

May 27 / Administration of George W. Bush, 2003

The suffering in Africa is great. The suffering in the Caribbean is great. The United States of America has the power and we have the moral duty to help. And I'm proud that our blessed and generous Nation is fulfilling that duty.

Now it is my honor and high privilege to sign this lifesaving piece of legislation. God bless you all.

NOTE: The President spoke at 2:20 p.m. in the Dean Acheson Auditorium at the U.S. Department of State. In his remarks, he referred to Representatives Christopher H. Smith of New Jersey and Peter T. King of New York; and John Galbraith, president and chief executive officer, Catholic Medical Mission Board. H.R. 1298, approved May 27, was assigned Public Law No. 108-25.

Letter to Congressional Leaders Transmitting a Report on the National Emergencies With Respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) and Kosovo

May 27, 2003

Dear Mr. Speaker: (Dear Mr. President:)

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I am providing a combined 6-month report prepared by my Administration on the national emergencies declared with respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) in

Executive Order 12808 on May 30, 1992, and Kosovo in Executive Order 13088 on June 9, 1998.

Sincerely,

GEORGE W. BUSH

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Richard B. Cheney, President of the Senate.

Remarks on Signing the Jobs and Growth Tax Relief Reconciliation Act of 2003

May 28, 2003

Thank you all very much. Good afternoon, and welcome to the White House. Today we are taking essential action to strengthen the American economy. With my signature, the Jobs and Growth Tax Relief Reconciliation Act of 2003 will deliver substantial tax relief to 136 million American taxpayers.

We are helping workers who need more take-home pay. We're helping seniors who rely on dividends. We're helping small-business owners looking to grow and to create more new jobs. We're helping families with

children who will receive immediate relief. By ensuring that Americans have more to spend, to save, and to invest, this legislation is adding fuel to an economic recovery. We have taken aggressive action to strengthen the foundation of our economy so that every American who wants to work will be able to find a job.

I want to thank the members of my team who have worked so hard to get this bill to this desk. [Laughter] I particularly want to thank Secretary John Snow and Secretary

Don Evans for their tireless efforts to convince members of both political parties what we're doing today is the right thing to do on behalf of all Americans.

I want to thank Steve Friedman for his good work, and his staff. I want to thank Mitch Daniels, "the Blade." [Laughter] I want to thank members of my Cabinet who are here, Secretary of Labor Elaine Chao and Mel Martinez. Thank you both for coming.

I particularly want to thank the Members of the United States Congress who worked closely with the administration to do what was right for the American people. Speaker Hastert—Speaker Denny Hastert isn't with us, but he put forth a monumental effort to get this bill done, as did Senate Majority Leader Bill Frist.

I'm particularly pleased that not only did the majority leader join me up here, but so does the chairman of the Ways and Means, Chairman Bill Thomas. He got the job done along with Senator Chuck Grassley of Iowa, the Finance chairman in the Senate. These two good men worked out differences in a quick period of time and got the bill to the respective bodies quickly, where both Republicans and Democrats supported this major piece of legislation.

I want to thank the Members from the United States House of Representatives who are with us today as well as Senator Thad Cochran, representing other Members of the Senate. We're honored you all are here. I want to thank all the Members who voted for this bill. We had great support in the House. Senators Miller and Nelson also supported the Republican majority in the Senate, so that we can say loud and clear to the American people, "You got more of your own money to spend so that this economy can get a good wind behind it."

I want to thank Dirk and members of the Tax Relief Coalition who rallied the grassroots all across the country to remind Members of the House and the Senate that

there are people out there that understand that with tax relief will come more jobs for the American people.

I appreciate members of the roundtables we had all around America. I see a lot of familiar faces from people that allowed me to come and listen to their stories and then translate those stories into the public arena so that our Congresspeople and citizens knew that behind every number there was a story to be told. I see small-business entrepreneurs and taxpayers and people who need dividends to help with their retirement. All of them stood up as we went around the country and spoke clearly—much more clearly than I can—about the need for tax relief. And I appreciate you all being here. And I want to thank you for your care for our country, and welcome to the White House.

The Jobs and Growth Act reduces Federal income taxes across the board. And today the Internal Revenue Service will post new withholding tax tables so that employers can begin leaving more money in the paychecks of American workers, starting next month.

The Jobs and Growth Act increases the per-child tax credit from \$600 to \$1,000. So today I'm directing the Department of Treasury to issue checks of up to \$400 per child to 25 million eligible families. And those checks will begin arriving in July.

This combination of income-tax rate reductions, a higher child credit, and a reduction in the marriage penalty will make a difference for families in every part of this country. A family of four with a total income of \$75,000 will receive a 19-percent reduction in Federal income taxes, saving \$1,122 per year, per family. A family of four with an income of \$40,000 will see their income taxes drop from \$1,178 to \$45, a 96-percent tax cut. And under this new law, 3 million individuals and families will have their Federal income-tax liability completely eliminated. Altogether, 34 million families with children, including 6 million

single moms, will receive an average tax cut of \$1,549 per year.

Jenny Theisen, from Omaha, Nebraska, is here with us today. Jenny's husband, David, is a staff sergeant based at Offutt Air Force Base and right now on duty in the Pacific and the Indian Ocean. Jenny and David work hard to provide for their children, just like a lot of other Americans do as well, and right now Jenny says she tries to save \$200 a month for her girls' college savings account. But sometimes other bills have to be paid first, is what she says. Under this proposal, under the bill I sign, it's going to be a lot easier for the Theisen family to save for the future because they will keep an extra \$1,300 a year of their own money.

Tax relief matters a lot to the average citizen here in America. This tax bill will make it easier for moms and dads to save for their children's education, and that's vitally important for the future of this country.

The benefits of the Jobs and Growth Act will also go to investors. The top capital gains tax rate will be reduced by 25 percent, which will encourage more investment and risktaking, and that will help in job creation.

The bill also allows for dividend income to be taxed at a lower rate. This will encourage more companies to pay dividends, which in itself will not only be good for investors but will be a corporate reform measure. It's hard to pay dividends unless you've actually got cashflow. The days when people could say, "Invest with me because the sky's the limit," will be changed by dividend policy. It's hard to promote the sky being the limit and pay dividends unless you're actually profitable and have cashflow. Getting—reducing the tax rate on dividends will also increase the wealth effect around America and will help our markets. And the good news is, a lot of senior citizens rely on dividend income to meet their daily needs, and under this legislation, 12 million

seniors will receive an average tax reduction of \$1,401.

We're delivering substantial tax relief to small-business owners and entrepreneurs. Most small-business owners are Subchapter S—own Subchapter S corporations or sole proprietorships or limited partnerships, so the small business pays taxes at the individual tax rate. By cutting individual tax rates and by delivering other incentives for investment in new equipment, 23 million small-business owners will receive an average tax cut of \$2,209. This law reflects a commonsense economic principle: The best way to have more jobs is to help the people who create new jobs, and those are the small-business owners of America.

Scott Harding is with us today. He's the CEO of a family-owned electrical contracting business in Rockville, Maryland. Scott's company is a Sub S company. He spends more than \$100,000 a year on new equipment. His savings under the tax relief will let him keep \$7,300 of his own money, and his business will save at least \$12,000 because of this legislation's increased expensing rules. His savings, plus those of the other people who own this company, will help this company buy more equipment for their 50 employees, which will make the employees more productive, which will make it more likely that he'll be able to expand the number of employees who works for him.

Scott says, "The more money we make, the bigger bonuses there are for workers. It's that simple." No matter how complicated tax policy may seem here in Washington, people like Scott understand it all too well. If businesses keep more of their own money, their workers benefit right away. By leaving families and entrepreneurs more to spend, more to save, more to invest, these reforms will help boost the entire economy and create jobs.

When people have more money, they can spend it on goods and services. And in our society, when they demand an additional good or a service, somebody will produce

the good or a service. And when somebody produces that good or a service, it means somebody is more likely to be able to find a job. Increased hiring happens gradually, but we're on the path to greater job creation across this country.

We know that tax relief is going to help this economy because it has done so in the past. The tax relief we passed in 2001 helped make the recession one of the shallowest in American history. It gave millions of families needed relief during a difficult time for our country. It helped many entrepreneurs to pursue their dreams.

I recently got a letter from Rusty Loiselle, who lives in Illinois. Rusty had seen some hard times, but he always had a dream to start his own business and to be his own boss. He says the tax relief in 2001 helped him create a small custom painting business. He bought a computer, some airbrushes, lights, and sanders, and he's done well. He's done well enough to be able to buy himself a home for he and his son. He said, "It probably doesn't sound much like—sound like much to you all, but it means a lot to my son and me."

That's what America's all about, providing opportunity. The bill I'm going to sign provides opportunity for millions of Americans across this country. And the more opportunity there is, the more likely it is somebody is going to find work in this country.

This legislation is a major step forward in our economic agenda. Yet other steps are also needed. We must hold Federal spending to a responsible level. Our budget for this year calls for discretionary spending to rise only 4 percent, or as much as the average household income will go up this year. Government should follow the example of American families by setting clear priorities and by staying within them.

We must act in other areas to ensure the economic security of American families and workers. There could be no economic security unless people can count on affordable health care. Critical measures before

Congress would address this issue. Our country must get a handle on rising health care costs, so we must pass reforms to end the junk lawsuits that drive good doctors out of practice and drive the costs up for everybody.

The biggest threat to economic security of our seniors is the affordability of prescription drugs. We must make available a prescription drug benefit to all our seniors. And we must assure that the commitments of Medicare are kept to every future generation of Americans.

To enhance economic security for working people throughout the economy, we must reduce the burden of regulation and litigation on small businesses as well. Employers don't want to spend their time and resources filling out forms or fighting junk lawsuits. They want to be out on the shop floor or behind the cash register creating profits and jobs. And that is why this administration has launched a task force to find ways to reduce paperwork for small-business owners in America. We must enact regulatory and lawsuit reforms so that our business owners can do what they do best, create jobs.

We must also help build economic security for workers by preparing citizens to fill the new jobs this economy will create. We're aggressively implementing higher standards in our public schools so that every child—every child—learns to read and write and add and subtract. We've increased funding for Pell grants, making higher education a possibility for more young Americans.

I've proposed innovative reemployment accounts to help unemployed workers cover the cost of job training or relocation. For those currently unemployed, earlier today I signed legislation extending unemployment insurance benefits for an additional 13 weeks. And when we reauthorize welfare reform, we must make sure that more and more Americans are set on the path of work, which is the path of dignity and independence.

I'm confident we can make progress in all these areas, because the Congress is showing the good will and hard work that makes progress possible. Already we've achieved many of the goals that I outlined last January. Congress passed a budget resolution that follows my call to restore spending discipline to Washington, DC. We passed a focused supplemental spending bill to support our brave men and women in uniform. We passed a Global AIDS Initiative to help millions of people fighting for their lives. And now we have passed a bold package of tax relief for America's families and businesses which will help turn our recovery into a lasting expansion that reaches every single corner of America.

I believe in the future of this economy, in our Nation, because I know the character of the American people. In 20 months, Americans have been tested by a national emergency, corporate scandals, war, and recession. And time after time, we've responded effectively to the chal-

lenges we have faced. Time after time, Americans have shown a firm resolve and an unshakable faith in our future.

And now, with this bold legislation, we're sending a clear message to the doubters, the doubters that Washington can respond. We can respond. We can respond in a positive way. We're building on the strengths of our economy so that everybody who wants to work can find a job in this great country.

Congratulations to the Members of the United States Congress for rising to the challenge. May God bless America.

NOTE: The President spoke at 2:20 p.m. in the East Room at the White House. In his remarks, he referred to Senator Ben Nelson of Nebraska; and Dirk Van Dongen, president, Tax Relief Coalition. H.R. 2, approved May 28, was assigned Public Law No. 108-27. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Letter to Congressional Leaders on Termination of National Emergencies
With Respect to Yugoslavia and Modification of the National Emergency
With Respect to the Western Balkans
May 28, 2003

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b) (IEEPA), and sections 202(a) and 301 of the National Emergencies Act, 50 U.S.C. 1622 and 1631, I hereby report that I have today issued an Executive Order. The order terminates the national emergencies declared in Executive Order 12808 of May 30, 1992, and Executive Order 13088 of June 9, 1998, with respect to the former Socialist Federal Republic of Yugoslavia, and revokes those and all related orders. I have determined that the situations that gave rise to those national emergencies have been significantly

altered by the peaceful transition to democracy and other positive developments in Serbia and Montenegro (formerly the Federal Republic of Yugoslavia (Serbia and Montenegro) (the "FRY (SaM)").

A series of Milosevic-era Executive Orders, beginning with Executive Order 12808 of May 30, 1992, imposed sanctions on the former Yugoslavia. The sanctions imposed pursuant to Executive Order 12808 and related orders were suspended pursuant to Presidential Determination 96-7, on December 27, 1995, in order to achieve a settlement of the conflict in Bosnia and Herzegovina. In Executive Order 13192 of January 17, 2001, President Clinton lifted