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Subject Files - FG006-27 (Office of Senior Advisor - Karl Rove)

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DOCUMENT NO.	FORM	SUBJECT/TITLE	PAGES	DATE	RESTRICTION(S)
001	Memorandum	Volatility of Payroll Employment Changes - To: N. Greg Mankiw - From: Steven Braun, et al.	1	01/20/2004	P5;
002	Email	RE: Suggestion to Consider - To: Peter Wehner - From: Joel Kaplan	1	12/22/2003	P5;
003	Email	RE: More Criticisms on Our Spending Record - To: Peter Wehner - From: Barbara Goergen	1	12/31/2003	P5;
004	Email	May Be Useful Background Prior to Your Call to Ed Feulner - To: Karl Rove - From: Peter Wehner	2	01/05/2004	P5; P6/b6;
005	Fax Cover Sheet	[Fax Cover Sheet with attachment] - To: Mark McKinnon - From: Karl Rove	2	01/21/2004	PRM;

COLLECTION TITLE: Records Management, White House Office of SERIES: Subject Files - FG006-27 (Office of Senior Advisor - Karl Rove) FOLDER TITLE: 607825 [1] FRC ID: 9729 **RESTRICTION CODES** Presidential Records Act - [44 U.S.C. 2204(a)] Freedom of Information Act - [5 U.S.C. 552(b)] P1 National Security Classified Information [(a)(1) of the PRA] P2 Relating to the appointment to Federal office [(a)(2) of the PRA] P3 Release would violate a Federal statute [(a)(3) of the PRA]

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Page 1 of 2

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DOCUMENT NO.	FORM	SUBJECT/TITLE	PAGES	DATE RESTRICTION(S)
006	Email	FW: Pelosi and Daschle - Deliver Pre-Buttal to State To: Barbara Goergen - From: Tim Goeglein	10	01/16/2004 PRM;
007	Email	FW: Missouri River News - January 15, 2004 - To: Harriet Miers, et al From: Barry Jackson	7	01/15/2004 P5;
008	Email	FW: Richardson's Spanish Response - To: Barbara Goergen - From: Karl Rove	2	01/21/2004 PRM;
009	Email	Mayors Speech - To: Karl Rove, et al From: James Connaughton	1	01/21/2004 P5;

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Page 2 of 2

This document was prepared on Tuesday, February 23, 2016

مدغفله ودب والمعمد لوالمعد والمعالي وجدوت مات مدوميه ومت والب a vision a secondaria p low and stable. Real GDP is expected to grow faster than its 3.1 percent potential rate during the next 4 years, and then to grow at a 3.1 percent annual rate during the balance of the budget window. The Administration's projections are shown in Table 1-1.

GO7825 LAST YEARS LAST YEARS REPORT

DRAFT FOR THIS YEAR

Year	Nominal GDP	Real GDP (chain- type)	GDP price index (chain- type)	Consumer price index (CPI-U)	Unemploy- ment rate (percent)	Interest rate, 91-day Treasury bills (percent)	Interest rate, 10-year Treasury notes (percent)	Nonfarm payroll employ- ment (millions)
in ter and de Alexandre de la composition Alexandre de la composition	Percent cha	ange, fourth	quarter to fo	urth quarter		Level, cale	ndar year	
2001 (actual)	2.0	0.1	2.0	1.9	4.8	3.4	5.0	131.9
2002 2003 2004	. 4.8	2.9 3.4 3.6	1.2 1.4 1.5	2.3 2.0 2.1	5.8 5.7 5.5	1.6 1.6 3.3	4.6 4.2 5.0,	130.8 132.9 135.5
2005 2006 2007 2008	5.0 4.9	3.4 3.3 3.1 3.1	1.6 1.7 1.8 1.8	2.1 2.2 2.2 2.3	5.2 5.1 5.1 5.1 5.1	4.0 4.2 4.2 4.3	5.3 5.4 5.5 5.6	137.9 140.4 142.0 144.
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TABLE 1-1 .- Administration Forecast¹

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Table 3-1.---Administration Forecast <1>

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l, li	Interest	Unemploy-		Consumer	GDP price	Real GDP	Nominal
	rate,	ment		price	index	(chain-	GDP
1	91-day	rate		index	(chain-	type)	
Tr	Treasury	(percent)		(CPI-U)	type)		
	bills		a a an				
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Interest Nonfarm rate, payroll 10-year employreasury ment notes (millions) percent) Percent change, fourth quarter to fourth quarter Level, calendar year 2.2 5.8 1.6 4.6 130.4 2.0 6.0 1.0 4.0 130.1 1.4 5.6 4.6 132.7 1.3 1.6 5.4 2.4 5.0 136.3 5.2 3.3 5.4 138.6 1.9 2.2 5.1 4.0 5.6 140.6

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<1> Based on data available as of December 2, 2003.

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Sources: Council of Economic Advisers, Department of Commerce (Bureau of Economic Analysis), Department of Labor (Bureau of Labor Statistics), Department of the Treasury, and Office of Management and Budget.

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 FORM	SUBJECT/TITLE						PAGES	DATE	RESTRICTION	I(S)
Memorandum	Volatility of Pay	roll Emplo	yment Changes	- To: N. Gr	eg Mankiw	- From:	1	01/20/2004	P5;	
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Goergen, Barbara J.

From:Wehner, Peter H.Sent:Thursday, January 22, 2004 7:55 AMTo:Rove, Karl C.

Cc: Ralston, Susan B.; Goergen, Barbara J.

Subject: Heritage: Authority v. Outlays

I'll have someone else check on this, just to be sure. But it looks like they've consistently used outlays in their analyses.

-----Original Message-----From: Scanlon, Joel Sent: Wednesday, January 21, 2004 5:57 PM To: Wehner, Peter H. Subject: Heritage--Authority and Outlays

I don't know if you still need this or not. From the things I've found on the Reagan budgets/spending, Heritage seems to be pretty consistent in using outlays in evaluating spending--or at least conscientious about pointing out when they are referring to budget authority.

For the Ferniner Cull

Rove, Karl C.

- From: Wehner, Peter H.
- Sent: Monday, January 05, 2004 9:25 AM
- To: Rove, Karl C.
- Cc: Goergen, Barbara J.; Ralston, Susan B.
- Subject: background for the Feulner call

Here's the leaked article. See the Riedl quotes -- especially the "laughed out loud" one.

The Washington Post December 6, 2003 Saturday Final Edition

SECTION: A Section; A01

LENGTH: 1169 words

HEADLINE: Conservatives Criticize Bush on Spending; Medicare Bill Angers Some Allies

BYLINE: Dana Milbank, Washington Post Staff Writer

BODY:

Last month's passage of a Medicare prescription drug benefit that could cost \$2 trillion over 20 years, after three years of sharp increases in federal spending, has provoked an unusual barrage of criticism of President Bush from conservative leaders.

The Wall Street Journal editorial page accuses Bush of a "Medicare fiasco" and a "Medicare giveaway." Paul Weyrich, a coordinator of the conservative movement, sees "disappointment in a lot of quarters." Bruce Bartlett, a conservative economist with the National Center for Policy Analysis, pronounces himself "apoplectic." An article in the American Spectator calls Bush's stewardship on spending "nonexistent," while Steve Moore of the Club for Growth labels Bush a "champion big-spending president."

"The president isn't showing leadership," laments Brian Riedl of the Heritage Foundation, who calculates that federal spending per household is at a 60-year high. "Conservatives are angry."

Such criticism is rare for Bush, who has assiduously courted the GOP's ideological base and has, in turn, built up enough goodwill that he can afford to stray from conservative orthodoxy, as he did on Medicare. This anger does not represent a political danger for Bush in the short term, conservatives leaders say, because it comes largely from conservative intellectuals, while grass-roots conservatives remain intensely loyal to Bush for his tax cuts, war leadership and antiabortion efforts.

But in the long term, the conservative leaders say, their discontent could spread to a popular backlash if spending continues to swell, pushing up deficits and interest rates. And the free spending is already limiting Bush's policy options. For example, economist Bartlett said, "the budgetary situation is getting so off track that you simply can't propose any more tax cuts without looking like a complete idiot."

The issue came to a boil this week, when White House economic aides summoned conservative economists to allow them to vent their rage. But according to participants, the session did little to dampen their anger. Joel D. Kaplan, the deputy director of the White House budget office, displayed a chart showing that, outside homeland security and defense, spending was falling. But under tough questioning, one participant recounted, Kaplan conceded that his figures did not include the series of "emergency" supplemental measures requested by Bush

At Grover's meeting today Brian Ried made a presentation Saying the Lifference between with the tage was budget outlays and authority.

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each year.

The next flare-up is likely to come Monday, when the House is scheduled to vote on a massive spending measure for 2004 that Congress negotiated with the Bush administration. The bill, which contains billions of dollars for lawmakers' pet projects, has aggravated fiscal conservatives, some of whom have threatened to join Democrats in opposition.

The spark has been the Medicare prescription drug benefit, which is expected to cost \$400 billion over 10 years and, according to the Congressional Budget Office, could go as high as \$2 trillion over another 10 years. Before its passage, former House majority leader Richard K Armey (R-Tex.) wrote to the Wall Street Journal to say that "the conservative, free-market base in America is rightly in revolt over this bill" and that "conservatives would be smart, and right, to reject it." Some conservatives, including Sens. Trent Lott (R-Miss.) and Don Nickles (R-Okla.), did just that.

But the Medicare legislation comes on top of a federal spending increase of 23.7 percent since Bush took office. "In the last three years we've had the biggest farm bill, the biggest education bill, the biggest foreign aid bill and now the biggest health care bill in 30 years," said Moore of the free-market Club for Growth. "There's now not any pretense that Bush is committed to smaller government."

The White House prefers a different set of statistics. Excluding spending on defense and homeland security, Bush aides say, he cut spending 6 percent in 2002 and 5 percent in 2003, and 2 to 3 percent for 2004 -- this after a comparable increase of nearly 15 percent in these areas in the last year of the Clinton administration.

"The president has provided strong leadership to make sure we are doing what it takes to win the war on terror, our nation's highest priority, while holding the line on spending elsewhere in the budget," White House press secretary Scott McClellan said this week.

But when a White House official presented this analysis to a meeting he attended recently, <u>"I nearly laughed out loud</u>," said Heritage's Riedl. He calculates that 55 percent of all new spending in the past two years, or \$164 billion of \$296 billion, is from areas unrelated to defense and homeland security. Unemployment benefits are up 85 percent, education spending up 65 percent. "It's really an across-the-board thing," he said. This has led federal spending to top \$20,000 per household in today's dollars for the first time since World War II -- a jump of \$4,000 in the past four years.

Discretionary spending, which grew 2 percent annually during Clinton's presidency, has grown at 6.5 percent under Bush. And federal spending as a percent of gross domestic product, which decreased under Clinton, has edged back up to 20 percent under Bush.

Congress holds the purse strings. But the president gets a share of the blame, David Hogberg writes in the American Spectator: "He has vetoed no appropriations bill, and has actually encouraged profligacy by his eagerness to sign budget busters like the Medicare Bill, Farm Bill, and Education Bill."

Grover Norquist, an administration ally who leads Americans for Tax Reform, said it is true that "government spending is growing too rapidly." But he said Bush should not get all the blame. "I am disappointed that the movement, starting with me, has not yet figured out how to assign accountability and responsibility for spending," he said. Norquist said Bush "needs to make the case next year that this is what he is working on."

A Republican pollster working on the 2004 campaign said the spending issue is growing but has not yet reached a point of concern for Bush. "I'm seeing it percolating in primary polls in Republican segments, but they're not blaming Bush as much as the whole system," he said. "In the short term, voters are going to say spend what you need to spend on the war."

Nobody can be certain how long the conservative voters' tolerance of the spending growth will last. Weyrich, who heads the Free Congress Foundation, said it could be well into Bush's second term before conservative voters rebel against the growth of government. "I've helped to start revolts against many administrations over the years, and the level of outrage just isn't there where you could oppose the administration," he said. "People are upset about it, but they weigh it against what they consider to be Bush's leadership in Iraq and elsewhere..... They say, "Well, we don't like this, but it's not enough to cause us to bolt."

Staff writers Dan Morgan and Jonathan Weisman contributed to this report.

FORM	SUBJECT/TITLE				PAGES	DATE	RESTRICTION(S)	
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Email	RE: Suggestion to	Consider - To: Pete	er Wehner - From:	Joel Kaplan	. 1	12/22/2003	P5;	

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From: Barbara Goergen	

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Presidential Records Act - [44 U.S.C. 2204(a)]	Freedom of Information Act - [5 U.S.C. 552(b)]
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December 30, 2003

The President The White House Washington, DC 20500

Dear Mr. President:

I certainly hope that you and your family have had a blessed Christmas season and are looking forward to a new year of opportunity. The staff at The Heritage Foundation joins me in sending you our best wishes.

While we have differed on several policy issues during your first term, I know that you certainly understand the role of institutions like Heritage and the need for us to remain focused on a set of principles. We offer praise and, hopefully constructive, criticism to our friends as well as our ideological adversaries. We have been very pleased to work with your team to advance market-oriented, limited government solutions these past three years; and we're eager to continue this relationship in the future.

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A small group representing those who gathered would like to meet at your earliest convenience. This group would include my colleague Ed Meese, Paul Weyrich of the Free Congress Foundation, Paul Beckner of Citizens for a Sound Economy, John Berthoud of the National Taxpayers Union, Scott Hodge of the Tax Foundation, and myself.

With best wishes,

Edwin J. Feulner, Ph.D. President

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Goergen, Barbara J.

From: Wehner, Peter H. Sent: Monday, January 05, 2004 9:25 AM To: Rove. Karl C.

Cc: Goergen, Barbara J.; Ralston, Susan B.

Subject: background for the Feulner call

Here's the leaked article. See the Riedl quotes -- especially the "laughed out loud" one.

The Washington Post December 6, 2003 Saturday Final Edition

SECTION: A Section; A01

LENGTH: 1169 words

HEADLINE: Conservatives Criticize Bush on Spending; Medicare Bill Angers Some Allies

BYLINE: Dana Milbank, Washington Post Staff Writer

BODY:

Last month's passage of a Medicare prescription drug benefit that could cost \$2 trillion over 20 years, after three years of sharp increases in federal spending, has provoked an unusual barrage of criticism of President Bush from conservative leaders.

The Wall Street Journal editorial page accuses Bush of a "Medicare fiasco" and a "Medicare giveaway." Paul Weyrich, a coordinator of the conservative movement, sees "disappointment in a lot of quarters." Bruce Bartlett, a conservative economist with the National Center for Policy Analysis, pronounces himself "apoplectic." An article in the American Spectator calls Bush's stewardship on spending "nonexistent," while Steve Moore of the Club for Growth labels Bush a "champion big-spending president."

"The president isn't showing leadership," laments Brian Riedl of the Heritage Foundation, who calculates that federal spending per household is at a 60-year high. "Conservatives are angry."

Such criticism is rare for Bush, who has assiduously courted the GOP's ideological base and has, in turn, built up enough goodwill that he can afford to stray from conservative orthodoxy, as he did on Medicare. This anger does not represent a political danger for Bush in the short term, conservatives leaders say, because it comes largely from conservative intellectuals, while grass-roots conservatives remain intensely loyal to Bush for his tax cuts, war leadership and antiabortion efforts.

But in the long term, the conservative leaders say, their discontent could spread to a popular backlash if spending continues to swell, pushing up deficits and interest rates. And the free spending is already limiting Bush's policy options. For example, economist Bartlett said, "the budgetary situation is getting so off track that you simply can't propose any more tax cuts without looking like a complete idiot."

The issue came to a boil this week, when White House economic aides summoned conservative economists to allow them to vent their rage. But according to participants, the session did little to dampen their anger. Joel D. Kaplan, the deputy director of the White House budget office, displayed a chart showing that, outside homeland security and defense, spending was falling. But under tough questioning, one participant recounted, Kaplan conceded that his figures did not include the series of "emergency" supplemental measures requested by Bush

each year.

The next flare-up is likely to come Monday, when the House is scheduled to vote on a massive spending measure for 2004 that Congress negotiated with the Bush administration. The bill, which contains billions of dollars for lawmakers' pet projects, has aggravated fiscal conservatives, some of whom have threatened to join Democrats in opposition.

The spark has been the Medicare prescription drug benefit, which is expected to cost \$400 billion over 10 years and, according to the Congressional Budget Office, could go as high as \$2 trillion over another 10 years. Before its passage, former House majority leader Richard K Armey (R-Tex.) wrote to the Wall Street Journal to say that "the conservative, free-market base in America is rightly in revolt over this bill" and that "conservatives would be smart, and right, to reject it." Some conservatives, including Sens. Trent Lott (R-Miss.) and Don Nickles (R-Okla.), did just that.

But the Medicare legislation comes on top of a federal spending increase of 23.7 percent since Bush took office. "In the last three years we've had the biggest farm bill, the biggest education bill, the biggest foreign aid bill and now the biggest health care bill in 30 years," said Moore of the free-market Club for Growth. "There's now not any pretense that Bush is committed to smaller government."

The White House prefers a different set of statistics. Excluding spending on defense and homeland security, Bush aides say, he cut spending 6 percent in 2002 and 5 percent in 2003, and 2 to 3 percent for 2004 -- this after a comparable increase of nearly 15 percent in these areas in the last year of the Clinton administration.

"The president has provided strong leadership to make sure we are doing what it takes to win the war on terror, our nation's highest priority, while holding the line on spending elsewhere in the budget," White House press secretary Scott McClellan said this week.

But when a White House official presented this analysis to a meeting he attended recently, <u>"I nearly laughed out loud," said Heritage's Riedl.</u> He calculates that 55 percent of all new spending in the past two years, or \$164 billion of \$296 billion, is from areas unrelated to defense and homeland security. Unemployment benefits are up 85 percent, education spending up 65 percent. "It's really an across-the-board thing," he said. This has led federal spending to top \$20,000 per household in today's dollars for the first time since World War II -- a jump of \$4,000 in the past four years.

Discretionary spending, which grew 2 percent annually during Clinton's presidency, has grown at 6.5 percent under Bush. And federal spending as a percent of gross domestic product, which decreased under Clinton, has edged back up to 20 percent under Bush.

Congress holds the purse strings. But the president gets a share of the blame, David Hogberg writes in the American Spectator: "He has vetoed no appropriations bill, and has actually encouraged profligacy by his eagerness to sign budget busters like the Medicare Bill, Farm Bill, and Education Bill."

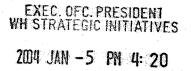
Grover Norquist, an administration ally who leads Americans for Tax Reform, said it is true that "government spending is growing too rapidly." But he said Bush should not get all the blame. "I am disappointed that the movement, starting with me, has not yet figured out how to assign accountability and responsibility for spending," he said. Norquist said Bush "needs to make the case next year that this is what he is working on."

A Republican pollster working on the 2004 campaign said the spending issue is growing but has not yet reached a point of concern for Bush. "I'm seeing it percolating in primary polls in Republican segments, but they're not blaming Bush as much as the whole system," he said. "In the short term, voters are going to say spend what you need to spend on the war."

Nobody can be certain how long the conservative voters' tolerance of the spending growth will last. Weyrich, who heads the Free Congress Foundation, said it could be well into Bush's second term before conservative voters rebel against the growth of government. "I've helped to start revolts against many administrations over the years, and the level of outrage just isn't there where you could oppose the administration," he said. "People are upset about it, but they weigh it against what they consider to be Bush's leadership in Iraq and elsewhere.... They say, 'Well, we don't like this, but it's not enough to cause us to bolt.'"

Staff writers Dan Morgan and Jonathan Weisman contributed to this report.





December 30, 2003

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Edwin J. Feulner, Ph.D. President

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214 Massachusetts Avenue, NE

Washington, DC 20002-4999

(202) 546-4400

heritage.org

FROM: Bill Greene

Select Economic Statistics, Jan 2001 - Present

Apr 03	May 03	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03
6	6.1	6.4	6.2	6.1	6.1	6	5.9	5.7
4.25	4.25	4	4	4	4	4	4	4
2.2	2.1	2.1	2.1	2.2	2.3	2	1.8	1.9
-0.3	0	0.2	0.2	0.3	0.3	0	-0.2	0.2
-22,000	-76,000	-83,000	-57,000	35,000	99,000	100,000	43,000	1,000
5%	4%	-1%	2%	-2%	-3%	2%	3% (p)	unch
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Change in Gross Domestic Product			2000, yr	3.8
	Q4		00 Q4	1.1
	2003 Q3	<u>8.2</u>	00 Q3	0.6
	03 Q2	3.1	00 Q2	4.8
	03 Q1	2	00 Q1	2.6
	2002, yr	2.4	1999, yr	4.1
	02 Q4	1.4	99 Q4	7.1
	02 Q3	4	99 Q3	5.2
	02 Q2	1.3	99 Q2	2
	02 Q1	5	99 Q1	3
	2001, yr	0.3	1998, yr	4.3
	01 Q4	2.7	98 Q4	6.7
	01 Q3	-0.3	98 Q3	4.1
	01 Q2	-1.6	98 Q2	2.2
	01 Q1	-0.6	98 Q1	6.1

* = revised

Sources: Bureau of Labor Statistics, Bureau of Economic Analysis, Federal Reserve

Determined to be an Administrative Marking Per E.O. 13526, SEC 3.4(B)

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Select Economic Statistics, Jan 2001 - Present

<u>Jan 01 - Mar 03</u>

	Jan 01	Feb 01	Mar 01	Apr 01	May 01	Jun 01	Jul 01	Aug 01	Sep 01
Unemployment Rate	4.1	4.2	4.2	4.4	4.4	4.6	4.6	4.9	5
Interest Rate (weekly, bank prime loan)	9	8.5	8.5	8	7.5	7	6.75	6.75	6.5
Inflation (CPI-U, 12 month change)	3.7	3.5	2.9	3.3	3.6	3.2	2.7	2.7	2.6
Inflation (CPI-U, 1 month change)	0.6	0.2	0	0.3	0.5	0.3	-0.2	0	0.3
Change in Payroll Employment (nonfarm)	-9,000	124,000	-33,000	-280,000	-17,000	-166,000	-197,000	-148,000	-169,000
Change in Real Earnings	-3%	2%	3%	unch	-3%	1%	4%	2%	-2%

Oct 01	Nov 01	Dec 01	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02
5.4	5.6	5.8	5.6	5.6	5.7	5.9	5.8	5.8
5.5	5	4.75	4.75	4.75	4.75	4.75	4.75	4.75
2.1	1.9	1.6	1.1	1.1	1.5	1.6	1.2	1.1
-0.3	-0.1	-0.1	0.2	0.2	0.3	0.4	0.1	0.2
-352,000	-298,000	-239,000	-83,000	-68,000	-29,000	-66,000	-4,000	-28,000
5%	4%	4%	-1%	unch	-1%	-4%	3%	2%
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	July 02	Aug 02	Sept 02	Oct 02	Nov 02	Dec 02	Jan 03	Feb 03	Mar 03
Unemployment Rate	5.8	5.8	5.7	5.8	5.9	6	5.7	5.8	5.8
Interest Rate (weekly, bank prime loan)	4.75	4.75	4.75	4.75	4.25	4.25	4.25	4.25	4.25
Inflation (CPI-U, 12 month change)	1.5	1.8	1.5	2	2.2	2.4	2.6	3	3
Inflation (CPI-U, 1 month change)	0.2	0.2	0.2	0.2	0.1	0.1	0.3	0.6	0.3
Change in Payroll Employment (nonfarm)	-179,000	20,000	65,000	119,000	1,000	-211,000	158,000	-121,000	-151,000
Change in Real Earnings	unch	1%	unch	2%	1%	3%	-2%	-2%	-4%

Select Economic Statistics, Jan 2001 - Present

SOURCES

Uemployment Rate (Bureau of Labor Statistics)

bls.gov (info on front of site)

Prime Interest Rate (Federal Reserve)

federalreserve.gov "Economic Research & Data", "Statistics", Scroll to H.15 "Selected Interest Rates", Click Daily Update, Scroll to Bank Prime Loan"

Inflation, CPI, 12 month change (Bureau of Labor of Statistics)

bls.gov Click "CPI" under "Latest Numbers", Click "CPI Home" in yellow area, On right click green dino beside "NSA, since [prev mon/yr]

Inflation, CPI, 1 month change (BLS)

bls.gov Click "CPI" under "Latest Numbers", Click "CPI Home" in yellow area, On right click green dino beside "SA"

Change in Payroll Employment (BLS)

bls.gov/**ces** green dino on right

Change in Real Earnings (BLS)

bls.gov/**ces** scroll to "change in real earnings" at right, click green dino

Gross Domestic Product (Bureau of Economic Analysis)

bea.gov look for link to "Real GDP" on right side; look for Table 1.

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Star Tribune (Minneapolis, MN) January 10, 2004, Saturday, Metro Edition

Copyright 2004 Star Tribune Star Tribune (Minneapolis, MN)

January 10, 2004, Saturday, Metro Edition

SECTION: NEWS; Pg. 18A

LENGTH: 477 words

HEADLINE: Sugar imports; A sensible trade pact from Bush

BODY:

Sugar growers from Grand Forks to Baton Rouge are mad at President Bush for proposing a new trade agreement that would increase the flow of exports between the United States and four Central American nations'_ Guatemala, El Salvador, Nicaragua and Honduras. U.S. Trade Representative Robert Zoellick announced the agreement last month and Bush is expected to present it to Congress for ratification this month.

The sugar industry's reaction is predictable, but it should not cause members of Congress from the Midwest to oppose a trade pact that would deliver important benefits to dozens of other American industries and to impoverished Latin Americans.

Sugar beets play an important role in the economy of the Red River Valley, and if the proposed Central America Free Trade Agreement (CAFTA) threatened serious harm to the industry, we would have reservations. But that seems unlikely. The four Central American nations now control less than 1 percent of the American sugar market, and their share would remain well under 3 percent if this trade pact takes effect.

Indeed, what's remarkable is that Zoellick included so many safeguards for sugar, including a 15-year phase-in period and punitive tariffs on sugar imports that exceed the ceilings spelled out in the pact. In fact, it's hard to see why the sugar producers are complaining: American sugar imports have fallen by 40 percent in the last decade or so _ largely because of increased U.S. protectionism _ and under this pact they wouldn't even return to their levels of the mid-1990s.

Some members of Congress, including Midwestern Democrats who should know better, have talked about approving CAFTA without the sugar provisions. But a trade agreement stands on many legs, and you can't pull out one or two without threatening to topple the whole structure. It's hard to see why the Central American nations would open their markets to American corn, soybeans, beef and medical supplies _ important Minnesota industries that heartily endorse this pact _ if they can't get reciprocal access for one of their most important exports.

Social liberals who are wary of free trade agreements should think twice before opposing this one. A doubling of sugar exports to the most prosperous nation on earth could bring enormous economic gains to poor Central American countries while causing only modest adjustments for large, prosperous American producers.

It's true that free trade is no panacea. It has produced startling gains in prosperity in China and South Korea, for example, but only modest results in Mexico. But American policy on sugar is one of the most egregious examples of a rich nation protecting special interests while closing its markets to developing nations _ at high cost to American consumers and some of the world's poorest farmers.

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LOAD-DATE: January 12, 2004

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J.

Form: <u>All Guided Search Forms</u> > News Terms: (cafta) and date geq (01/08/2004) (<u>Edit Search</u>) View: Full Date/Time: Wednesday, January 14, 2004 - 6:24 AM EST

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Rove, Karl C.

F:ma

From: Jackson, Barry S.

Sent: Friday, January 09, 2004 4:01 PM

To: Stidvent, Veronica V.; Rove, Karl C.; Miers, Harriet

Cc: Goergen, Barbara J.; Ralston, Susan B.

Subject: FW: Missouri River News - January 9, 2004

series of MO river articles -

-----Original Message----- **From:** Raad, Lori J. **Sent:** Friday, January 09, 2004 1:09 PM **To:** Jackson, Barry S.; Leary, William L.; Perino, Dana M.; Fiddelke, Debbie S. **Subject:** FW: Missouri River News - January 9, 2004

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Barge operator quits business on Missouri

01/09/2004

JEFFERSON CITY, Mo. - One of the larger barge operators on the Missouri River said Thursday that he would quit doing business on the river because uncertainty over river levels has stalled his barges and cost him money.

Barge operator Donald Huffman said Thursday that his company, **Memco**, based in St. Louis, is ceasing operations along the Missouri because the shallow summer water levels have stranded barges in the past and he doesn't want to take more chances.

"It just doesn't make sense for us to operate (there) anymore," he said. "We're at the time of year where we need to know what the river's going to be like."

It's the latest development in the battle over the flow of the Missouri River.

At issue is a yearslong effort to return the river's flow to more natural conditions, mimicking a spring rise from snow melting in the mountains and a

drop in the summer, which conservation groups say would protect endangered and threatened birds and fish.

- The Associated Press

Utilities say low river flows could affect electricity rates

By Henry Cordes

Omaha World-Herald

Wednesday, Jan. 7, 2004

A power industry-sponsored study indicates that lowering flows on the Missouri River to protect endangered species could lead to higher electrical rates and, in the worst case, rolling or wide-scale

blackouts.

But a leading advocate of restoring the river says Nebraska utilities are using "scare-tactic rhetoric." Chad Smith of American Rivers said last summer's low flows on the Missouri provided evidence that changes can be made without harm to electrical customers.

Cynthia Buettner, a spokeswoman for the Omaha Public Power District, said the utilities included a range of scenarios in the report so decision-makers could consider all possibilities as they work toward a final river management plan.

The report by the Nebraska Power Association has separate analyses by OPPD and the Nebraska Public Power District. The most extreme effects were detailed by OPPD, which did not analyze how probable the scenarios are.

The main reason power plants could have problems has to do with the temperature of the river's water. Power plants use river water to cool equipment and then return warmer water to the river.

Environmental regulations restrict the temperature of water returned to the river and require plants to cut back operations if discharge water threatens aquatic life. OPPD, for example, cannot discharge water of more than 112 degrees into the river from its nuclear plant at Fort Calhoun.

Another problem with high river temperatures is that they make the water less effective in cooling power plants.

High river temperatures are most likely to occur at the very time that utilities need electricity most: in summer when air conditioners are cranked up. If power companies can't use their plants along the river, they have to turn to more expensive sources of electricity.

A single day of replacing peak demand with more expensive electricity would cost about \$40,000, OPPD estimates. A full summer of river temperatures at 87 degrees, something that has never occurred, could cost OPPD \$78 million.

The association compiled the report before the U.S. Fish and Wildlife Service raised the proposed low-flow level to 25,000 cubic feet per second.

In general, the service is calling for changes in the river's flow to give threatened species a better chance of surviving.

Blackouts would occur, according to OPPD, if utilities in several states were required to curtail use of the Missouri River plants.

Talk of blackouts didn't sit well with Smith.

"That's the most blatant kind of scare-tactic rhetoric that I've seen on the Missouri River," Smith said. "It simply has no place in informed public debate."

Buettner said utilities would do everything in their power to avoid blackouts. Utilities could, for example, seek an emergency waiver of discharge temperatures that would allow power plants to continue operating despite higher temperatures.

NPPD, which is less dependent than OPPD on the Missouri River, was more reserved in its analysis. NPPD estimated that flows at 21,000 cubic feet per second could increase operating costs at Cooper Nuclear Station by \$7 million a year. That amounts to about a 4 percent increase in the plant's annual budget.

Brian Barels, water resources manager for NPPD, said the new minimum of 25,000 cubic feet per second also would increase costs, but probably not as much. It's possible, he said, that NPPD could incur increased electrical costs of about \$5 million.

Low flow may bring blackouts

Ben Shouse <mailto:bshouse@argusleader.com?subject=E-Mail From Website> Sioux Falls Argus Leader Thursday, January 08, 2004

Environmentalists dispute numbers

Utility companies say lowering summer flow on the Missouri River to protect the pallid sturgeon could cost consumers tens of millions of dollars, and perhaps billions, if it leads to blackouts.

A study by the Nebraska Power Association, released Tuesday, says lower flow could force power plants along the Missouri to shut down for lack of cooling water. The study did not address South Dakota, but the U.S. Army Corps of Engineers says power generation would suffer here, too.

An environmental group called the report a scare tactic.

Federal biologists last month ordered the corps to reduce summer flow, citing risk to the endangered sturgeon. The corps has until March to comply, but more litigation is widely expected.

Lowering summer flow could make river water hotter, the report says, forcing power plants to shut down because they may not release cooling water above a certain temperature.

The association concluded that such a reduction could force utilities to buy outside power during peak demand, at a cost of up to \$78 million in Nebraska.

The report says resulting blackouts could threaten the elderly and children on sweltering days. Extending such indirect costs to a four-state area could mean an impact of \$96 million to \$960 million an hour, the report says.

"We just felt that our customers and the decision makers out there needed to know that," said Mike Jones, spokesman for the Omaha Public Power District, which helped compile the report.

But Chad Smith of the environmental group American Rivers called the numbers "ludicrous."

"There is no credible information to suggest that lowering flows by a few thousand cubic feet per second on the Missouri River is going to cause blackouts," he said. "That's rhetoric from the utilities."

Jones said the cost of nearly \$1 billion per hour for a blackout was calculated from numbers supplied by another agency, the Mid-continent Area Power Pool, and could not immediately cite possible examples of those costs.

A 2001 corps report said lower flows would cause \$30 million in lost revenue from power generation. That probably would force South Dakota utilities to buy power from more expensive sources, raising consumer costs. The corps did not estimate the costs.

South Dakota might be less susceptible to such blackouts because its river plants are hydropower, whereas the Nebraska plants are coal and nuclear.

Lowering River Flows Could Cost Consumers

Associated Press Thursday, January 08, 2004

LINCOLN, Neb. (AP) -- A report commissioned by Nebraska's two largest utilities warns that a plan to reduce Missouri River flows this summer could be costly for consumers.

Lowering the flows is a move supported by environmental groups for management of the Missouri River system.

However, Omaha Public Power District and Nebraska Public Power District officials claim those reduced flows could cause power blackouts and significant rate increases for customers.

Both utilities have power plants along the river, making use of flows to help generate power. The utilities said Tuesday that if they have to buy power to make up for reduced generation of electricity on the river it will cost them "tens of millions of dollars."

OPPD said the economic impact of lowering river flows could reach \$40,000 per day, or \$78 million for the entire peak summer season.

"We're very concerned about the impact of lower river flows on the ability of our plants to generate electricity," said OPPD Chief Operating Officer Gary Gates in a news release. "Since all of our major plants are located on the Missouri River, this issue could have significant consequences for our customer-owners."

Corps of Engineers gets bum rap concerning management of river

Commentary By Harold Anderson Omaha World-Herald Thursday, January 08, 2004

Today a reply to some of the unfair criticism that has been heaped on the U.S. Army Corps of Engineers in connection with its management of the water flows in the Missouri River.

Proponents of the "restored" river with a more natural flow have, among other accusations, charged the Corps of Engineers with protecting barge traffic at the expense of a flow more like that in the pre-dams days.

Little or no public consideration has been give to the fact that the Flood Control Act of 1944, which resulted in flood-controlling, power-producing dams and channelization of the river below Sioux City, listed the following purposes of the legislation: Flood control, aid to navigation, irrigation, hydroelectric electricity generation, municipal and industrial water supplies, stream-pollution abatement, sediment control, preservation and enhancement of fish and wildlife and creation of recreational opportunities.

That language - still binding on the Corps of Engineers today - doesn't lend much support to those tying to push fish and wildlife enhancement and upstream recreation to the head of the line as the Corps tries to resolve conflicting viewpoints while still carrying out the congressionally mandated job of managing the river flow in a way to serve a variety of interests.

Despite the fact that the Corps has been working for a good many months on revising its master manual for managing the river, the Corps is repeatedly accused of "stalling" and resisting change from the "status quo." Let's look at the facts:

For a good many months, three creatures on the endangered species list - the piping plover, the least tern and the pallid sturgeon - were front and center in the controversy over the way Missouri River flow should be managed by the Corps. Story after story featured the three as victims of the Corps' refusal to manage dam-released water flows in a way that would please natural-flow advocates and provide more favorable breeding habitat for the three species.

On Dec. 18, the U.S. Fish and Wildlife Service released a new assessment of an Army Corps of Engineers proposal to revise its operating manual for the Missouri River. One quick reaction was to focus now on the pallid sturgeon as still being in danger of becoming extinct unless the Corps makes greater changes in river flow patterns.

But what, I wondered, had happened to the least tern and piping plover? Had they simply flown away, out of the controversy, or had they become extinct, as threatened in story after story after story over the past several years?

I discovered - in the 18th paragraph of a news story - that the Fish and Wildlife Service had found that the Corps' new river-flow proposal would not imperil the terns and plovers, whose numbers have been actually increased since a 1997 flood created more sandbar habitat. And the pallid sturgeon's survival would be threatened only in "some sections" of the river below Gavins Point Dam.

So two-thirds of the endangered species argument has been answered, and the Corps continues to be accused of dedication to maintaining the status quo.

Never mentioned by any of the natural-flow advocates, so far as I'm aware: The pallid's range extends from Montana to Louisiana. It is not concentrated exclusively in a stretch of the river a relatively short distance below the Gavins Point Dam. And the Department of Interior is providing a \$250,000 grant for biologists to buy nearly 1,400 acres along the confluence of the Missouri and Yellowstone Rivers in a project intended to protect and enhance pallid habitat.

Then there is this ironic reality, which natural-flow advocates never publicly acknowledge, insofar as I know:

The natural-flow advocates' goal is bring the flow of the river closer to what it was before it was dammed and channelized. The irony is that a primary purpose of the Flood Control Act of 1944 was to *reverse* the natural high-water flow that created flooding in the spring (Omaha's airport was under water

-Message

in 1952, and only heroic sandbagging efforts by volunteers prevented the flooding of downtown Omaha) and reverse also the natural unchannelized pattern of summertime low-water flows inadequate to support barge traffic or allow maximum generation of hydroelectric power to meet summer peak demands.

So some natural-flow advocates are today using the Endangered Species Act (they are now down to the pallid sturgeon as a sort of "stalking horse") to try to reverse what has been congressionally mandated public policy for more than half a century.

There is talk of compromise in the controversy, and that possibility should surely be encouraged. But the "natural flow" advocates certainly don't enhance their credibility by ignoring the Flood Control Act of 1944 and unfairly criticizing the Corps of Engineers as it tries to respond responsibly to a variety of conflicting viewpoints while carrying out its congressionally mandated responsibilities.

The writer is the retired publisher of the Omaha World-Herald.

Randy Asbury

Executive Director

Coalition to Protect the Missouri River

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660-273-2124 fax

E-mail: moriver@socket.net

Website: www.ProtectTheMissouri..com

Goeglein, Tim

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From: Jill Farrell [jfarrell@freecongress.org] Monday, January 12, 2004 3:49 PM Sent: Subject: fcfnnn011204 Paul M. Wevrich's Commentary: Will Voters Stay Home ? Our apologies. Due to technical difficulties, NNN has experienced delayed distribution today. , Defying Political Common Sense Representative Ron Paul, (R-TX) On The President's Immigration Proposal http://www.fcfnewsondemand.org/ Think You're Spending Too Much Now? English First's James J. Boulet On Health Care http://www.fcfnewsondemand.org/ Notable News Now January 12, 2004

The Free Congress Commentary -Immigration Policy: The Last Straw For Conservatives? By Paul M. Weyrich

Some time ago I was asked by the Washington Post if I thought concern by conservatives over the spending issue would effect the 2004 elections. In other words, would conservatives be so angry over discretionary domestic spending - which is twice the rate under President Bush than it was under President Clinton - that they would consider voting for a third party candidate or even staying home. I said such a revolt, if it occurred, would probably not happen in time for this year's election. I got one e-mail contradicting my position from the editorial page editor of the Mobile Register. We even ran his comments in Notable News Now to see if they would prompt other responses. (We always hold out the possibility that we may be wrong). But that very provocative response from Quin Hillyer did not prompt other responses. Thus, we stand by our original statement that while conservatives are angry with the spending issue, they are not inclined to do desert the President over it. Now, however, the President has come up with a policy decision that may cause enough of his coalition to vote for a third party or to stay at home. I believe his re-election is endangered if the race turns out to be close. I am referring to the immigration program that the President announced last week. I have received dozens of emails telling me that the President has crossed the line with them. Thursday, I did a drive-time radio show in San Antonio. Caller after caller, including one Hispanic, said they had voted for Bush but they could not do so again. Rush Limbaugh has carried on for days about this immigration program and he usually goes out of his way to give this President the benefit of the doubt. Even Sean Hannity, who has

seldom met a Republican he can't support, is very troubled by it. Now neither Limbaugh nor Hannity is suggesting that because of the immigration issue Bush should be abandoned. But their willingness to sharply criticize the Administration in an election year gives cover to those who do want to do so. Of course immediately whenever the immigration issue is discussed, the usual suspects point the finger at anyone who disagrees with liberalization to suggest racist motivation. Morton Kondrake, publisher of Roll Call and a Fox News regular, calls opponents of this policy "the nativist wing of the Republican party." Interestingly not a single e-mail I received mentioned anything that could be interpreted as objecting to Bush's policy on account of race. Every single e-mail I got focused on the national security aspect of this question. A few also mentioned the abandonment of the rule of law.

A government employee from Colorado, who didn't want her name used, put it this way: I voted for Bush reluctantly. Then after September 11th I was awfully glad I had done so. Now I think I may have made a mistake. I can't imagine Al Gore doing this because there

would be too much Congressional opposition. The columnist David Limbaugh, Rush's brother, opposes the Bush immigration policy but says he doesn't understand what motivates the Administration. It could, of course, be raw politics. But Bush usually rejects that approach when it is presented to him. It could be, as Tony Blankley of the Washington Times opines, the influence of some of Bush's rich business friends, who see this as a way to get cheap legal labor. That is a possibility, although these folks do not always influence Bush, especially when it comes to the social issues. Or it simply could be a naïve attempt on the part of the President to reform a broken system. Whatever his motivation, he is making the oldest mistake in politics. He is abandoning his base. His father did that when he raised taxes after pledging not to. It cost him the election. This President has been careful not to do that to any great extent and up to now has managed to keep amazing majorities of Republicans and even conservatives in his camp. But with this action, as Ann Coulter suggests, the President has ceded California to the Democrats. But for the fact that he is a native son of Texas, he also would be in trouble there. The greatest concern of his base is over national security. They see this as a way for our enemies to be here legally - so long as they have a job.. The illegals can use the time here to complete their plans to cause havoc and chaos. "I don't understand how," writes a Republican county chairman from the Southwest, "that a President this smart can produce something this ill-conceived." Supposedly this plan will be attractive to Hispanics. But as one caller I had in San Antonio said, "I'm Hispanic. But I don't want to be pandered to." Some of the Hispanic organizations blasted the plan as not going nearly far enough. It is not at all clear that Bush will attract new support to make up for that which is being lost. At any rate, Bush clearly has stepped on a land mine with his immigration initiative. This is not like other issues. Emotions run so deep on immigration that once voters are lost over this issue it will be next to impossible to get them back. And while I said there was not enough of a revolt on the spending issues to cause a revolt, it could be that immigration in addition to spending may push some voters over the

cliff. Rep. LaMar Smith, an expert on immigration, says he can't imagine something this controversial passing the Congress in an election year. I can. Unless Democrats just want to vote no to embarrass the President, most of them favor the Bush plan and there will be enough Republicans loyal to Bush to garner the votes needed to pass the measure. It won't matter if 2004, contrary to expectations, is a runaway election for Bush. If, on the other hand, this is a close election, enough of Bush's base may just stay at home to hand the victory to the Democrats.

Paul M. Weyrich is Chairman and CEO of the Free Congress Foundation

The Debt To The Penny

01/06/2004	\$6,991,488,657,454.93
12/31/2003	\$7,001,312,247,818.28
12/09/2003	\$6,940,395,230,585.36

10/14/2003 \$6,816,232,489,123.39

<http://www.publicdebt.treas.gov/opd/opdpenny>

"Politics is supposed to be the second-oldest profession. I have come to realize that it bears a very close resemblance to the first. " Ronald Reagan

<u>전하고록 모양하는 <u>요즘요</u> 것 같은 것이라. 것 같은 것 같은 가격하는 것 것 같은 것이다. "</u>

Today's FCF News on Demand

Visit <http://www.fcfnewsondemand.org/> to hear these stories: Representative Ron Paul, (R-TX): The President's immigration proposal doesn't even seem to make good political sense James J. Boulet, Executive Director, English First: If you

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For media inquiries, contact Jill Farrell mailto:jfarrell@freecongress.org

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From: Barry Jackson

This marker identifies the original location of the withdrawn item listed above. For a complete list of items withdrawn from this folder, see the Withdrawal/Redaction Sheet at the front of the folder.

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SERIES: Subject Files - FG006-27 (Office of Senior Advisor - Karl Rov	e)
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FRC ID: 9729	FOIA IDs and Segments:
OA Num.: 10753 NARA Num.: 10811	2015-0037-F
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FOR IMMEDIATE RELEASE

For more information, contact: James Powell or Jonathan Harling, 803-637-3106. January 12, 2004

Hunting tradition is at the heart of conservation efforts

Not far from the Mexico border, in a town best known for its homemade butter, a father and son chased bird dogs through the south Texas brush, flushing coveys of quail in the early morning mist. Although many families rise before dawn to hunt on New Year's Day, this scene, set in Falfurrias, Texas, was different; both men can claim to be a President of the United States.

To hunt with his dad, President George W. Bush opted out of his traditional New Year's Day cheeseburger and onion rings at a diner near his ranch in Crawford, Texas, and boarded a southbound plane near Waco in misty rain and foggy weather. During the hunt, both Presidents were participating in a tradition that has protected American wildlife and wildlife habitat for nearly a century, and is again gaining recognition as a force for conservation.

"Hunting is a tradition that's been passed down from father to son dating back to the country's original settlers and, today, mothers and daughters are also becoming a part of this tradition," said Rob Keck, National Wild Turkey Federation CEO. "Many people take up hunting for the sport, but after they've been in the woods a few times, they find themselves becoming equally committed to conserving wildlife and wildlife habitat. That's why our hunting heritage is important, not only to hunters, but to all Americans."

One of the longstanding, though often overlooked, examples of hunters' contributions to wildlife conservation is the Pittman-Robertson act. Passed by the U.S. Congress at the request of hunters in 1937, this tax on license sales and hunting equipment established a dedicated revenue stream to aid states in wildlife restoration.

-more-

In December, this commitment to conservation was recognized by the nation's highest office. Leaders from 20 sportsmen's organizations, including the NWTF, the Boone and Crockett Club, the National Shooting Sports Foundation and the U.S. Sportsmen's Alliance, met at the White House with President Bush to discuss important conservation issues involving hunters and anglers.

The sportsmen's groups spent more than an hour with the president in the Roosevelt Room, named after Theodore Roosevelt, the first conservationist president. Secretary of Agriculture Anne Venneman, Secretary of Interior Gayle Norton, Congressional Sportsmen's Foundation Executive Director Melinda Gable and Director of the U.S. Fish and Wildlife Service Steve Williams also attended.

A portion of the meeting was spent discussing concerns over administration officials' plans to rewrite the 1972 Clean Water Act. These revisions could have damaged millions of acres of wetlands and millions of miles of streams – valuable habitat for the wildlife that sportsmen hunt and fish. It was a productive discussion. Only four days later, Bush ended the plan to rewrite the Clean Water Act.

Reporting on the recent meeting, Elizabeth Shogren of the *Los Angeles Times* wrote, "The unusually lengthy meeting – followed by a major decision in its favor – shows the 'hook and bullet' crowd, as the anglers and hunters call themselves, to be a powerful new force on environmental issues in Washington."

"The President told the conservation leaders that he and his administration are committed to preserving the hunting heritage," said Keck. "He assured us that he supported hunting and realized the positive economic impact hunters and anglers have on communities throughout America."

In 2001, hunters spent over \$20 billion on trips, equipment, licenses, and other items to support their hunting activities.

During the meeting, Keck had the opportunity to present the President with a limited edition turkey call, crafted by Callmaker Dale Rohm, and thank him for "answering the call."

"To be able to sit down with the President and tell our story is just an extraordinary opportunity," said Keck. "The meeting was an official stamp of recognition for hunters across the nation and the efforts they have made on behalf of wildlife and wildlife habitat."

For more information about the NWTF, call 1-800-THE-NWTF or visit the web site at <u>www.nwtf.org</u>.

-more-

About the NWTF: In 1973 when the National Wild Turkey Federation was founded, there were an estimated 1.3 million wild turkeys and 1.5 million turkey hunters. Thanks to the work of wildlife agencies and the NWTF's many volunteers and partners, today there are more than 6 million wild turkeys and approximately 2.6 million turkey hunters. Since 1985, more than \$175 million NWTF and cooperator dollars have been spent on over 24,000 projects benefiting wild turkeys throughout North America.

The NWTF is a half million-member grassroots, nonprofit organization with members in 50 states and 12 foreign countries. It supports scientific wildlife management on public, private and corporate lands as well as wild turkey hunting as a traditional North American sport.

For more information on the National Wild Turkey Federation, call (803) 637-3106, check out our web site at www.nwtf.org or e-mail questions to <u>nwtf@nwtf.net</u>.



Greene, William

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From:	lamos	Cummine	ficummine/	@wildlifemiss	oral
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Sent: Wednesday, January 14, 2004 10:50 PM

To: Greene, William

Subject: FW: James, Join TRCP in thanking President Bush

FYI

-----Original Message-----From: Theodore Roosevelt Conservation Partnership [mailto:info@trcp.org] Sent: Wednesday, January 14, 2004 3:33 PM To: James Cummins Subject: James, Join TRCP in thanking President Bush



Help TRCP Thank President Bush For His Wetlands Help



Let's Thank President Bush

Dear James,



We invite you to join us in expressing our appreciation to President Bush for sitting down with leaders from the country's hunting, fishing and conservation groups last month to

talk about the issues of greatest concern to our community, including protecting wetlands, ensuring that oil and gas development in the West does not harm fish and wildlife resources, and funding conservation programs. The President expressed a desire to work with the conservation community and in the unprecedented gathering at the White House talked about his own love of hunting and fishing. In fact, on January 1st, President Bush went on his first hunt since taking office, shooting quail in Texas with his father. At the meeting, the President addressed our issues and stated his belief that wetlands should continue to have federal protection. Four days later his Administration announced a decision we had all been hoping to hear, that it would not go forward with any changes to existing wetlands protection regulations. We at TRCP are saying thank you to the President for talking with us about important

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Tell-a-Friend!

What's At Stake:

In order to further foster the relationship the sporting community is developing with President Bush, we need to let him know that we appreciate his recent outreach and action. The President has shown his interest in many of the issues of utmost importance to the sporting community, and we look forward to working with his Administration to move conservation policy matters and in particular, thanking him for the decision on wetlands protection. We invite you to do the same. Please use the template below, add your own comments and experiences and send your letter on to the President. forward in a constructive direction on these matters. Please take a moment to modify the letter template provided and send in your own personal comments to the President. Hopefully the wetlands decision will be just the first of several conservation victories in the new year.

Taxe Action!

Send a letter to the following decision maker(s): President George W. Bush

Below is the sample letter:

Subject: Thank You President Bush

Dear [decision maker name automatically inserted here],

I am writing to thank you for the time you recently took to meet with the leadership of the nation's hunting, fishing and conservation community. By engaging with these leaders you sent a message to Americans like me who fish and hunt that you are aware of our interests and concerns and that as a sportsman, they are your interests and concerns as well.

In particular, I want to express my appreciation for your attention to wetlands protection. By recommitting the United States to the "no net loss" of wetlands philosophy and deciding against issuing a new rule regarding isolated wetlands, you protected vital wildlife habitat.

Mr. President, you have given American sportsmen and women something to cheer about and reassurance that pending issues such as energy development on federal land in the west will be handled in such a way that would make our greatest conservation president, Theodore Roosevelt, proud.

Thank you very much.

Sincerely,

James Cummins

Take Action

Campaign Expiration Date: February 12, 2004 Withdrawal Marker The George W. Bush Library

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607825

Rove, Karl C.

From: Jackson, Barry S.
Sent: Wednesday, January 21, 2004 3:57 PM
To: Rove, Karl C.
Cc: Goergen, Barbara J.; Ralston, Susan B.

Subject: this is the issue coddy's dad is working on....

Tax Writers At Odds Over Treasury 'Lease-Back' Proposal

A Treasury Department proposal to prohibit lease-back transactions that allow corporations to claim billions in tax benefits -- by writing off the value of public infrastructure they own only on paper -- is shaping up to be a serious battle between House and Senate tax writers this year. Senate Finance Chairman Grassley included a provision to prohibit such transactions in his international tax bill, which was approved by the committee last fall, and reiterated Tuesday that he is eager to see the provision become law. But sources in the House said the Treasury proposal was likely to generate substantial opposition in that chamber.

1

The breadth of this potential opposition is evidenced by the following: The provision would likely block deals that would be used to fund improvements to transit systems in Atlanta, Boston, New Jersey, St. Louis, Sacramento, Calif., and Portland, Ore. That warning was issued by the American Public Transportation Association, which is lobbying against the bill. Beyond transit, other pending leasing deals would provide millions for public works projects like emergency call centers in Chicago, a highway toll system in Illinois, and the Alamodome in San Antonio. The Treasury Department estimated that prohibiting the leasing deals would increase tax revenues by \$33.7 billion over the next 10 years.

"People are hearing from local governments about the proposals," one House staffer said. **House Ways and Means Chairman Thomas** said today that he would review the Treasury proposal in detail, after the committee heard testimony Feb. 3 from Treasury Secretary Snow and later that week from Assistant Secretary for Tax Policy Pamela Olson. But Thomas suggested that at least some of the leasing deals in question might be legitimate. "My assumption is there are some out there that might be done for nothing other than tax purposes," he said, adding that these should not be sanctioned by U.S. tax law. "But we have to see what other reasons -- what other rationales there are -- for doing it," he told reporters.

Under the leasing transactions, corporate investors claim title to the assets of tax-exempt entities such as local governments and transit authorities through a lease-back arrangement. This allows them to claim tax benefits by depreciating the value of the assets while the tax-exempt entity retains control of the assets in all other respects. The municipality or public works authority is generally paid 5 to 8 percent of the value of the transaction, according to one official familiar with the deals. The first such deals concentrated on foreign assets such as rail and airport systems, but the transactions have spread to the United States as investors have become more bold, according to a Senate staffer.

Grassley's provision and the Treasury proposal would severely curtail both deals involving foreign and U.S.-based assets. But some on Capitol Hill have raised the question -- including in a Treasury briefing earlier this month -- of whether a provision could be crafted to prohibit only transactions that benefit foreign assets. Pending deals would benefit such foreign interests as Aeroports de Paris, France Telecom, and a Dutch-German wind tunnel for aviation research, according to research by Asset Finance International. -- by Martin Vaughan Withdrawal Marker The George W. Bush Library

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THE WHITE HOUSE WASHINGTON

Date: 121104

Ken Mehlman To:

From: Strategic Initiatives Var Love

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Susan Ralston

From: Tim Griffin - Research/Communications [tgriffin@rnchq.org]

Sent: Wednesday, January 21, 2004 10:13 AM

To: Susan Ralston

Cc: Ken Mehlman; Steve Schmidt; Michael Napolitano

Subject: FW: Brad Freeman's interview yesterday w/ David Gregory

fyi

NBC's TOM BROKAW: All right. Well, we're going to talk about this president now as a candidate. The state of the union of course, that speech, the president has thrown down a gauntlet to all those Democrats vying for his job, but how have his years as chief executive changed the man who will carry the Republican hopes in November. We've asked our White House correspondent David Gregory who joins us now from the White House to give us an assessment of all that. David?

NBC's DAVID GREGORY: Well Tom, four years ago, George W. Bush was introduced to the nation as a personable, if untested heir to a political dynasty. Now, he has emerged as a leader looking for a second term and a leader who inspires strong feelings on all sides.

(BEGIN VIDEOTAPE)

UNIDENTIFIED MALE: Ladies and gentlemen, welcome with me the next president of the United States, George W. Bush!

GREGORY (off-camera): Four years after the disputed election that propelled him to the White House, George W. Bush is once again a candidate. Like few presidents before him, he inspires both love and hate.

UNIDENTIFIED MALE: Discipline, arrogant, very engaging, shallow.

GREGORY: No doubt, the world has changed around him, but how he is different now? Wall Street Journal political editor John Harwood.

JOHN HARWOOD, THE WALL STREET JOURNAL POLITICAL EDITOR: I don't think he's evolved that much as a person. George W. Bush was a very well-formed personality when he came to the presidency. Someone very self-confident, self-assured.

GREGORY: What his critics call arrogance, Bush supporters call strength, the result of leadership and crisis. Friends like Brad Freeman, who's known Bush for 25 years, say he has grown in the job and come a long way.

BRAD FREEMAN: Well, he's gotten horse- s*** off his boots.

GREGORY: Freeman says the president feels the strain of his first four years but unlike other presidents at war, appears more at ease, less rundown.

FREEMAN: Oh, I think being a man of high faith probably makes him feel more comfortable with his

decisions. He knows there's a greater entity out there.

GREGORY: Unlike his first run for the white house, bush has proved to most he's up for the job. He campaigns now wrapped in the iconic images of a commander in chief at war.

(on-camera): It's said presidents don't get to dictate their agenda, only respond to it. Four years ago, the governor of Texas who had barely seen the world, who had failed a reporter's pop quiz on the names of world leaders, had no idea his presidency would be defined by his place on the world stage.

UNIDENTIFIED MALE: Can you name the president of Chechnya?

GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES: No, can you?

UNIDENTIFIED MALE: And the prime minister of India?

BUSH: The new prime minister of India is... no.

GREGORY (off-camera): In 2000, Bush ran on a platform of humility in foreign policy. He called for less foreign intervention by the United States, not more. 9/11 changed that, and forever changed the Bush presidency.

BUSH: These acts of mass murder were intended to frighten our nation into chaos and retreat, but they have failed.

GREGORY: His central argument as a candidate now, that with America at war, and under the threat of attack, it's too dangerous to change. But in Bush's high-flying foreign policy, Democrats, like former Clinton president secretary Joe Lockhart see weakness. America more isolated in the world, less able to use diplomacy as a tool.

JOE LOCKHART, FORMER CLINTON PRESS SECRETARY: The public has a different view of this president now. I think they view this president as arrogant, as someone who "It's my way or the highway," and a go it alone cowboy.

GREGORY: So much of this president's first term has been marked by what a polarizing figure he's become. After a campaign that ended in a draw, Bush himself seemed to promise a quest for common ground.

HARWOOD: This is a president who is committed to a conservative brand of politics and there are many Democrats who feel they were fooled by him in the 2000 campaign.

GREGORY: Since his first run for the White House, George W. Bush may be the same man, but he will be seen differently as a candidate, two strikingly opposing views of the man who wants four more years.

(on-camera): Love him or hate him, a lot more is known about candidate Bush this time around. What hasn't changed is how politically divided the country remains, a sign Bush advisers concede, of another close race to come. Tom?

-----Original Message-----

From: Tim Griffin - Research/Communications **Sent:** Wednesday, January 21, 2004 8:34 AM **To:** Chris Walker - Research/Communications

607825 THE WHITE HOUSE WASHINGTON Date: 121104 To: Mill GUSON From: Strategic Initiatives Karl Roll-FYI Appropriate Action Direct Response Prepare Response For My Signature Per Our Conversation Let's Discuss Per Your Request Please Return Deadline Other Comments: ____

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Scorp Alicia Clark

January 18, 2004 Sunday Bush met less than half of campaign pledges

BYLINE: By Ron Hutcheson and William Douglas; KNIGHT RIDDER NEWSPAPERS

President Bush will spell out his plans for the new year and beyond in his annual State of the Union speech Tuesday night, but there's already plenty on his to-do list.

A Knight Ridder analysis shows that Bush has fulfilled about 46 percent of the promises he made during the 2000 campaign, leaving a lot of work to do in the last year of what he hopes is only his first term.

He's had some big wins.

He pushed two big tax cuts through Congress, added prescription drug coverage to Medicare and won passage of his plan to overhaul education.

He's also had some big setbacks.

Congress rebuffed many of his ideas for forging closer cooperation between the government and faith-based charities.

His producer-friendly energy policy is caught in a tug of war between the House of Representatives and the Senate.

In fact, Congress has killed or stalled at least 25 percent of Bush's commitments, despite being controlled for much of the time by his own Republican Party.

The president's plans to overhaul Social Security and revamp the nation's legal system are on hold in the face of congressional opposition.

Administration officials say Bush remains committed to both, although no action is likely in this presidential election year.

In rare cases, Bush openly abandoned campaign commitments, such as his pledge to reduce carbon dioxide emissions by electric utilities.

On other issues -- the line-item veto, for example -- he proposed an idea to Congress but spent little time on it.

Because of the give-and-take involved in the legislative process, it is sometimes impossible to tell whether **Bush** dropped the ball or Congress thwarted his will.

For this assessment, what matters is the outcome.

Despite his mixed record of success, Bush has at least tried to follow through on the vast majority of his commitments.

Most have been presented to Congress as part of his annual budget or in the form of legislation.

Knight Ridder scores a promise as achieved only if it became a reality. Voters expect results. **Promises** made since **Bush** took the oath of office weren't included.

Of course, not all promises have equal weight, and much has changed since **Bush** became president.

He did not foresee the Sept. 11, 2001, terrorist attacks or their aftermath. The wars on terrorism and Iraq put new strains on the federal budget, diverting money that might have been used to fulfill some of his campaign spending proposals.

Still, a promise is a promise.

Abortion

PROMISE: Prohibit federal funds for international family-planning groups that provide abortion-related services. YES. By a directive issued Jan. 22, 2001.

PROMISE: Sign legislation banning a late-term procedure opponents call "partial-birth" abortion. YES. Nov. 5, 2003.

Agriculture

PROMISE: Give more emergency aid to farmers to help them transition to a market regime. YES. Included in 2001 farm bill.

PROMISE: Reform the crop insurance program. NO. Blocked in Congress.

PROMISE: Establish tax-deferred Farm and Ranch Risk Management accounts that farmers and ranchers could draw from in hard times. NO. Blocked in Congress.

PROMISE: Reduce and ultimately eliminate the estate tax for family farms and ranches. YES. Included in the 2001 tax bill.

PROMISE: Fight Europe's ban on importing biotech crops from the United States. YES. Bush has raised this issue with the European Union.

PROMISE: Exempt food from unilateral trade sanctions and embargoes. YES. New regulations permit food shipments to Cuba and other so-called rogue states.

PROMISE: Admit China into the World Trade Organization and continue working to open key export markets to U.S. goods. YES. China joined the WTO in 2001.

Budget

PROMISE: Reserve half of the budget surplus to strengthen Social Security by establishing personal retirement accounts. NO. The surplus disappeared under pressure of war, recession and tax cuts, and Bush has not yet pushed his Social Security plan before Congress.

PROMISE: Pay down the national debt to the lowest level since the Great Depression as a percent of the gross domestic product. NO. The budget surplus that Bush inherited has turned into an annual deficit, and the total federal debt has increased from \$5.7 trillion in September

2000 to \$7 trillion this month. The debt is 65 percent of GDP now, up from 57.6 percent when he took office,

PROMISE: Return one-fourth of the budget surplus through broad-based tax cuts. YES. Bush met his target of a \$1.35 trillion, 10-year tax cut in 2001.

Campaign finance reform

PROMISE: Prohibit unions and corporations from giving "soft money" to political parties. YES. Part of the campaign finance bill that Bush signed on March 27, 2002.

PROMISE: Give workers the right to block the use of their union dues for political activities. NO. Blocked by Congress.

PROMISE: Raise the limit on individual contributions by adjusting it for inflation. YES.

PROMISE: Require timely disclosure of contributions on the Internet. YES. The Federal Election Commission is working on details.

PROMISE: Prevent incumbents from transferring excess funds from a previous federal campaign to a subsequent campaign for a different office. NO.

PROMISE: Prohibit federally registered lobbyists from contributing to members of Congress while Congress is in session. NO.

Charity

PROMISE: Establish an Office of Faith-Based Organizations in the White House to make it easier for such organizations to participate in government programs. YES. By executive order in 2001.

PROMISE: Limit the civil liability of businesses that donate equipment, facilities, vehicles or aircraft to charitable organizations to protect them from lawsuits if the donated items turn out to be defective. NO. Stalled in Congress.

Children

PROMISE: Provide states with an additional \$1 billion over five years to help prevent cases of child abuse or neglect. NO. Congress cut **Bush's** request in half.

PROMISE: Require states to conduct criminal background checks on prospective foster and adoptive parents. YES. Signed June 25, 2003.

PROMISE: Provide \$300 million over five years for college or vocational-education vouchers of as much as \$5,000 for youths who reach college age in foster care. NO. Congress cut Bush's funding requests.

PROMISE: Set a goal to return children in foster care to their stable biological family or, with a judge's ruling, to adoption. NO.

PROMISE: Help states establish paternity registries. NO. Still working on legislation.

PROMISE: Provide \$200 million in competitive grants over five years for grants to promote responsible fatherhood. NO. Stalled in Congress.

Congress

PROMISE: Adopt two-year budgets. NO. Blocked in Congress.

PROMISE: Require a Joint Budget Resolution to promote early agreement on an overall framework, which the president must sign. NO. Stalled in Congress.

PROMISE: Enact legislation to prevent government shutdowns if funding is not enacted by the beginning of the fiscal year. NO.

PROMISE: Support a bipartisan Commission to Eliminate Pork-Barrel Spending. NO.

PROMISE: Seek legislation to amend the Constitution to give the president line-item veto authority. YES, although Bush has not made it a top priority and Congress has not acted.

PROMISE: Ask Congress to act on presidential nominees within 60 days of submission of their names. YES. Bush has repeatedly prodded Congress to act.

Courts

PROMISE: Impose stiffer penalties for frivolous lawsuits. Lawyers who file lawsuits as a form of harassment would have to pay the other side's expenses and could face other sanctions. NO. Postponed action in the face of congressional opposition.

PROMISE: Amend federal discovery rules to limit inquiry to issues in dispute to prevent legal "fishing expeditions." NO. Postponed action in the face of congressional opposition.

PROMISE: Raise the federal standard for admission of scientific testimony by requiring that the witnesses' findings be "generally accepted" by the scientific community. NO. Postponed action in the face of congressional opposition.

PROMISE: Eliminate the private use of the federal Racketeer Influenced and Corrupt Organizations Act for civil suits. Lawyers have used the law to seek bigger judgments by accusing companies of "racketeering." NO. Postponed action in the face of congressional opposition.

PROMISE: Take steps to make sure that national class-action lawsuits are heard in a federal court to prevent lawyers from shopping for friendly state judges. NO. Postponed action in the face of congressional opposition.

PROMISE: Establish a "Client's Bill of Rights" to allow federal courts to hear challenges to attorneys' fees. Bush contends that clients who have been overcharged have very little recourse. NO. Postponed action in the face of congressional opposition.

PROMISE: Require lawyers to disclose their fee ranges so potential clients will have more information before hiring an attorney. NO. Postponed action in the face of congressional opposition.

PROMISE: Encourage reasonable settlements by making those who reject pretrial settlement offers and lose the case pay the other party's costs. NO. Postponed action in the face of congressional opposition.

PROMISE: Require private lawyers who represent states and municipalities to return excessive fees to their governmental clients. NO. Postponed action in the face of congressional opposition.

PROMISE: Prohibit federal agencies from paying contingency fees to private lawyers. Lawyers would be hired on an hourly rate. NO. Postponed action in the face of congressional opposition.

Crime

PROMISE: Increase prosecutions under federal gun laws. YES.

PROMISE: Increase funding for state gun-law enforcement. YES. New \$50 billion program signed into law in 2001.

PROMISE: Impose a lifetime ban on gun possession for juvenile weapons offenders. NO.

PROMISE: Establish Project Sentry, a federal-state program to prosecute juvenile weapons violations. YES.

PROMISE: Practice zero tolerance for terrorism. YES. Launched war on terrorism.

Defense

PROMISE: Prohibit putting U.S. soldiers under U.N. command. YES.

PROMISE: Pay U.N. dues in return for reforms and reduction of U.S. share of the costs. YES.

PROMISE: Increase military pay by \$1 billion a year. YES. Signed into law Jan. 10, 2002.

PROMISE: Deploy national and theater ballistic-missile defense as soon as possible. YES. Bush has ordered deployment in 2004.

PROMISE: Reduce the number of American nuclear weapons. YES. The 2001 Treaty of Moscow promised to scrap about two-thirds of the U.S. nuclear arsenal over 10 years.

PROMISE: Earmark at least 20 percent of the procurement budget for next-generation weaponry. YES.

PROMISE: Increase defense research and development spending by at least \$20 billion from fiscal year 2002 to 2006. YES. Funding levels are consistent with the goal.

PROMISE: Order comprehensive review of military weapons and strategy. YES. Although it came in the form of a series of reviews.

PROMISE: Order "immediate review" of overseas deployments. YES.

PROMISE: Renovate military housing. YES. The military has already upgraded about 10 percent of its inventory and expects to modernize 76,000 additional homes this year.

Disabilities

PROMISE: Triple the federal Rehabilitation Engineering Research Centers' budget for technologies to assist the disabled. NO. Funding has fallen short of the goal.

PROMISE: Create a new fund to encourage technologies that help the disabled. YES. Funded at \$5 million.

PROMISE: Provide \$20 million to states to help people with disabilities work from home. YES. Signed into law in 2001.

PROMISE: Provide \$45 million for pilot transportation programs. NO. Blocked in Congress.

PROMISE: Provide \$5 million to help small businesses comply with the Americans with Disabilities Act. NO. Blocked in Congress.

PROMISE: Establish a \$100 million matching-grant program for community-based transportation alternatives. NO. Blocked in Congress.

PROMISE: Issue an executive order implementing the Supreme Court's Olmstead ruling, which requires moving disabled people from institutions to community-based facilities when possible. YES, in 2001.

PROMISE: Increase funding for low-interest loan programs to help people with disabilities purchase devices to assist them. YES.

PROMISE: Increase funding for special education to meet the federal obligation under the Individuals with Disabilities Education Act. NO. Funding has fallen short of the goal.

PROMISE: Create a national commission to recommend reforms of the mental-health servicedelivery system. YES. The New Freedom Commission on Mental Health delivered its recommendations to Bush on July 22, 2003.

PROMISE: Make it easier for disabled people to vote. YES. Legislation signed on Oct. 29, 2002, requires states to make polling places more accessible.

PROMISE: Provide \$10 million in matching funds annually to increase access for people with disabilities to organizations exempt from Title III of the Americans with Disabilities Act, such as churches, mosques, synagogues and civic organizations. NO. Blocked in Congress.

PROMISE: Revise the Department of Housing and Urban Development's Section 8 rent subsidies to disabled people to permit them to use up to a year's worth of vouchers to finance down payments on homes. YES. HUD has started pilot programs in 11 states.

Education

PROMISE: Provide vouchers (cash subsidies) to low-income students in persistently failing schools to help with costs of attending private schools. NO. Blocked by Congress. A pilot

program for Washington awaits Senate action.

PROMISE: Increase maximum Pell grant (a need-based college scholarship) from \$3,300 to \$5,100 for first-year students. NO. The maximum increased to \$4,000 in 2002, but **Bush** has not requested any additional increase.

PROMISE: Provide \$1,000 Pell grant bonus to low-income students who take advanced math and science courses. NO.

PROMISE: Establish a \$1 billion math and science partnership program. YES. Bush is working toward his five-year funding goal.

PROMISE: Establish a \$3 billion Education Technology Fund. NO. Blocked by Congress.

PROMISE: Increase federal funding for minority colleges and universities by \$437 million over five years. NO. Funding has fallen behind the goal.

PROMISE: Focus Head Start program on reading and place it under the Education Department. NO. Blocked by Congress.

PROMISE: Launch a \$5 billion five-year Reading First program to ensure that every disadvantaged child reads by the third grade. YES.

PROMISE: Combine more than 60 federal programs into five flexible categories. NO. The education bill provides more flexibility, but retained 45 separate programs.

PROMISE: Require annual reading and math tests in grades three through eight. YES.

PROMISE: Require states to participate in the National Assessment of Education Progress, or an equivalent program, to establish a national benchmark for academic performance. YES.

PROMISE: Establish a \$500 million fund to reward states and schools that improve student performance. NO. Blocked by Congress.

PROMISE: Provide \$181 million over five years to expand the use of bonds for public school construction. YES.

PROMISE: Provide school-by-school accountability report cards. YES. School districts are taking steps to meet the requirement.

PROMISE: Establish 2,000 new charter schools -- double the current number -- within two years by providing \$3 billion in loan guarantees. NO. Blocked by Congress.

PROMISE: Provide \$1.5 billion to help states pay for merit scholarships. NO.

PROMISE: Establish a \$2.4 billion fund to help states enact teacher-accountability systems. YES.

PROMISE: Expand forgiveness of outstanding school loans from \$5,000 to \$17,500 for certain math and science teachers. NO. Blocked in Congress.

PROMISE: Increase funding for the Troops-to-Teachers program to \$30 million to recruit former military personnel to the classrooms. YES.

PROMISE: Let teachers deduct from their taxable income as much as \$400 in out-of-pocket classroom expenses. NO. A temporary measure that allowed teachers to deduct \$250 for out-of-pocket classroom expenses was enacted in 2001 and expired Dec. 31, 2003.

PROMISE: Establish a uniform reporting system to monitor school safety. YES.

PROMISE: Require districts to let students transfer out of dangerous schools. YES.

PROMISE: Change federal law so public school districts and local law enforcement can share information. NO.

PROMISE: Require schools to have a zero-tolerance policy for classroom disruption. YES.

PROMISE: Enact a Teacher Protection Act to protect teachers from discipline-related lawsuits. YES.

PROMISE: Triple funding for classroom education to improve character. YES.

PROMISE: Establish American Youth Character Awards to honor students' acts of character. NO.

PROMISE: Expand the role of faith-based and community organizations in after-school programs. YES. Signed into law in 2001.

PROMISE: Provide vouchers to lower-income students for after-school activities. YES.

PROMISE: Immediately eliminate an \$802 million backlog of school repairs on tribal lands. NO. Funding levels fell far short of that goal.

PROMISE: Provide \$126 million to replace six American Indian schools. YES.

Energy

PROMISE: Earmark a portion of federal oil and gas royalty payments for the Low Income Home Energy Assistance Program when energy prices increase. NO.

PROMISE: Double funding for weatherization programs by adding \$1.4 billion over 10 years. YES. Funding on track.

PROMISE: Require the Energy Department to notify Congress when the nation's fuel supplies are low. YES.

PROMISE: Establish an annual meeting of G-8 energy ministers or their equivalents to encourage international cooperation on energy. YES.

PROMISE: Open 8 percent of the Arctic National Wildlife Refuge -- 1.5 million acres -- to oil exploration. NO. Stalled in Congress.

PROMISE: Support tax credits for electricity produced from renewable and alternative fuels at a cost of \$1.4 billion over 10 years. NO. Stalled in Congress.

PROMISE: Establish a comprehensive federal policy for gas and oil pipeline transportation. NO. Stalled in Congress.

PROMISE: Provide \$2 billion over 10 years for "clean coal" research. YES. Funding is slightly below but consistent with the goal.

PROMISE: Clarify tax issues related to purchasing nuclear power plants to relieve potential burden on purchasers. NO. Stalled in Congress.

PROMISE: Streamline the process for hydroelectric projects seeking government approval to remain in operation. NO. Stalled in Congress.

PROMISE: Require emission reductions by electric utilities for carbon dioxide, sulfur dioxide and other pollutants. NO. **Bush** abandoned his commitment to regulate carbon dioxide in the face of intense industry opposition.

PROMISE: Create a Home Heating Oil Reserve to protect against future shortages. YES. The reserve was actually created during the Clinton administration, but **Bush** has funded it.

Environment

PROMISE: Convert the \$35 million "brownfields" (contaminated properties) cleanup loan fund into a block grant program. NO. Blocked in Congress.

PROMISE: Make permanent the cleanup tax incentive, set to expire at the end of 2001. NO. Congress has passed a series of annual extensions.

PROMISE: Require all federal facilities to meet all environmental standards. NO. The administration has repeatedly sought exemptions for defense facilities.

PROMISE: Fully fund the \$900 million Land and Water Conservation Fund. NO. Blocked in Congress, but critics say **Bush's** proposal would have shifted money from other environmental accounts.

PROMISE: Provide matching grants for state programs that help private landowners protect rare species. YES.

PROMISE: Establish a \$10 million grant program to promote private conservation initiatives. YES.

PROMISE: Establish the President's Award for Private Stewardship and give as many as 50 awards annually. NO.

PROMISE: Offer capital-gains tax relief for land sold for conservation purposes. NO. Stalled in Congress.

Foreign policy

PROMISE: Substantially increase financial assistance to help Russia dismantle nuclear weapons. NO.

PROMISE: Support a moratorium on nuclear testing. YES. But the Pentagon is developing weapons that may soon require testing.

PROMISE: Improve relations with India. YES. Bush and Indian Prime Minister Atal Bihari Vajpayee committed to a "strategic partnership" in 2001.

Government

PROMISE: Shrink the federal government by not replacing 40,000 senior and middle managers who will retire over the next eight years. NO. That goal has been abandoned, but each agency was ordered to draft a five-year plan to restructure itself, with fewer managers.

PROMISE: Create a governmentwide chief information officer to coordinate Internet services. YES. Appointed April 16, 2003.

PROMISE: Establish a \$100 million fund to support interagency e-government initiatives. NO.

PROMISE: Establish a bipartisan "sunset review board" to recommend elimination of unnecessary programs. NO.

PROMISE: Convert federal service contracts to performance-based contracts wherever possible so that the contractor has measurable performance goals. YES.

PROMISE: Establish performance-based incentives for the civil service. NO. This is under study.

PROMISE: Move all significant government procurement to the Internet. NO. Still in the early stages.

Health care

PROMISE: Enact a patients' bill of rights. NO. Stalled in Congress.

PROMISE: Provide a 100 percent tax deduction for long-term-care insurance premiums. NO.

PROMISE: Provide an additional \$2,750 personal tax exemption to the caregiver for each elderly family member who has home care. NO.

PROMISE: Provide a tax credit of as much as \$2,000 a year for health insurance for families that make less than \$30,000 a year. NO.

PROMISE: Increase the budget for Community and Migrant Health Centers by \$3.6 billion over five years. NO. Funding has increased, but not at that level.

PROMISE: Strengthen the National Health Service Corps to put more physicians in the neediest areas, and make its scholarship funds tax-free. YES.

PROMISE: Establish the Healthy Communities Innovation Fund, to provide \$500 million in

grants over five years to target specific health risks, such as childhood diabetes. NO.

PROMISE: Double the National Institutes of Health's research budget. YES.

Immigration

PROMISE: Establish a six-month deadline for processing immigration applications. YES, with goal of full implementation by 2005.

PROMISE: Split the Immigration and Naturalization Service into two agencies: one to protect the border and interior, the other to deal with naturalization. YES. Both of the new agencies are within the Homeland Security Department.

PROMISE: Provide an additional \$500 million over five years to improve immigration services. YES. First installment of \$100 million signed into law Nov. 28.

PROMISE: Encourage family reunification by allowing spouses and minors of legal permanent residents to apply for visitor visas while their immigration applications are pending. NO.

Medicare

PROMISE: Guarantee that all senior citizens are entitled to keep the current benefits if they choose, instead of selecting alternatives offered as part of any reforms. YES. Included in the Medicare bill that Bush signed on Dec. 8, 2003.

PROMISE: Give seniors the option of selecting plans that better fit their health-care needs. YES.

PROMISE: Cover the full cost of health-insurance coverage, including prescription-drug coverage, for seniors with incomes at or below 135 percent of the poverty level. Cover some of the cost for seniors with incomes up to 175 percent of poverty. YES.

PROMISE: Pay at least 25 percent of premiums for prescription-drug coverage for all seniors. NO. There is a gap in coverage for costs between \$2,220 and \$5,100.

PROMISE: Cover all catastrophic Medicare expenses in excess of \$6,000 annually for all seniors. NO. The law lowered the threshold to \$5,100 but covers only 95 percent of expenses over that amount.

PROMISE: Establish a \$48 billion, four-year program to help states cover prescription-drug costs for seniors until Medicare is overhauled. NO. Abandoned in the face of congressional opposition.

Poverty

PROMISE: Establish Individual Development Accounts for low-income Americans. Give banks tax credits for matching up to \$300 in deposits by low-income customers. NO.

PROMISE: Establish the American Dream Down Payment Fund to give low-income families as much as \$1,500 in matching funds toward down payments for homes. YES. Signed Dec. 16, 2003.

Social Security

PROMISE: Reserve half of the projected surplus for strengthening Social Security. NO. Bush has postponed action in the face of congressional opposition. It remains a goal.

PROMISE: Guarantee current benefits for seniors at or near retirement. NO. Bush has postponed action in the face of congressional opposition. It remains a goal.

PROMISE: No increase in payroll taxes. YES.

PROMISE: Give workers the option of investing in private retirement accounts. NO. Bush has postponed action in the face of congressional opposition. It remains a goal.

PROMISE: Wall off the Social Security surplus from the rest of the budget by legislation. NO. Bush has not pushed for it.

Tax cuts

PROMISE: Cut current income tax rates. YES.

PROMISE: Change income tax from a five-rate to a four-rate structure: 10, 15, 25 and 33 percent. NO. Congress lowered the rates but rejected **Bush's** rate structure.

PROMISE: Double the child tax credit to \$1,000. YES.

PROMISE: Reduce the so-called "marriage penalty" by restoring the 10 percent deduction for two-earner families. YES.

PROMISE: Expand the child tax credit for both married and single parents so higher-income families can take advantage of it. NO.

PROMISE: Increase the annual contribution limit on education savings accounts, or Education IRAs, from \$500 to \$5,000 per child. NO. Congress increased the limit to \$2,000.

PROMISE: Grant a deduction for charitable contributions to taxpayers who do not itemize. NO. Stalled in Congress.

PROMISE: Extend the new charitable tax credit to corporations by making them eligible for a credit of 50 percent of the first \$1,000 donated to charities fighting poverty. NO. Stalled in Congress.

PROMISE: Make permanent the \$5,000 adoption tax credit, and provide \$1 billion over five years to increase the credit to \$7,500. YES. Credit increased to \$10,000.

PROMISE: Permit families to make charitable contributions from IRAs without being taxed on the withdrawal. NO. Stalled in Congress.

PROMISE: Raise the cap on corporate charitable deductions. NO. Stalled in Congress.

PROMISE: Eliminate the estate tax. YES. Will phase out and disappear in 2010, but will return a

year later unless Congress makes the elimination permanent.

PROMISE: Grant a complete tax exemption for prepaid or college tuition savings plans. YES.

Technology

PROMISE: Allow a dramatic increase in the number of H-1B visas for temporary high-skilled workers. YES. The annual cap increased from 115,000 to 195,000 after **Bush** took office, but dropped this year to 66,000. Demand for visas has fallen off with downturn in the technology sector.

PROMISE: Permanently extend the tax credit for research and development. NO. Blocked by Congress.

PROMISE: Continue the Internet tax moratorium for at least five years. NO.

PROMISE: Establish a President's Technology Export Council to oversee high-tech exports. NO. Stalled in Congress.

PROMISE: Establish more than 2,000 community technology centers providing free Internet access, computer literacy training and professional skills development. NO. Blocked by Congress.

Teen pregnancy

PROMISE: Provide at least \$135 million for abstinence education, equal to the amount for teen contraceptive programs. NO. Funding reduced by Congress.

PROMISE: Direct the General Accounting Office to study the effectiveness of pregnancyprevention programs. YES. But the study was conducted by Health and Human Services, not GAO.

Trade

PROMISE: Restore presidential authority to speed trade treaties through Congress. YES. Signed into law Aug. 6, 2002.

PROMISE: Tighten restrictions on military-technology exports and ease them on exports of civilian technologies. NO. Blocked by Congress.