The President's Agenda for High-Tech America

Presidential Action:

➤ Today at the White House the President will discuss key components of his pro-growth, high-tech agenda and express his confidence in the high-tech industry's long term growth potential. The President's high-tech agenda will help tear down barriers that hinder innovation and entrepreneurship and prevent America's economy from reaching its full potential.

➤ The President will announce the formation of a council of outside high-tech experts to advise him on issues of importance to America in the fields of science and technology. The President will announce his intention to appoint Floyd Kvamme as Co-Chairman of the President's Council of Advisors on Science and Technology (PCAST). Kvamme is one of the pioneers of America's high-tech economy – he joined the semiconductor industry in 1957, helped launch Apple Computer and is one of the most visionary venture capitalists in Silicon Valley.

➤ The President's pro-growth, high-tech agenda, is based on four key pillars of opportunity:
  - Lifting barriers to innovation & fighting efforts in the U.S. & overseas to impose new obstacles to innovation.
  - Helping America develop and maintain a workforce prepared to seize the opportunities of the high-tech economy.
  - Establishing an economic environment that encourages research, development and innovation in the private sector.
  - Continuing the Federal commitment to fund fundamental research that forms the building blocks for private sector discoveries.

President's Council of Advisors on Science and Technology (PCAST):

➤ PCAST was originally established by President George Bush in 1990 to enable the President to receive advice from the private sector and academic community on technology, scientific research priorities, and math and science education. The organization follows a tradition of Presidential advisory panels on science and technology dating back to Presidents Eisenhower and Truman. Since its creation PCAST has been expanded and currently consists of 18 members from the private sector plus the Assistant to the President for Science and Technology who serves as the Committee's Co-Chair. A new PCAST will soon be established by Executive Order.

The President's High-Tech Agenda:

- Reform education to increase accountability, flexibility & measurement -- create a more educated, productive workforce.
- Increase free trade and fight to open new markets for America's high-tech industry -- trade spurs innovation, trade creates jobs, trade brings prosperity.
- Reform our export control policy by significantly narrowing the scope of restrictions on commercial products, including export restrictions based on computing speed (MTOPS), while building high walls around technologies of the highest sensitivity.
- Support math and science partnerships among states, universities and school districts.
- Make the Research and Development tax credit permanent.
- Total federal commitment to R&D will hit an all-time high in 2002 -- $95 billion, an increase of 6% over 2001 and 15% over 2000.
- Budget proposes to double funding for the National Institutes of Health by FY 2003.
- Expand existing student loan forgiveness limits for math and science majors who teach those subjects in high-need schools for five years.
- Stand firmly for the protection of intellectual property, including increased funding for the Patent and Trade Office.
- Strengthen research and development in the military.
- Strengthen math and science education.
A Summary of President Bush’s Budget Submitted to Congress on Wednesday, February 28, 2001

- First, the budget will fund America’s priorities
- Second, the budget will provide the largest debt reduction in history
- Third, it provides fair and responsible tax relief

Funding Key Priorities:

- **Improves Education.** Strengthens and reforms education -- provides the Education Department the largest spending increase of any federal department (11.5% or $4.6 billion) and triples funding for children’s reading programs.

- **Protects Social Security.** Preserves and protects Social Security by locking away every penny of the $2.6 trillion Social Security surplus for Social Security.

- **Preserves Medicare.** Spends every dime of Medicare receipts over the next 10 years for Medicare, and Medicare only. The President’s budget provides a $23 billion increase in Medicare spending over the next year. The budget also provides $153 billion over 10 years in new spending to modernize Medicare with an integrated prescription drug benefit.

- **Strengthens Defense.** Strengthens our military by improving their quality of life of our troops and their families and beginning the transition to a 21st century force.

- **Improves Healthcare.** Doubles funding by 2003 for NIH medical research on important health issues like cancer – the largest funding increase in NIH’s history. Creates more than 1,200 new community health centers to make health care more accessible.

- **Protects the Environment.** Protects our environment by providing the largest increase for conservation funds in history and fully funds the Land and Water Conservation Fund – a $900 million commitment. The President gives EPA the second highest operating budget ever -- $3.7 billion -- and his overall request for EPA is $56 million higher than the FY 2001 request by President Clinton.

**Paying Off Our Nation’s Debt:**

- Pays off the maximum amount of debt possible by providing the fastest, largest debt reduction in history.

- Reduces the government debt to its lowest share of the economy since World War I.

**Reasonable and Fair Tax Relief:**

- Uses only one-fourth of the budget surplus to provide the typical family of four paying income taxes $1,600 in tax relief.

To read the President's Address to the Joint Session of Congress click here or visit: [http://www.whitehouse.gov/news/releases/2001/02/20010228.html](http://www.whitehouse.gov/news/releases/2001/02/20010228.html)

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President Bush's Education Policy

Reading First Reform Agenda
✓ More than triples federal funding available for reading programs in 2002, providing $5 billion for the programs over the next five years for his Reading First Initiative.
✓ Reforms Head Start to give reading and math higher priority.
✓ Supports early childhood initiatives to help prepare young children learn to read earlier.

Increasing Accountability
✓ Give states funding incentives to institute a strong program of classroom accountability.
✓ Requires state testing of all students in grades 3-8.
✓ Rewards states who improve test scores and sanctions those states who don't.

Empowering Parents
✓ Requires states to publish school-by-school report cards on the Internet.
✓ Expands parental choice to allow children trapped in chronically failing schools to move to a better public school.
✓ Expands charter school options.
✓ Expands tax-free Education Savings Accounts by increasing the annual contribution limit from $500 to $5,000.
✓ Grants parents a full tax exemption for all qualified pre-paid tuition and savings plans.

Improving Teacher Quality
✓ Gives states incentives to improve teacher quality while ensuring accountability.
✓ Expands student loan forgiveness limits from $5,000 to $17,500 for math and science majors who teach these subjects in high-need schools for five years.
✓ Increases funds for the Troops for Teachers program to $30 million.
✓ Establishes a tax deduction for teachers of up to $400 for out-of-pocket classroom expenses.
✓ Supports math and science partnerships among states, school districts and universities.

Restoring School Safety and Promoting Character Development
✓ Requires states to measure and improve school safety.
✓ Establishes Project Sentry to prosecute juveniles who use guns and the adults who provide them.
✓ Gives teachers more authority in the classroom to improve student discipline.
✓ Triples federal character education funding.
✓ Helps parents obtain safe, supervised after-school care for their children.

Modernizing Schools for Military Dependents and Native Americans
✓ Increases Impact Aid funding by $62 million to improve the quality of public school buildings and eliminate the backlog of repairs and construction for schools on or near military bases and those serving Native American lands.

To read President Bush's Education Policy "No Child Left Behind" click here or visit: http://www.ed.gov/CFP/aversal/NoChildLeftBehind.pdf

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The President’s Plan:
✓ Gives a tax cut to every family that pays income taxes.
✓ Replaces the current five-rate tax structure with four lower rates — 10, 15, 25, and 33 percent.
✓ Doubles the child tax credit to $1,000.
✓ Reduces the marriage penalty by reinstating the 10 percent deduction for two-earner couples.
✓ Eliminates the death tax.
✓ Expands the charitable tax deduction to non-itemizers.
✓ Makes the research and development tax credit permanent.

Low and Middle-Income Families are the Biggest Winners:
✓ 1 in 5 taxpaying families with children will no longer pay any income tax at all — completely removing 6 million American families from the tax rolls.
✓ A family of four making $35,000 would get a 100% federal income tax cut.
✓ A family of four making $50,000 a year would receive a 50% tax cut — receiving at least $1,600.
✓ A family of four making $75,000 a year will receive a 25% tax cut.
✓ The marginal income tax rate on low-income families will fall by more than 40%.

Why America Needs a Tax Cut:
✓ The current code is unfair. Under the current system, a single mom making $22,000 a year pays a higher marginal tax rate than someone making $200,000 per-year.
✓ Federal taxes are the highest ever during peacetime.
✓ Americans pay more in taxes than they spend on food, clothing and housing combined.
✓ Americans work more than 4 months of the year just to pay their tax bills.
✓ The current high tax rates are keeping low-income taxpayers out of the middle class.
✓ Recent layoffs by businesses of every size prove that the American economy needs a boost — quickly.

What Critics Say & Why They're Wrong:
✓ The President’s plan is a tax cut for the rich. The largest percentage cuts go to those making less: the average American family earning $50,000 would receive at least a $1,600 cut — a 50% reduction. And a family of four making $35,000 would get a 100% tax cut. 1 in 5 taxpaying families with children would no longer pay any income taxes at all. Clearly, low-income Americans are the biggest winners under the President’s plan.
✓ America can’t afford this large of a tax cut. New budget estimates by the nonpartisan CBO show that America will run a surplus to the tune of $5.5 trillion. The President’s tax plan uses roughly one-fourth of the surplus for responsible and fair tax relief, protects Social Security, and provides funding for key priorities like education, Medicare and defense.

To read "The President's Agenda for Tax Relief" click here
or visit: http://www.whitehouse.gov/news/reports/taxplan.pdf
President Bush spent his fourth week in office addressing the needs of strengthening our national security.

- President Bush visited with America's soldiers, sailors, and airmen and their families to thank them for their service;
- Announced important new funding that will improve the quality of life for our servicemen and women and their families;
- Stressed his commitment to working with our allies to keep the peace worldwide;
- Demonstrated his commitment to transforming the military to meet future threats and challenges by utilizing state-of-the-art technology; and
- Celebrated the "citizen soldiers" in the National Guard and Reserves who play a key role in our homeland defense and commitments abroad.

Quality of Life:
- On Monday, February 12, 2001 President Bush visited Fort Stewart in Georgia where he reviewed troops and met with soldiers and their families.
- The President knows that soldiers enlist, but families reenlist. He announced significant increases in military funding that will help improve the quality of life of military families around the globe.
- The President wants to give our military a pay raise, renovate substandard housing, improve military training, and review overseas deployments to reduce family separations.
- To read the President's remarks to the troops click here or visit:
  http://www.whitehouse.gov/news/releases/20010212.html

Transformation & Our Allies:
- On Tuesday, February 13, 2001 the President visited the only NATO facility on U.S. soil — the Joint Forces Command at Norfolk, Virginia. He visited with military representatives from allied nations, gained insight on the next generation of military weapons, and witnessed the simulation of a high-tech battle exercise.
- The President understands that military power is no longer defined by size alone — modern warfare requires increased mobility, stealth and speed. Influence is increasingly measured in information.
- Our armed forces must stay generations ahead of any potential opponent on the battlefield by implementing land forces that are lighter but more lethal; air power that can strike across long distances; and naval power that packs a bigger punch from smaller platforms.
- To read the President's remarks to the troops click here or visit:
  http://www.whitehouse.gov/news/releases/20010213-1.html

Citizen Soldiers:
- On Wednesday, February 14, 2001 the President visited National Guard and Reserve troops and their employers in Charleston, West Virginia.
- Every day, in every corner of the world, America's "citizen soldiers" are on duty — far from their families and regular jobs — supporting vital military missions that help preserve peace. The Guard also plays an important role in America's homeland defense.
- The Gulf War and other recent conflicts have demonstrated just how vital the National Guard and Reserves are to our military apparatus. Without the National Guard and Reserves — and without their patient and patriotic employers — America simply wouldn't be able to protect its borders and maintain an effective presence on the world stage.
- To read the President's remarks to National Guard personnel click here or visit: