

Remarks to the National Association of Home Builders in Columbus, Ohio
October 2, 2004

The President. Thank you all very much. Thank you all.

Audience members. Four more years! Four more years! Four more years!

The President. Thanks a lot. Thanks for the warm welcome. I appreciate being with the homebuilders from all across our country. It's a good way to spend a Saturday morning. *[Laughter]* I'm proud to be back in the State capital of Ohio.

I don't know if you know this or not, but my great grandfather built a home right here in Columbus, on Roxbury Road. The homebuilder they hired did a good job. *[Laughter]* The house still stands. *[Laughter]* My grandfather was born in this city back in 1895, so I hope a month from now the Ohio voters will send a home boy back to Washington.

For millions of our citizens, the American Dream starts with owning a home. Homeownership gives people a sense of pride and independence and confidence for the future. When you work hard, like you've done, and there are good policies coming out of our Nation's Capital, we're creating a home—an ownership society in this country where more Americans than ever will be able to open up their door where they live and say, "Welcome to my house. Welcome to my piece of property."

I was in Florida this week. And I've been there quite often because of the hurricanes, and I want to thank you for the good work that the homebuilders are doing for the people of that State. Homebuilders have collected donations of cash and building materials for families that have lost so much. They've established an online disaster contractor network to help put homeowners in touch with licensed contractors and with Government officials who can help those people that have been hurt by these storms.

The Federal Government is also doing its part, along with State and local authorities. Florida has been through a terrible time. And so have many communities here in Ohio, that have suffered severe flooding caused by the hurricanes. We've issued disaster declarations for 20 counties in Ohio, making residents whose homes have been damaged or destroyed eligible for assistance. In Florida, Ohio, and other storm-damaged—ravaged States, we will not rest until life is back to normal, the damage repaired, and the homes are rebuilt.

Laura sends her best. When I asked her to marry me, she was a public school librarian in Texas. *[Applause]* There you are. Just wanted to see if any of the home State folks are here. *[Laughter]* I know Conine is here. *[Laughter]* She said, "Fine, I'll marry you, just so long as I never have to give a political speech." *[Laughter]* I said, "Okay." *[Laughter]* Fortunately, she didn't hold me to that promise. The American people are learning what I know: She's a compassionate, decent, strong First Lady for our country.

I want to thank Bobby Rayburn and Annette for their invitation and their leadership of this important group. I appreciate the board of directors who are here today. I want to thank the guests who are here today.

I'm traveling today with Senator Mike DeWine from the State of Ohio, who is a fine United States Senator. I appreciate you coming, Mike. Congressman Dave Hobson and Carolyn are with us today. Thank you for coming, Congressman. I appreciate you being here. Congressman Pat Tiberi is here. Thank you for coming, Pat. I'm proud you're here. He brought his mother, Rina, with him.

Yesterday I was in New Hampshire speaking, and Mother showed up. *[Laughter]* Just wanted to make sure she could

continue giving me some instructions. [Laughter] Tiberi, my only advice to you is do what I do, and that's listen to your mother. [Laughter] I appreciate your dad, Joe, being here, and your sister.

I want to thank the Lieutenant Governor from this State being here, Jennette Bradley, and happy birthday to you, Governor. I appreciate it. Betty Montgomery, the State auditor is here. I know there's other local officials and State officials. We all appreciate you being here today.

Today when I landed at the airport, I met Karen Kindron. You've probably never heard of Karen, but let me tell you about her. She is an active volunteer in what's called Rebuilding Together of Columbus. She is a soldier in the army of compassion. She is the kind of person who's heard the universal call to love a neighbor. She represents the true strength of America, which is the hearts and souls of our citizens. The program for which she volunteers helps low-income, elderly, and disabled homeowners. They help them obtain services such as weatherization and repair work. Since founded in 1988, over 2 million volunteers have rehabilitated 87,000 homes and facilities. America can change one heart and one soul at a time for the better because of the volunteers all across our country who are making a difference. And I want to thank Karen. Where are you, Karen? She's somewhere. Anyway, she's here, and I thank her for setting such a good example. Thank you, Karen, appreciate it.

We're nearing an historic national election in 31 days—who's counting? [Laughter] Americans will go to the polls to determine the direction of this great Nation for the next 4 years. I'm looking forward to these final weeks of the campaign. I really am. I like to get out amongst the people, and I'm going to tell you where I stand and what I believe and where I'll lead this Nation.

I believe it is the job of a President to confront problems, not pass them on

to future Presidents and future generations. And in the last 4 years, we have faced some problems. We faced a recession, corporate scandal. We passed tough laws now that make it abundantly clear, we will not tolerate dishonesty in the boardrooms of America. We faced a terrorist attack and war. Because we confronted these challenges with focus and resolve, our Nation is on the path to a better future. If America shows weakness or uncertainty in this decade, the world will drift toward tragedy. This is not going to happen on my watch.

We're going after the terrorists. We will hunt them down where they plot and plan, and we're making progress. Today, more than three-quarters of Al Qaida's key members and associates have been brought to justice. I have the solemn duty to protect the homeland, and we'll do everything we can here at home to protect you. But the best way to protect the homeland is to stay on the offensive, fighting the terrorists overseas so we do not have to face them here in America.

But I understand this: To make sure our children and grandchildren grow up in a hopeful, peaceful world, this country must continue to spread freedom and liberty. Freedom in Afghanistan—10 million citizens in that country that was once ruled by the barbarians, the Taliban, have registered to vote, 41 percent of whom are women, in the upcoming Presidential elections. Freedom is on the march.

We'll continue to work for a free society in Iraq. It's hard work there. You know it's hard, and I know it's hard. It's hard for a reason, because the terrorists fear freedom. Liberty will transform societies. Someday, an American President will be sitting down with a duly elected leader of Iraq talking about the peace, and our children and grandchildren will be able to grow up in a more peaceful world. In the long run, our interests are served by spreading freedom and liberty and, therefore, spreading peace.

There are clear differences in this campaign. In the debate Thursday night, my opponent continued his pattern of confusing contradictions on Iraq. After voting for the war, after saying my decision to remove Saddam Hussein from power was the right decision, he now says it was all a mistake. Then he was asked if our troops were dying for a mistake. He said, "No." You can't have it both ways. You can't say it's a mistake and not a mistake. You can't be for getting rid of Saddam Hussein when things look good and against it when times are hard. You can't claim terrorists are pouring across the border into Iraq yet, at the same time, try to claim that Iraq is somehow a diversion from the war against terrorism. A President cannot keep changing his mind. A President must be consistent. A President must speak clearly, and a President must mean what he says.

In the debate, Senator Kerry also said something revealing when he laid out the Kerry doctrine. He said that America has to pass a "global test" before we can use American troops to defend ourselves.

Audience members. Boo-o-o!

The President. That's what he said. [Laughter] Think about this, Senator Kerry's approach to foreign policy would give foreign governments veto power over our national security decisions. I have a different view. When our country is in danger, the President's job is not to take an international poll. The President's job is to defend America. I'll continue to work every day with our friends and allies for the sake of freedom and peace. But our national security decisions will be made in the Oval Office, not in foreign capitals.

We have hard work ahead to do our duty. But by being steadfast and resolved, we will prevail. And as we defend our great country, we will continue strengthening our Nation here at home.

To grow this economy and unleash the spirit of enterprise, to overcome the obstacles I described earlier, we passed the largest tax relief in a generation. And that tax

relief has made a big difference for a lot of you all. See, many homebuilders are small businesses. Many homebuilders are—represent the great entrepreneurial spirit of America. Among the members of the National Association of Home Builders, 63 percent of you are either Subchapter S or sole proprietorships, which means you pay your taxes at the individual income-tax rate. Just like a lot of other small businesses in America do.

And so when we passed tax relief by cutting rates on everybody who pay taxes, we helped our small businesses; we helped our homebuilders. We helped you with resources to build or grow and expand and hire more workers. By cutting taxes on dividends and capital gains, we encouraged savings and investment, which is crucial to your industry. Tax relief left more money in the hands of American workers so they could save, spend, invest, and help drive this economy forward.

The economic recovery plan of ours is working. The results are clear for all to see. Over the past year, America has added 1.7 million jobs. We've added 107,000 manufacturing jobs since January. The national unemployment rate is down to 5.4 percent, nearly a full point below the rate in the summer of 2003 and below the average of the 1970s, 1980s, and 1990s.

Inflation is low. Mortgage and interest rates are near historic lows. Our economy is growing at rates as fast as any in nearly 20 years, spreading opportunity and prosperity across this country. And the homebuilders of America have helped lead the recovery in America.

The tax relief has helped many be able to put money down to buy a home. As well, my administration has worked to expand homeownership in other ways. Last December, I signed the American Dream Downpayment Act, which will help thousands of low-income families afford the downpayment and closing costs on their first home. We want people in every corner of America owning a home.

We've doubled funding for education and counseling services to help first-time homebuyers navigate the lending process, understand the fine print, and avoid predatory lenders. Homeownership rates are an all-time high in America, nearly 70 percent. I love that statistic. *[Laughter]* Think about that. More and more people own a home in America. More and more people have a chance to realize the great dream of our country. Minority homeownership is at record levels as well. In 2002, I set a clear goal, 5.5 million new minority homeowners by the end of the decade. And in just 2 years, more than 1.6 million minorities have become homeowners. America is a stronger country every single time a family moves into a house of their own.

The fundamental question in this campaign is how do we make the recovery lasting—to lasting prosperity? To create more jobs in America, to make sure people can find work, America must be the best place in the world to do business. That means less regulations on the entrepreneurs. To create jobs here, Congress needs to pass my energy plan. It's a plan that encourages conservation and renewable sources, but it's a plan that uses technology so we can burn coal and explore for natural gas. To make sure our economy remains strong and people can find work in America, we must become less dependent on foreign sources of energy.

To make sure this economy remains strong, we've got to reject economic isolationism. We have opened up our markets for products from overseas, and that's good for the consumer. If a person has more choices, he or she is likely to get the product they want at better quality and lower price. That's how the marketplace works. So I'm saying to other countries like China and elsewhere, "Treat us the way we treat you. Open up your markets for our farmers, ranchers, and entrepreneurs." We can compete with anybody, anytime, anywhere, so long as the rules are fair.

To make sure that jobs exist here in America people can find work, we've got to protect our small-business owners and workers from the junk lawsuits that threaten jobs across America. I don't think you can be pro-homebuilder, pro-small-business, pro-entrepreneur, and pro-trial-lawyer at the same time. I think you have to choose. My opponent made a choice. He put a trial lawyer on the ticket. I made my choice. I'm for legal reform to make sure this economy continues forward.

I've worked with Congress to create opportunity zones, which will provide extra tax relief and regulatory relief and other incentives for businesses to help our communities that have lost manufacturing and textile and other jobs to get back on their feet. We'll keep this economy growing until prosperity reaches every corner of America.

And I've set another great goal, and that's to build an ownership society, where everyone has a chance to own a home and a retirement account or health care plan and to gain a permanent stake in the American Dream. I believe expanded ownership is necessary for a lot of reasons, and one of the main reasons is because the times in which we live and work are changing dramatically.

Think about our society today compared to the society of our grandparents and parents. The workers of our parents' and grandparents' generation typically had only one job, one skill, one career, often with one company that provided health care and a pension. Today, people are changing jobs and careers quite often, and the workforce has changed. Women work inside the house and now outside the house. Yet, the fundamental systems of Government, the health care plans, the pension plans, the Tax Code, the worker training programs, were designed for yesterday, not for tomorrow.

I'm running for office to help people be able to realize their dreams by changing the fundamental systems of Government. And in times of change, I understand that

ownership brings stability to our neighborhoods and security to our families. In changing times, it helps if you own something. It helps bring security to you. By paying a mortgage instead of rent, by putting money into your own retirement plan, you're storing up wealth for your family. And that nest egg grows in value, and you can pass it on to your children or your grandchildren.

To build an ownership society, we'll help even more Americans buy homes. Some families are more than able to pay a mortgage but just don't have the savings to put money down. We'll continue to help them realize their dreams with a downpayment. So I'm asking Congress to pass my Zero-Downpayment Initiative. We should remove the 3 percent downpayment rule for first-time homebuyers with FHA-insured mortgages. This change could help as many as 150,000 people become homeowners in the first year alone.

To help low- to moderate-income rural families purchase homes, I've requested \$2.7 billion in loan guarantees and 1.1 billion for direct loans to low-income borrowers that can't get bank loans. These initiatives will help thousands in rural communities across America achieve the dream of homeownership.

Adding more qualified buyers won't accomplish much if there are no affordable homes to buy. My administration has set a goal of 7 million more affordable homes in the next 10 years. To help reach that goal, I've asked Congress to pass the single family housing affordable tax credit to help you build between 40 and 50 thousand new affordable homes every year.

I understand that the regulatory barriers at the Federal, State, and local levels can add as much as 35 percent of the cost to the homes. In order to make sure there's more affordable homes, we must remove the regulatory barriers on our homebuilders. I understand there's a need for sensible regulation, but when you have overlapping regulations that send confusing

signals, when you have the Federal Government, the State government, the local governments creating obstacles for homebuilding, it is time to reduce those regulations.

Finally, I believe that the mortgage interest deduction enables more Americans to achieve the goal of homeownership. It is an important part of our Tax Code.

To build an ownership society, we should help our fellow citizens get health care, especially coverage for themselves. More than one-half of the uninsured in America are small-business employees and their families. To make sure they get help, we must allow small firms to join together through association health plans so they can purchase insurance for their employees at the same discounts that big businesses are able to do so. And I appreciate your homebuilders—the homebuilders for supporting this initiative.

We will offer a tax credit to encourage small businesses and their employees to set up health savings accounts. We'll provide help—direct help for low-income Americans to purchase health savings accounts. Health savings accounts—and I urge you to look into them—give workers the security of insurance against major illness, the opportunity to save tax-free for routine health expenses, and the freedom of knowing that you own your own account that you can take with you wherever you—whenever you change jobs.

And finally, in order to make sure—and another practical commonsense way to make sure health care is available and affordable, is to stop these frivolous lawsuits that are running good docs out of business and running up the cost of your health care. By making this medical liability issue a significant part of the campaign, by talking about every single stop, by reminding people about what these lawsuits do to their health care, I am confident that in the next 4 years, we'll get medical liability reform out of the United States Senate and the House of Representatives. In all we

do to improve health care, we'll make sure the decisions are made by doctors and patients, not by bureaucrats in the Nation's Capital.

To build an ownership society, we've got to reform and strengthen our retirement system. I remember campaigning in 2000, and people tell me where they saw the TV ad they were running that said, "If George W. gets elected, our seniors aren't going to get their Social Security checks." So I'm going around the country reminding the seniors they got their checks. [*Laughter*]

With the baby boomer generation approaching retirement, many of our children and grandchildren understandably worry whether Social Security will be there when they need it. Social Security is in good shape for our seniors, and Social Security is in good shape for baby boomers like me. But we need to worry about our children and grandchildren. And so I believe we ought to strengthen Social Security by allowing younger workers to save some of their taxes in a personal account, a nest egg they can call their own that the Government cannot take away.

In all these proposals, we seek to provide not just a Government program but a path to greater opportunity and more freedom and more control over your own life. And here, as on so many other issues, there's a big difference between my opponent and me. Senator Kerry voted against tax deductible health savings accounts. He voted against expanding personal retirement savings accounts. He opposes our proposals to strengthen Social Security by allowing younger workers to put some of their taxes into personal accounts that they control. He opposes our plan to allow small businesses to join together to purchase health insurance at the discounts available to big companies. There's a pattern here. [*Laughter*] On just about every proposal to empower the individual instead of Government, my opponent has voted no.

A few weeks ago, Senator Kerry gave a speech in Detroit to lay out his economic agenda. Not once in that speech did he mention expanding ownership, not a word on how we would help more Americans own their own homes or stocks or savings accounts. Instead, his agenda focuses on expanding the scope and power of the Government. He has decided to put his faith in the wisdom of the Government. I will always put my faith in the wisdom of the American people.

Senator Kerry has spent almost 20 years in the Federal Government, and he's concluded that it just isn't big enough. [*Laughter*] On the campaign trail, he has proposed more than 2 trillion in new Federal spending so far. [*Laughter*] And that's a lot, even for a Senator from Massachusetts. [*Laughter*] And he said—they asked him, "Well, how are you going to pay for it?" He said, "By raising taxes on the rich. By raising taxes on the wealthiest 2 percent of the population." We've heard that rhetoric before, "raising taxes on the rich." There's one problem with that, that the tax increase would bring only in about \$600 billion of revenue. And he wants to spend more than 2 trillion, so there's a tax gap. And guess who gets to fill the tax gap? Yes, you do. That's what happens. People make wild promises, and they can't pay for it, and then they're going to raise your taxes to pay for it.

He also doesn't understand when he's saying tax the so-called-rich, he's raising the taxes on the small-business owners of America. My opponent's plan would raise taxes on over 900,000 small-business owners, the Subchapter S corporations, the sole proprietorships, people just like you. Small businesses are the engine of job creation in our country. Small businesses create 7 out of every 10 new jobs. It makes no sense to tax the job creators as our economy is getting stronger. We should not punish free enterprise. We ought to encourage free enterprise in America.

Now, I've got a plan to help this country move forward. I believe tax—the tax relief we passed ought to be made permanent. I've got a practical way to make sure Americans get health coverage without empowering the Federal Government. We've got a clear view of how to make sure Social Security fulfills its promise to our younger folks. We're going to help more families find dignity and independence in a home they call their own. We're going to build an ownership society, where everyone has a stake in the success of America and everyone has a chance to realize the great promise of our country.

And you're helping people realizing that success. It must be a fantastic feeling to be a part of the American Dream. It must be great to see—it must be magnificent to see somebody walk in to their home and feel the pride of ownership, the fantastic feeling of saying to a son or daughter,

“Here's your room. Here's our piece of property.”

I want to thank you very much for what you're doing. I want to thank you for helping pull our economy through some tough times and helping this Nation get on that hopeful path for a bright future. I appreciate your hard work. I appreciate your optimism. I appreciate your love for America.

May God bless you, and may God continue to bless our country. Thank you all.

NOTE: The President spoke at 10:01 a.m. at the Greater Columbus Convention Center. In his remarks, he referred to C. Kent Conine, immediate past president, and Bobby Rayburn, president, National Association of Home Builders; Carolyn Hobson, wife of Representative David L. Hobson; and Lt. Gov. Jennette Bradley and Auditor of State Betty Montgomery of Ohio.

The President's Radio Address *October 2, 2004*

Good morning. Next week in Iowa, I will proudly sign the Working Families Tax Relief Act. This bipartisan law is good news for America's families. It keeps in place major portions of the tax relief we passed over the last 3 years. It preserves marriage penalty relief, the \$1,000 child tax credit, and the expanded 10-percent tax bracket. The law also increases the refund limit on the child tax credit, which means about 7 million low-income families will get higher refund checks next year.

Because we acted, 94 million Americans will have a lower tax bill again next year, including 70 million women and 38 million families with children. I met many families that are benefiting from tax relief, including Gary and Angela Brown, from Springfield, Missouri. Gary works at a manufacturing company, and Angela stays at home with

their four children. Last year, the Browns saved about \$3,000 on their taxes. They used some of that money to put a downpayment on braces for their daughter. If Congress had not extended tax relief, the Brown's tax bill would have gone up \$1,500 next year. Now, because we acted, they will be able to keep and use that money. Tax relief has helped millions of families, like the Browns, to spend, save, and invest for the future. Thanks to their hard work, America's economy is strong and getting stronger.

This week brought more evidence that tax relief is helping our entire economy move forward. The economy grew at an annual rate of 3.3 percent in the second quarter. America's economy has been growing at rates as fast as any in nearly 20 years. And for 12 consecutive months, our