-discordant couples, on alcohol abuse, and on other key issues, including gender-specific programs.

The U.S. Leads The World In Its Support Of The Global Fund To Fight AIDS, Tuberculosis, And Malaria. President Bush made the Fund's founding contribution, and the United States has pledged over \$2 billion through 2008 – far more than any other nation.

The Administration Is Working To Help The 1 Million Americans Living With HIV/AIDS

The Administration Is Working To Address Americans Living With HIV/AIDS And To Prevent New HIV Infections. Of the approximately 40,000 new transmissions occurring annually in the United States, about half are spread by individuals unaware they are infecting others. The number of AIDS cases is especially high in the African-American, Hispanic, and gay communities, as well as among intravenous drug users and prisoners.

- **The President And Mrs. Bush Have Called For HIV Tests To Become A Routine Part Of Care So All Americans Know Their Status.** The HHS Centers for Disease Control and Prevention (CDC) have released guidelines to physicians recommending routine voluntary HIV testing as a part of regular medical care for all people between the ages

of 13-64, and annual screening for those at high risk.

- **Between 2001 And 2006, The Administration Has Devoted More Than \$74 Billion To Treatment And Care, Increasing Annual Treatment Funding By 37 Percent.** In addition, the Administration has devoted more than \$15 billion to HIV/AIDS research to help develop new methods of treatment and prevention, increasing annual research funding by 20 percent. The President's 2007 Budget requested an additional \$15 billion for HIV/ AIDS treatment and care and \$3 billion more for research.
- **The President's 2007 Budget Requested \$93 Million To Purchase And Distribute Rapid HIV Test Kits That Will Facilitate Testing Of Approximately 3 Million Additional Americans.** Of the approximately 1 million people infected with HIV, an estimated 250,000 are unaware they carry the virus. Rapid HIV test kits will be directed at communities with the highest rates of newly discovered HIV cases, including prisoners and intravenous drug users.
- **In December 2006, President Bush Signed The Ryan White HIV/AIDS Treatment Modernization Act Of 2006 Into Law.** This important legislation reauthorized the Ryan White CARE Act and provides life-saving and life-extending services to people living with HIV who would otherwise have little or no access to care. It also provides more flexibility to direct funding to areas of greater need, and expands resources for women, infants, and children with HIV/AIDS.

The President Is Dedicated To Ending Discrimination Against People Living With HIV/AIDS

The President Has Directed The Secretary Of State To Request And The Secretary Of Homeland Security To Develop A Categorical Waiver For HIV-Positive People Seeking To Enter The United States On Short-Term Visas. The President considers the participation of people living with HIV/AIDS a critical element in the global HIV/AIDS response. A 1993 law prohibits HIV-positive people from receiving visas to visit the United States without a waiver. A categorical waiver would enable HIV-positive people to enter the United States for short visits through a streamlined process.

More Information On The Administration's International And Domestic Response To HIV/AIDS Is Available At: www.pepfar.gov and www.AIDS.gov.

The President's Malaria Initiative Is Saving Lives

Tonight, President Bush Will Discuss How The President's Malaria Initiative (PMI) Is Saving Lives. President Bush announced the President's Malaria Initiative (PMI) in June 2005. A five-year, \$1.2 billion program, PMI challenges the private sector to join the U.S. government in combating malaria in 15 of the hardest-hit African countries. PMI's goal is to cut malaria's mortality rate by 50 percent in these target countries, freeing the citizens of these African nations from the grip of this debilitating disease.

- **Through Partnerships Working In The First Three Target Countries – Angola, Tanzania, And Uganda – Aid From The American People Has Already Reached About 6 Million Africans.** In 2007, 30 million more will receive life-saving medicines, sprays, and bed nets as the program expands. Other target countries are: Malawi, Mozambique, Rwanda, Senegal, Benin, Ethiopia, Ghana, Kenya, Liberia, Madagascar, Mali, and Zambia.
- **PMI Has Helped Deliver Bed Nets To Zanzibar And Tanzania Where Malaria Is The Leading Cause Of Death.** In early 2006, PMI and the Global Fund collaborated to distribute more than 230,000 insecticide-treated bed nets to the people of Zanzibar. As a result, Zanzibar has seen a startling decrease in its reported malaria cases and quicker recovery for those infected. On Pemba Island, the number of confirmed malaria cases reported between January and September 2006 dropped 87 percent from the same period in 2005. In Zanzibar, malaria was greatly reduced among children under age five after new U.S. and other assistance began, according to local health officials. The success in Zanzibar shows that malaria can be controlled in larger regions.

Developments From The White House Summit On Malaria

At The President And Mrs. Bush's White House Summit On Malaria On December 14, 2006, The President:

- **Launched The Malaria Communities Program.** The President's Malaria Initiative (PMI) launched the Malaria Communities Program, a \$30 million initiative to build independent, sustainable malaria-control projects in Africa by providing grants to African Non-Governmental Organizations and religious groups to support malaria-control work. These initiatives will protect children and families and will help citizens take charge of their own health.
- **Expanded The "Volunteers For Prosperity" Program For Malaria.** Many groups fighting malaria depend on the generosity of skilled professionals like doctors and nurses, who volunteer their services far from home. Through the President's Volunteers for Prosperity program, organizations involved in the PMI can receive grants for highly skilled volunteers to contribute their efforts.
- **Designated April 25, 2007, As "Malaria Awareness Day."** The more people know about this disease, the more quickly we can defeat it. President Bush will designate April 25, 2007, as "Malaria Awareness Day." African countries and other nations commemorate April 25 to raise global awareness of malaria, and to reaffirm their commitment to fighting this disease. The United States is proud to stand with them.

For More Information On The President's Malaria Initiative, Please Visit: www.whitehouse.gov/infocus/malaria.

Strengthening Our Military

Increasing The Size Of The Army And Marine Corps

Tonight, President Bush Will Act On Defense Secretary Bob Gates' Recommendation And Ask Congress For Authority To Increase The Overall Strength Of Our Active Army And The Marine Corps By 92,000 Soldiers And Marines In The Next Five Years. A larger Army and Marine Corps will expand the capabilities of our armed forces while reducing the stress on the force and the war fighter caused by deployments in the Global War on Terror. It may take some time for these new troops to become available for deployment, but it is important that our men and women in uniform know that additional manpower and resources are on the way.

- **United States Army:** 65,000 additional Soldiers, bringing the total to 547,000 Soldiers.
- **United States Marine Corps:** 27,000 additional Marines, bringing the total to 202,000 Marines.

Capitalizing On Transformational Successes In The Army

The Army Has Already Made Transformational Steps To Increase The Size Of Its Deployable Force Without Increasing The Total Size Of The Force. The Army has realigned 57,000 personnel in the Army Active, Reserve, and Guard into skill sets that are in the highest demand. 13,000 Soldiers have been realigned from administrative and facilities support jobs into the Army's operationally deployable force.

Two Steps To A Larger Force

Step One: The President's Proposal Will Make The Temporary Force Increases Authorized By Congress In The National Defense Authorization Act For FY2006 Permanent.

- **United States Army:** Make the current 30,000 Soldier temporary increase permanent.
- **United States Marine Corps:** Make the current 5,000 Marine temporary increase permanent.

Step Two: Recruit Additional Soldiers And Marines Through 2012.

- **United States Army:** Recruit 6,000 new Soldiers in 2007; 7,000 new Soldiers per year through 2011; and 1,000 in 2012.
- **United States Marine Corps:** Recruit 4,000 new Marines in 2007; 5,000 new Marines each year through 2010; and 3,000 in 2011.

Reforms To Spend Tax Dollars Wisely

Tonight, President Bush Will Discuss Three Major Reforms To Spend Tax Dollars Wisely And Keep America's Economy Strong. Next week, the President will deliver a full report on the state of our economy, which has added more than 7.2 million jobs since August 2003. Americans are finding jobs and taking home more pay.

To Spend Tax Dollars Wisely, We Must:

- **Balance The Budget Through Pro-Growth Policies And Spending Restraint.**
- **Enact Common-Sense Reforms To Help Prevent Billions Of Taxpayer Dollars From Being Spent On Unnecessary Earmarks.**
- **Reform Entitlement Programs To Address The Longer-Term Fiscal Challenge Facing Our Country.**

Balancing The Budget Through Pro-Growth Policies And Spending Restraint

Earlier This Month, The President Announced He Will Propose A Balanced Budget. On February 5, the Administration will present its five-year budget proposal. The President's budget will reduce the deficit over the next five years and produce a balanced budget by 2012. The Budget will achieve balance while addressing the Nation's most critical needs, including support for the Global War on Terror and sustaining the strength of our economy through permanent tax relief.

- **The President's Tax Relief Has Spurred Robust Economic Growth, Millions Of Jobs, And Rising Wages.**
- **A Strong U.S. Economy Is Fueling Higher Tax Revenues.** Tax revenues rose 11.8 percent in 2006 following a 14.6 percent increase in 2005. Receipts have increased nearly 35 percent since the tax relief was fully implemented in 2003, and 70 percent of the reduction in the deficit last year was attributable to increased tax revenues.
- **The Deficit Has Been Cut In Half Three Years Ahead Of The President's 2009 Goal.** Historic revenue growth and a continued commitment to spending restraint contributed to this reduction.
- **Better Spending Restraint Is Necessary To Help Achieve A Balanced Budget.** While funding the Nation's priorities, we must keep spending under control. That means restraining spending growth, doing more with less, and eliminating programs that are not getting the job done.

Enacting Common-Sense Reforms To Help Prevent Billions Of Taxpayer Dollars From Being Spent On Unnecessary Earmarks

Earmark Reform Will Help Eliminate Wasteful Spending. Earmarks are provisions included in legislation that are often not subject to legislative or public scrutiny and that often lead to wasteful Federal spending. Earmarks have tripled in number over the last decade and have increased spending by billions of dollars. The President applauds Congress' progress in requiring the disclosure of the sponsors, costs, recipients, and justification for each earmark, and calls on Congress to go further by enacting comprehensive earmark reform that brings greater transparency and accountability to the Congressional budget process, including:

- Stopping the practice of concealing earmarks in so-called report language instead of placing them in the actual language of the bill.
- Cutting the number and cost of all earmarks at least in half by the end of this session.

Reforming Entitlement Programs To Address The Longer-Term Fiscal Challenge Facing Our Country

The President Believes Balancing The Budget Through Pro-Growth Economic Policies And Spending Restraint Better Positions Us To Tackle The Longer-Term Fiscal Challenge Facing Our Country: Reforming Entitlements. Reforming Social Security, Medicare, and Medicaid will enable future generations to benefit from these vital programs without bankrupting our country. The President has led the way in focusing attention on this problem and in promoting real solutions, and passing legislation to enact such reforms will require bipartisan cooperation.