

in our kids' college educations, we're going to invest in math and science education because we know that innovation is going to be the key to the 21st century? And we're going to invest in our infrastructure because we want to make this a great country to do businesses and we understand that means moving goods and services and people and information efficiently around the country?

Or do we have a shrunken image of America that says we can't afford to do those things anymore, that America just doesn't do big things anymore? That's the vision that is reflected in the budget that's already been voted on by the House Republicans, one that says we can't afford to do big things anymore. I fundamentally disagree with that vision. That's not what built California. That's not what built Silicon Valley. That's not what made us the greatest country on Earth.

So this debate is going to be fierce. It is going to be serious. But it can't just take place in Washington. It's going to have to be animated by conversations that you have with your friends and your neighbors and your coworkers. And you're going to have to be speaking out and pulling together networks, and it's going to be a conversation that's taking place at the State and local levels just as much as it is at the national level. It already is.

Here's the thing. For all the challenges that we've experienced over the last 2½ years, for all the issues, international and domestic, that we've dealt with, despite the occasional set-

back and the frustrations, what we've already gotten accomplished in 2½ years gives me confidence about what we can accomplish in the next six.

We have gone through tougher times before, both as a country, but also as a movement. And each time, because we've come together, we've been able to achieve what a lot of folks thought was impossible. People really didn't think we were going to get health care passed, but Nancy helped prove them wrong.

We didn't think—a lot of people didn't think that we were going to get "don't ask, don't tell" repealed until we got it repealed.

A lot of folks didn't think that we could elect a guy named Barack Obama to the Presidency until we got Barack Obama elected to the Presidency. You have proved time and again that when people of good will come together, there's nothing that's impossible.

And so I just ask all of you to make sure that your participation in this process over the next 18 months isn't restricted to writing a check, but rather, continues to embody the same kinds of imagination and can-do spirit and, I think most importantly, that sense of community that was so central to us being successful in 2008.

Thank you very much, everybody. God bless you. And thank you again for the song.

NOTE: The President spoke at 9:28 a.m. at the St. Regis Hotel. Audio was not available for verification of the content of these remarks.

Remarks at a Town Hall Meeting and a Question-and-Answer Session in Reno, Nevada *April 21, 2011*

The President. Thank you. Hello, Reno! Thank you. Thank you so much. Please, everybody have a seat.

It is great to be back here in Reno, great to be back in Nevada. I am thrilled that all of you are here. We've got some special, special people that I want to acknowledge. First of all, I want to thank ElectraTherm for hosting us, and John Fox, the CEO of ElectraTherm, is

here; Stephen Olson, the president and CFO of ElectraTherm. Thank you very much. They just had a chance to meet me backstage, and they were describing all the great work that they are doing. I am told the contraption behind me here is known as the Green Machine, produces renewable energy from low-temperature heat waste. And John and Stephen were explaining to me how it works, and I was nod-

ding, pretending like I understood what they were saying. [Laughter] Actually, I have no idea how it works, but I'm glad it does work. [Laughter]

And I want to congratulate ElectraTherm for being a fine example of a clean energy company that's been growing by leaps and bounds over the last few years. Give yourselves a big round of applause.

In addition, we've got some people who are here. Somebody who's working hard for you, Congresswoman Shelley Berkley is here. Mayor Bob Cashell is here. Lieutenant Governor Brian Krolicki is here. State Controller Kim Wallin is in the house. State Treasurer Kate Marshall is here. Secretary of State Ross Miller is here. Catherine Cortez Masto, attorney general, is here. Steven Horsford, senate majority leader, is in the house. And John Ocegüera, speaker of the house, is here as well.

Thank you all for your attendance. Last week, I laid out a plan on one of the biggest issues that we're going to be facing this year, and that is how to get America's finances in order, a plan for shared prosperity through shared responsibility. And before I take some of your questions today, I'd like to discuss the plan briefly because it goes to the heart of what's happening at this company and businesses all across America. It's a plan that does two big things: First, it cuts spending and brings down the deficit. It cuts spending and brings down the deficit. And we know how important that is. Just like any family on a tight budget, America has to start living within its means. And for a long time, Washington acted like that rule didn't apply to the Federal Government. A lot of folks promised us a free lunch. We had a surplus in 2000; we had a surplus a decade ago. But we cut taxes, including for millionaires and billionaires, we fought two wars, we created a new prescription drug plan, and we didn't pay for any of it. Didn't pay for any of it, just put it on the credit card.

Well, as the saying goes, it turns out there is no such thing as a free lunch. So we were left with a big deficit when I walked into office and a lot of accumulated debt and interest on that debt.

And then it was made worse by the worst recession that we've had since the Great Depression. And as many of you know, when you have a huge recession like that, two things happen: On the one hand, revenues go down because companies and individuals aren't doing as well, so you're not taking in as many taxes. On the other hand, the demands on Government are even greater, whether it's unemployment benefits or trying to help States and local governments deal with their shortfalls. And so that added to the deficit as well.

Now, the bottom line is this: If we don't close our deficit, if we don't start reducing our debt, if we don't get our finances, medium and long term, under control, if we keep on spending more than we take in, it's going to cause serious damage to our economy. Companies might be less likely to set up shop and hire folks here in Nevada and here in the United States. It could cost us more to take out loans for homes or buying a new car or starting a business. And we won't be able to invest in those critical investments we need to win the future. Those are the kinds of investments that make a company like ElectraTherm possible.

So we have to tackle this challenge. And I believe the right way to tackle it is to live up to another old-fashioned principle, which is shared responsibility. That means everybody has to do their part.

First thing we've got to do is to comb through the budget and find every dime of savings that we can, wherever we can find it. And we've made a good start a few weeks ago, when both parties came together, Republicans and Democrats, around a compromise on spending that reduced it and kept the Government open at the same time. So we need to build on those savings, and I'm not going to quit until we've found every dime that we can. We'll check under the cushions. But we're going to find—any program that's not working, we need to eliminate it. Anything that can be done more efficiently, we want to do it.

But finding savings in our domestic spending by itself won't be enough; it only gets you so far. So we've also got to find savings in places like the defense budget. I have no greater

honor than being the Commander in Chief. And when I watch what our young men and women are doing overseas, it's incredible. So I can promise you, I will not cut a penny if it undermines our national security. But over the last 2 years, the Secretary of Defense has taken on wasteful spending that does little to protect our troops or protect our Nation, like old weapons systems that the Pentagon doesn't want. It says we don't need them, but somehow still gets into the budget thanks to well-connected special interests. Secretary Gates has already found \$400 billion worth of waste in the Pentagon budget. I think we can find those same kinds of savings again.

Next, we're going to need to reduce health care spending and strengthen Medicare and Medicaid through some commonsense reforms that build on what we already have done with the health care reform bill—eliminates wasteful subsidies to insurance companies, for example; actually improves care by making it easier for folks to buy generic drugs; helps providers manage care for the chronically ill. And we need to reform the Tax Code so that it's fairer and simpler. I know that's on people's minds. Some of you just had to file. And I know I looked at my bill. And I have actually done my taxes quite a few times. I admit I don't do them now. *[Laughter]* But all of us have gone through the experience of saying this is just too complicated. It doesn't make sense. The amount of taxes you pay shouldn't depend on a high-priced accountant or lawyer that you can hire. It should be fair and simple.

And part of what we have to do with our Tax Code is also end some of the tax cuts that were instituted for the wealthiest Americans. Now, I say that not because I want to punish success. I'm rooting for everybody to get rich. But I believe that we can't ask everybody to sacrifice and then tell the wealthiest among us, well, you can just relax and go count your money and don't worry about it; we're not going to ask anything of you.

I've been incredibly blessed by this country; son of a single mom, went on scholarships to get through school. And so the fact that I'm now well off, I want to be able to give a little bit

something back so that the next generation can achieve that same success. I don't need additional tax cuts, especially when I know that extending those tax cuts may end up meaning that some senior citizens are getting less health care; or thousands of kids on Head Start might not have that opportunity available to them; or people who are on Medicaid, seniors who are in nursing homes or families who have got a child who's autistic or disabled, that somehow they're left to fend for themselves. That's not a good option from my perspective. That's not a tradeoff I'm willing to make.

And I don't believe it's a tradeoff that most Americans are willing to make, no matter what party you belong to. That's not who we are as a country. We are better than that. We don't allow people who are vulnerable just to sink further and further without giving them a little bit of a hand up. It's part of what has made this country great.

So that's the first part of our plan. We're going to cut spending in a way that's fair and asks everybody to share responsibility. We're going to reform our Tax Code. But here's what else we need to do: We've got to make sure that even as we're living within our means, even as Government is not spending more than it's taking in, that we're still investing in the future, we're still strengthening the middle class, we're still growing the economy and putting people back to work.

So we're going to make some cuts in some programs, including some that I like, and if we were in better fiscal shape, we'd keep on funding. But I'm telling you what we're not going to do. We're not going to reduce our deficit by gutting our investment in clean energy and medical research and basic science. I refuse to make that choice.

America has always been the world's engine for innovation, the leader in discovery. That's who we are. That's how we've prospered. I don't want other countries to get the lead in the industries of tomorrow, I want America to lead in these industries. I want new technologies invented here. I want companies like ElectraTherm to set up shop here in America and to hire Ameri-

can workers and build American products. That's the future that we deserve.

Let's just take the example of energy. Think about it. Everybody right now is dealing with \$4 a gallon at the pump. Now, I admit Secret Service doesn't let me fill up my own tank now. [Laughter] But I remember before I was President the last time gas prices went up this high. It's tough.

And if you're somebody who's got to drive 20 miles, 30 miles to a job, and maybe you don't have the money to buy a new car that gets better gas mileage, so you got that old beater. It's 8 miles a gallon, and you know? [Laughter] I've been there. [Laughter]

It hurts because you know every time you go to work a big chunk of your paycheck is being eaten up. And you might already be having trouble making ends meet at the end of the month. So this gas issue is serious. But here's the problem. Every time it happens, every time gas prices go up like this, like clockwork, suddenly, politicians look around and they discover high gas prices. And they're shocked, and they get in front of TV, and they say, we've got a three-point plan to bring gas down to two bucks a gallon. And then when gas prices go down, nothing ever happens, and we're back into the same old patterns, and we don't have a comprehensive energy strategy for the future.

Now, there are some things that we can do right now. Last month, I asked my Attorney General to look into any cases of price gouging so we can make sure nobody is being taken advantage of at the pump. Today I'm going to go a step further. The Attorney General is putting together a team whose job it is to root out any cases of fraud or manipulation in the oil markets that might affect gas prices, and that includes the role of traders and speculators. We're going to make sure that nobody is taking advantage of American consumers for their own short-term gain.

And while we're at it, if we're looking for places to save money that we can then use to invest in clean energy projects like ElectraTherm, let's start with the \$4 billion in taxpayer subsidies that right now are going to big oil companies even though they are making bil-

lions of dollars a year as it is because of these high oil prices. Four billion dollars a year are going to companies that are making record profits. Even during the recession they were making big profits.

The big five oil companies over the last 5 years, the least they've made in profits is \$75 billion. The most they've made is \$125 billion. They are doing fine. And we are encouraging production. We are working to make sure that there are safe and secure ways for us to drill for more oil, develop more natural gas. We are all for production in a safe way. But these folks don't need further incentives by getting a better deal than the mom-and-pop shop down the street are getting when it comes to their taxes. They shouldn't get special tax breaks worth \$4 billion that we could invest someplace else. That doesn't make sense. It's got to stop.

Instead of subsidizing yesterday's energy sources, let's invest in tomorrow's. Some in Congress have proposed slashing by 70 percent our investment in clean energy. I'm not going to do that. I was talking to John about the fact that the investment made by the Department of Energy helped ElectraTherm do what it's doing: helped it expand, helped it hire more workers. Why are we going to stop making investments in companies like this?

We're also not going to reduce our deficit by sacrificing investments in infrastructure. You know, America used to have the best roads, the best bridges, the best trains, the best airports, the best ports. That's part of what made us great. That's part of why businesses wanted to locate here; they could move businesses—or they could move products, services, information. We don't have the best infrastructure anymore. Our roads and bridges are deteriorating.

Remember what happened in Minnesota when that bridge just collapsed? There are bridges like that all across the country. Our sewer systems, our water systems are not where they need to be. And that's the old infrastructure. What about the new infrastructure? You go to Beijing airport, it is unbelievable. You go to some of ours, it was built back in the fifties.

We don't have high-speed rail in this country. Why not? Every other advanced country has got it. It works. We can do this.

If we want businesses to locate here in America and create jobs, we've got to make sure that America is built to compete. We've got to have the best roads and the quickest trains and the best broadband networks so we can move information around. We don't want to be dodging potholes for the next 30 years. Let's put some people to work doing the work that America needs done.

And if we're going to reduce our deficit, we're not going to do it by cutting education. We're not going to do it by cutting education. This is another bright idea that some in Congress have. In a world where our kids are going to be facing tougher competition than ever before, where you've got hundreds of millions of Chinese kids and Indian kids and Brazilian kids and Eastern European kids, all who are trying to compete for the jobs of tomorrow, how are we not going to invest in making sure our kids have the best skills possible?

We see why this matters right here. More than 50,000 college students from Nevada are relying on Pell grants to help them pay their tuition. Now, working with folks like Shelley, we were able to eliminate some subsidies that were going to big banks because they were middlemen on student loan programs, and take that money and put more money into Pell grants so that the grants were higher, so that more kids could get them and they'd have less debt when they graduate. That was the right thing to do. Now you've got some folks in Congress who want to roll back some of those changes. How many of those students do you think can afford to pay a thousand dollars more to go to school? I know what it's like. I could not have made it through college without scholarships, without loans.

I'm standing here before you because America gave me opportunity. How am I going to pull up the ladder on the next generation of kids who are just as talented, smarter than I am? All they need is a chance. So I think it would be a mistake to balance the budget on the backs of students by cutting their scholar-

ships by more than a thousand dollars and forcing a whole lot of students to go without them altogether.

So that's the bottom line. We need to cut spending. We can't ignore future deficits. But just as ignoring deficits would mortgage our future, failing to invest in our kids, in our infrastructure, in our basic research and clean energy, that would be mortgaging our future as well. And I'm not willing to do it. And that's at the core of the debate that we're having right now.

Both Democrats and Republicans agree that we need to cut the deficit. In fact, there is general agreement on the need to cut about 4 trillion over the medium term to hit our targets. And when folks in Washington agree on anything, that's quite an accomplishment. *[Laughter]* So the debate isn't about whether to cut the deficit, the debate is about how we cut the deficit. And my view is we can live within our means while still investing in our future. We can take a balanced approach, cutting where we can while investing in education and innovation and infrastructure, strengthening the safety net of Medicare and Medicaid to make sure that they're there for future generations.

And I think that Democrats and Republicans can come together to solve this problem. It has been done before. It won't be easy. There will be some strong disagreements. I'm willing to bet that along the way some politics will be played. *[Laughter]* That's just a guess. And there will be some who say, you know what, the country is just too divided; we're not going to get it done. But I'm optimistic. I'm hopeful. I'm confident that we can come together.

And here's why this is so important. Ultimately, this debate is not just about numbers on a page. It's about the vision we have for our future, who we are as a country. It's about making sure that the most you can do here is not just live out your own American Dream, but make sure that the people around you are living out their American Dream as well.

We want to make sure this is a country where if you're willing to try hard you can make it, where everybody has a chance at prosperity. That's my focus, that's my guiding light.

It's what I think about when I wake up in the morning and go down to the Oval Office. That's what I think about when I leave the Oval Office and go to bed at night. And that's why I'm going to need the help of all of you. I don't want you to be bystanders in this debate. I want you to hold me accountable. I want you to hold Washington accountable. I hope you will hold all of our feet to the fire, because you've got a big stake in this fight. And if your voices are heard, we will meet this challenge. That's how we're going to secure our future. That's how we're going to make our country everything that it can be.

Thank you very much, everybody.

All right, everybody, have a seat. I've got a little time for questions. I'll take off my jacket, because I know I'm in the hot seat here. We've got some folks in the audience with microphones, so if you just raise your hand I will call boy, girl, boy, girl—[laughter]—make sure it's fair. And I'll try to get through as many questions as I can.

This gentleman right here. Here, here's a microphone. Introduce yourself, if you don't mind.

Energy/Alternative and Renewable Energy Sources and Technologies

Q. Hi, my name is Howard Crabtree. And I go to the TMCC school right now, just trying to get an education after we lost our—my wife and I lost our jobs here.

So I entered the renewable energies program, and the more and more I learn about energy and the policies and things, I wonder what—is the Federal Government doing anything to encourage the States—because I know the States really control it—are they doing anything to encourage the States to open the market up so that there are more competitors in the market to bring prices down? I know that I've only ever had NV Energy as a choice.

The President. Well, I am not fully familiar with what Nevada's State regulatory structure is, I'll admit. But let me make some general points about how we can start creating not only more competition, but also more innovation in the energy sector.

When it comes to electricity, the traditional sources that we get electricity from are coal, natural gas, and some nuclear. That's typically the menu from which we get most of our electricity production at most of the big utilities. And the advantage, particularly of coal, is that it's been very cheap. We are the Saudi Arabia of coal. We've got a lot of coal.

But each of these fossil fuels that we use have some problems, particularly with pollution. And coal, in particular, in some of these old plants create a lot of particulates that go into the atmosphere and create all kinds of problems in terms of asthma, and it's also having an impact on the climate overall.

Nuclear doesn't produce greenhouse gases, but we've got problems in terms of storing waste. And obviously, we're heartbroken by what's happened in Japan, and that's raising questions about the safety of the existing storage mechanisms. And I know obviously there's a big debate here in Nevada about Yucca Mountain.

Natural gas, we actually have a lot of natural gas available, but getting to it has historically been a little bit difficult, and so now we're developing new technologies for that.

But when you think about what's going to be, sort of, our future electricity sources, I want to make sure that we are also the front-runners, the leaders, when it comes to solar, when it comes to wind, when it comes to waste heat—[laughter]—geothermal, right? So there are a whole range of additional energy sources that we're just not tapping into, and that's what a company like ElectraTherm is all about.

Now, the question for ElectraTherm is—or any of these companies that are innovating—is there enough demand out there that they can start building to scale, they can start making the capital investments that allow them to catch up with these older ways of producing electricity that had a 50-year head start, right? I mean, if you built an old coal plant 30, 40 years ago, well, it's—whatever money you put into it, that's already sunk costs, and now you're producing electricity that may be relatively cheap, but it's also relatively dirty. And the question is, how do we make sure that new

companies with newer, cleaner technologies are able to catch up?

So one of the things that we've proposed is what's called a clean energy standard. It's a very simple concept. What it says is, the country, State by State, will purchase a certain amount of energy from these alternative sources. So we're not saying that immediately you shut down the old plants, because frankly, we couldn't. I mean, the economy needs a certain amount of electricity just to run our businesses and do everything that we do. But if we set a target and we say here's the amount of alternative energy that is going to be purchased every year, then suddenly, all these companies out here start saying, you know what, I've got some certainty. I know that if I invest in building a new plant that I'm going to be able to sell that electricity.

And that changes the economic incentives, and then the market can sort out which ones are the best: who's got the best company, who's got the best technologies, et cetera. It's not the Government saying—picking winners and losers, it's just saying get a certain amount from this option, this array of options of clean energy. That can make a huge difference.

Now, in addition to doing that, the other thing that we really have to do is make sure that as an economy, as a society, we just become more energy efficient generally. And that's a lot of what ElectraTherm is all about. They're capturing—when you're talking about waste heat, every business, every industry, is generating some sort of energy byproduct, some sort of heat; it's going up in smoke stacks and nobody is using it. And the question is, can we capture that energy and use it in a smart way? That's what ElectraTherm is all about.

But we waste energy everywhere: schools, hospitals, our homes. When we don't insulate our houses, when we don't have the kinds of windows that are properly insulated, when our air conditioning systems are all old and creaky and make a lot of noise, energy is being dissipated everywhere. Now, I think most people understand that, but the problem is that you might not have a couple thousand bucks initially to insulate your home. You don't have that

kind of spare change lying around. Even though if you made the investment you'd get the money back in 3 or 4 or 5 years, you may not be able to make that investment on the front end.

So one of the things that we're doing, both for homeowners, but also increasingly for commercial buildings, we want to give you some incentives where we say, you know what, you buy that insulation, you make your home more energy efficient, we'll give you a tax break. Or we say to companies, you're going to make your building more energy efficient, we'll give you some money on the front end and then you can pay it back by the savings that you get on your electricity bill every month. So a combination of creating a market for clean and alternative energy and also providing incentives to consumers to be more energy efficient, you combine those two things, there's no reason why we can't have a brighter energy future. But it does require some investment from the Federal Government. That's why I'm not willing to see our investment in clean energy slashed by 70 percent, and that's part of the debate that we're having in Washington right now. All right?

Okay, this young lady right there. Go ahead. You got the microphone right here.

Health Care Reform/Medicare

Q. Jill Derby. I'm an educator who's fighting educational cuts in Nevada that will slash our education budget.

The President. Okay, Jill.

Q. But my question is about health care reform. I would say all of us in this room understand that the health care reform act that you championed and was passed is critical for the whole country, but somehow the opposition got the message ahead of us, and now there isn't widespread support. I want to know what you and others are doing to turn that around to help people realize how important that reform act is.

The President. Well, first of all, I appreciate the support and I appreciate the work you're doing on education. It turns out that when Social Security was passed, initially it was really

unpopular, and all kinds of lawsuits were brought against Social Security. And people said we were going socialist. Sound familiar? *[Laughter]* And now everybody loves Social Security, because once the program got up and running, people understood, you know what, this provides a basic floor, a baseline, so if something goes wrong in my life, even though I'm doing all the responsible things, even though I'm saving, I'm working hard every day, I'm looking out for my family, I'm doing what I'm supposed to do, if at the end, somehow, things didn't work out the way I planned, I've still got this baseline of savings.

Then, when Medicare was passed in the middle sixties, lo and behold, it turns out it was very controversial. And everybody said this is socialized medicine, and there were efforts to repeal it. And then once it got up and running, lo and behold, people said, you know what, it's a good thing that our senior citizens now, if they don't have the health care that they need, they don't have money, they have something to count on so that if they get sick they've got some support.

And I make that point just to say that every time we make a change like this, there are some folks who say no. And ordinary folks who aren't following the debate, all they hear is a lot of arguing; it makes folks uncertain about, well, is this thing actually going to work or not.

The big thing that we need is the 3 years that we designed to implement the plan. Now, we're already making progress. There are already changes that are benefiting you right now. Everybody who's sitting here right now, whether you know it or not, you're being benefited by the health care reform that we passed. If you've got a child who graduated from college, doesn't yet have a job that provides health insurance, you can keep that child on your health insurance until they're 26 years old. If you're a parent whose child has a preexisting condition, you now have to be able to get health insurance. An insurance company cannot turn you down from getting health insurance for that child.

Right now insurance companies can't drop you when you get sick. They can't impose arbi-

trary lifetime limits so that if you really get sick and you really need it, you don't find out right in the middle of treatment it turns out that you've already hit your limit and there's no more money left and you're on your own.

So we've already implemented a wide range of reforms. Small businesses are eligible right now for huge tax breaks; about a third of what small businesses pay for their employees to provide them health care, now they can deduct from their taxes. And that can save tens of thousands or even hundreds of thousands on their health care bills. That's already going on right now.

Senior citizens, you're getting a \$250 rebate on your drugs because of the health care bill. And by the time we've fully implemented it, that doughnut hole that used to be there, where if you got sick, you'd pay—Medicare would pay only up to a certain point, and then suddenly, you had to pick it up in your own pocket because of that doughnut hole, that's going to be fully closed. So we are making all sorts of reforms right now.

But the big change comes in 2014 when we're working with States, including Nevada, to set up a system so that you can be part of a big pool if you're on your own. If your employer doesn't provide you health insurance, you can be part of a big pool with all that purchasing power to get the same health care that Shelley Berkley and other Members of Congress get for themselves at reduced prices and higher quality.

The other thing that we did in health care reform bears on what I was talking about earlier, which is our deficit reduction. We were giving about \$180 billion worth of subsidies to insurance companies under the Medicare program. It wasn't making seniors healthier, but it was making the profit margins for those insurance companies a lot healthier.

And we said, you know what, you're doing just fine without those subsidies. We are saying to providers, let's make some changes so instead of having multiple tests for one patient, let's have one test and then e-mail all the tests through electronic medical records to the

specialists that need to work with them. That saves us money.

Twenty percent of the sick account for 80 percent of the costs under Medicare, typically the chronically ill, folks who have diabetes, for example. So why not reimburse providers to help manage the illnesses of the chronically ill? That will save us money.

So part of what we're doing is providing care for people. Part of what we're doing is making sure that you as a consumer of health insurance are getting a fair deal for insurers. But part of what we're doing also is making the overall system more efficient. And that's how we'll save money in the long term.

That's the big debate that we're having about Medicare as part of this budget. There has been a proposal—it passed through Congress—that would essentially make Medicare a voucher system. Essentially, what Medicare would become is you'd get a certain amount of money and then you could use that money to buy health insurance on the private marketplace. But guess what. If health inflation keeps on going up, you're out of luck. If the insurance that you buy isn't good enough to cover you, too bad.

So what we've said is, no, we're not going to change Medicare as we know it. What we will do is work inside of Medicare to make sure that providers, the health care system as a whole is more efficient. We think that's the better way to go. And I think most folks on Medicare do too.

All right, let's see. Gentleman back there. Right there. Yes.

Fuel Efficiency Standards/Alternative and Renewable Energy Sources and Technologies

Q. John Galbraith, Geothermal Resources Council. Mr. President, we applaud and commend you for supporting clean, green, renewable, 24-hour baseload energy. Please describe your thoughts going forward. Can we expect the same?

The President. You can expect the same. We want to keep on giving the same incentives for clean alternative energies. We want to make sure that, for example, the tax credits that are

in place, that we make those permanent so that folks aren't always in a guessing game each year as to whether or not they're going to be there for you.

We think that needs to be part of an overall, comprehensive energy package. And I was talking earlier about electricity generation, but obviously, what's on the minds of a lot of folks right now are gas prices. Let me just make this point: One of the key ways we're going to get gas prices down is just to use less oil, right? If you buy less, prices go down.

The best way for us to reduce usage is in the transportation sector. So a couple of things that we're doing already: Number one, we increased fuel efficiency standards on cars last year for the first time in 30 years—first time in 30 years. It's going to save us 1.8 billion barrels of oil. And by the way, we didn't do it through legislation. We got the car companies, auto-workers, environmental groups, we got everybody to agree that this made sense for America. So that's point number one.

Point number two is we want a million electric cars on the road. We want—[*applause*]*—*over the next several years, we want to develop electric cars and make them affordable for everybody. And Detroit is now making some good electric cars; the problem is they're still too expensive. A couple of things are involved in that. One is the technology for batteries is still not as developed as it needs to be. But here's the good news: We used to have 2 percent of the market for advanced batteries that go into electric cars; we are going to have 40 percent in 5 years because of the investments we made with the Recovery Act. We're going to have—40 percent of those batteries are going to be made here in the United States of America.

There is no reason why we can't get cars out there that are getting a hundred fifty miles per gallon. We've got the technology for it, we've just got to keep on investing it and developing it. And so one example of how we can really make a difference, it turns out as President I've got a lot of cars in my fleet. [*Laughter*] The Federal Government has the biggest fleet of automobiles of anybody, any organization. So

what we've said is, let's make our fleet a hundred percent alternative fuel cars.

And what that does, that creates a big market for American-made cars that are efficient. It puts people to work, but it also helps us free ourselves from dependence on foreign oil.

And now what we're doing—I was just over at a UPS facility in Maryland. We've gotten Federal Express, Verizon, AT&T, there are a bunch of companies now that are joining together, and they're doing the same thing with their truck fleets. So part of what this is all about is just creating a market.

And once you create a market—let me tell you, I have driven that—I didn't—when I say drove, they let me drive, like, 5 feet. [Laughter] They didn't really let me zip around there. But I've been in one of these Chevy Volts. That is a nice car. It drives really well.

And so the question is, can we start getting enough demand that prices go down? And think about it, I mean, it used to be having a flat-screen TV was a big deal, right? Now everybody is going into Best Buy, because it was such big volume that prices started going down; same thing with all technology. It's no different in the transportation sector. We can drive prices down, we just have to make sure that there's enough demand out there for them.

So for all of you out there who are still driving those 8-mile-a-gallon, big SUVs, some of you, that's the car you got to drive right now, you can't afford a new car, but when you do decide to buy a new car, think about the fact that we're putting a whole bunch of money into the pockets of some folks in some cases who don't like us at all.

We send billions of dollars to other countries, some of whom do not like us at all. We're just giving away our wealth. That makes no sense, and it's got to change, and we're going to change it. So all right.

It's a young lady's turn. Right here in the red, right in front. You got a microphone coming.

Scientific and Medical Research/Chronic Fatigue Syndrome

Q. Mr. President, my name is Courtney Miller. And I want to thank you for returning

science to the national priority. And I need to ask for some help for my family. My husband has chronic fatigue syndrome, which is an illness very much like multiple sclerosis. And we spend billions of dollars in this country on roughly a million patients for disability and Medicare and lost tax revenue and lost productivity, and we spend less than \$6 million for NIH research on this illness. And I'm asking you for my husband and my kids, who want their father to be able to go to their baseball games, if there's a way to make improvements on that.

The President. Well, let me, first of all, say that you are absolutely right that we've tried to put science back where it belongs. I am a Christian and a person of faith, and I believe that God gave us brains to figure things out and that we've got to use science to make life better for our families and our communities and this planet.

That's one of the reasons why part of the Recovery Act was reinvesting in National Institute of Health, NIH, which does a huge amount of the basic medical research that ends up then creating so many of the scientific advances that are making our lives longer and making our lives better.

Now, I will confess to you that, although I've heard of chronic fatigue syndrome, I don't have expertise in it. But based on the story that you told me, what I promise I will do when I get back is I will have the National Institute of Health explain to me what they're currently doing and start seeing if they can do more on this particular ailment, okay?

Gentleman there, back there with the beard. That's you. Oh, actually, I was calling on this guy with the beard, but I—[laughter]. That's all right, go ahead.

American Recovery and Reinvestment Act of 2009/National Economy/Education

Q. Hi, I'm Will Adler. I'm a student at UNR. And currently we are facing millions—millions—in cuts. And you mentioned higher education earlier. I think it's the most important thing for America's future in general, and I'm just worried, with the rhetoric nowadays, that

the word “tax” is, like, the most evil word on Earth now. So our State in particular cannot raise enough revenues to support our higher education. I was wondering how we can change that rhetoric and get more funding in the State level and Federal to support our education for the future.

Thank you very much, Mr. Obama. I love you, by the way. I voted for you.

The President. Well, first of all, something that a lot of folks may not be aware of, you hear people say: “Oh, the stimulus didn’t work. The stimulus didn’t work. The recovery didn’t work.” Well, you know what, we had a terrible recession and shed so many jobs so fast that we had lost 4 million jobs before I came into office. We lost another 4 million probably in the first 6 months that I was in office, before any of my economic policies took effect. So we had a big hole we dug.

But when you look at the Recovery Act, about a third of it was direct support to State budgets. About a third of it was tax cuts; your taxes all got cut by the Recovery Act. Nobody knew it. And I don’t blame folks for not knowing it because it was happening paycheck for paycheck, so the increments were relatively small each month and a lot of folks, if you saw your hours cut back or you had lost your job, you might not have felt it. But we cut taxes. That was about a third.

About a third of it was infrastructure investment. And about a third of it was support to States. And by the way, some of these same Governors who go on TV denouncing the Recovery Act, the stimulus, they took that money. [Laughter] And they used it to close their State budget deficits. I’m just saying. [Laughter] It is funny. Sometimes, you’re watching TV and you say, hold on a second. [Laughter] That guy right there, he took that check. [Laughter] And he used it to balance his budget, and then he starts getting on TV complaining about how irresponsible we are. What are you talking about? It’s not on the level sometimes.

But what happened as a consequence was for 2 years we were able to prevent some of the worst choices that States might have to make

about laying off teachers and police officers and firefighters and so on.

Now the economy is growing again and State revenues are getting a little bit better. But I understand here in Nevada, the economy has been the slowest to recover because this is also where the housing boom was hottest. So that’s put bigger strains on the budget here than just about anywhere.

So I recognize that a State like Nevada has to make tough choices. I just think it is very important in making those choices not to be shortsighted. If you’re a family and you’ve got to tighten your belt, you might cut out eating out. You might say, you know what, we can’t afford that vacation this year. But you’re not going to decide not to replace the boiler if it has to be replaced. You’re not going to decide not to fix a hole in the roof, because you know if it starts raining it’s going to ruin the house. You’re not going to say, we’re going to use up all the savings we had for our kids’ college education and still go on vacation, right? You’re going to prioritize.

That’s what we have to do at the Federal level, and that’s what we have to do at the State level. And I don’t think there is a more important priority than education.

Now, I think it’s important that our education system is efficient like every other system. So universities—I’ve said to universities, try to figure out how you can reduce costs for students. Don’t just ask for more money. You should also look at your operations to figure out are there ways that you can make it a better bargain for your kids. Because they’ve got to pay for it or somebody has got to pay for that tuition.

I mean, look, I’m a big supporter of State colleges and universities having nice facilities, but you go to some of these gyms and some of these athletic facilities, and I’m thinking, this is really nice. Shoot, I wouldn’t mind being a member of this club.

And I’ve got to tell you, when I was going to college—I’m showing my age now where you start “when I was back in my day”—but it’s true, like, the cafeteria was horrible. The food was bad. You didn’t expect to get good food when you went to college. You go to the gym, it

had some old rusty weights, a medicine ball. You didn't have some gleaming, state of the art—I'm just using those as examples.

There are ways that universities have to cut costs as well. But ultimately, we've got to make sure that we're not cutting education unnecessarily. And you're right. In some cases, revenue is going to be necessary.

Now, how many people here know that not only did we cut your taxes when I first came into office, but back in December we just cut your taxes again? How many folks are aware of that? I mean, you wouldn't know it from watching TV. You would think I was just out there raising everybody's taxes; just these big-spending Democrats out there. We haven't raised your taxes; we've lowered your taxes. Because it was important during the recession to make sure that middle class families were able to land on their feet.

And that's actually helping absorb some of the increased costs of gas prices and food prices that are out there right now and helping to sustain consumer spending to keep the economy growing.

But at a certain point, as the economy begins to grow again, as people are getting back on their feet, we've got to go back and say to ourselves, you know what, there's no such thing as a free lunch. Taxes are lower now than they have been in a generation. Taxes are a lot lower now than they were under Ronald Reagan. They're lower than they were under Bill Clinton. They're lower than they were under George Bush, in many cases.

And what I've said is, at minimum, we should say, for those like myself who can afford it, let's pay a little bit more. Let's go—we can

go back—if we went back to the Clinton rates for the wealthiest 2 percent, going back to the Clinton rates—you remember back in the nineties, the economy was doing really well, and rich people were doing just fine. And I can afford it. It's not that I like paying taxes. I don't like paying taxes. Nobody likes paying taxes. But if the choice is keeping my tax break or 33 seniors having to pay an extra 6,000 bucks for their Medicare, why would I want that—why would I wish that on those 33 seniors? If the choice is between me keeping my tax cut and a couple hundred kids being able to go get their Head Start, why would I want that?

This isn't a matter of charity; it's a matter of what we think it is to live in a good society. And I think it is good for me, it is good for my life if when I'm driving around, I'm saying to myself, you know what, that school is producing all kinds of kids who are smart and are going to help build America's future.

And I drive around and I see some seniors, and they're out for a walk. And I know, you know what, I'm glad that I live in a country where in their retirement years, they're going to be secure. That makes me feel good. That's the kind of country I want to live in. That's the kind of country you want to live in. And we've got to make sure we're willing to fight for it.

Everybody, thank you very much. God bless you.

NOTE: The President spoke at 11:50 a.m. at ElectraTherm, Inc. In his remarks, he referred to former President George W. Bush. Participants referred to Truckee Meadows Community College (TMCC) and the University of Nevada, Reno (UNR).

Remarks at a Democratic National Committee Fundraiser in Culver City, California

April 21, 2011

The President. Thank you, everybody. Have a seat. Have a seat.

First of all, I just want to say how grateful I am to Ken and John for agreeing to take on the tough task of cochairing our finance committee here in southern California. They have been

great friends and great supporters from the get-go. And I have to say, I did not realize John was that good on the introductions. [*Laughter*] I might have to take him on the road. [*Laughter*]

I also want to thank Michael and Amy who, you know, this is their shop, letting us crash their