

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

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TO THE CONGRESS OF THE UNITED STATES:

This continues to be a time of challenge for our country. We face an economic crisis that has left millions of our neighbors jobless, and a political crisis that has made things worse. Millions of Americans are looking for work. Across our country, families are doing their best just to scrape by -- giving up nights out with the family to save on gas or make the mortgage, or postponing retirement to send a child to college.

These men and women grew up with faith in an America where hard work and responsibility paid off. They believed in a country where everyone gets a fair shake and does their fair share; they believed that if you worked hard and played by the rules, you would be rewarded with a decent salary and good benefits. If you did the right thing, you could make it in America.

For decades now, Americans have watched that compact erode. They have seen the decks too often stacked against them. And they know that Washington has not always put their interests first. Too often, our Nation's capital has been consumed by partisanship. Too often, the needs of special interests or politics have been put ahead of what is best for the country.

That is what must change. The American people work hard to meet their responsibilities. Now, as the Nation faces an economy that is not growing and creating jobs as it should, so must its leaders. While the continued recovery of our economy will be driven by the businesses and workers across our land, policymakers in Washington can take steps to help Americans right now and set the most favorable conditions we can for growth and job creation for years to come. We can live within our means and invest for the future.

That is why last week I presented to the Congress and the American people the American Jobs Act, to provide a jolt to the economy and give companies confidence that if they invest and hire, there will be customers for their products and services. This jobs bill will put more people back to work and more money in the pockets of those who are working. It will create more jobs for construction workers, more jobs for teachers, more jobs for veterans, and more jobs for the long-term unemployed. It will provide a tax break for companies that hire new workers, and it will cut payroll taxes in half for every working American and every small business. It will create jobs for people to rebuild our aging infrastructure and repair and modernize at least 35,000 schools. Moreover, the proposals in the American Jobs Act are the kind of proposals that have been supported by Democrats and Republicans in the past.

I am committed to paying for this jobs bill. The Budget Control Act that I signed into law last month will cut annual Government spending by about \$1 trillion over the next 10 years. It also charges the Joint Select Committee on Deficit Reduction with finding an additional \$1.5 trillion in savings. As part of this jobs bill, I am asking the Congress to increase that amount so that it covers the full cost of the American Jobs Act. In addition, I believe that the Congress should seize the opportunity that this new Committee presents and do much more so that we can put the country on a sustainable fiscal path, which is critical for our long-term economic growth and competitiveness.

For this reason, I am sending to the Congress this detailed plan to pay for this jobs bill and realize more than \$3 trillion in net deficit reduction over the next 10 years. Combined with the approximately \$1 trillion in savings from the first part of the Budget Control Act, this would generate more than \$4 trillion in deficit reduction over the next decade. This would bring the Nation to the point where current spending is no longer adding to our debt and where our debt is no longer increasing as a share of our economy -- an important milestone on the way to restoring fiscal discipline and moving us toward balance.

This plan is a balanced one that asks everyone to do their part. It includes nearly \$580 billion in cuts and reforms to mandatory programs of which \$320 billion is savings from Federal health programs such as Medicare and Medicaid. These changes are necessary to maintain the promise of Medicare as we know it.

The plan also realizes more than \$1 trillion in savings over the next 10 years from our drawdowns in Afghanistan and Iraq. And the plan calls for the Congress to undertake comprehensive tax reform that lowers tax rates, closes loopholes, boosts job creation here at home, cuts the deficit by \$1.5 trillion, and observes the Buffett Rule -- that people making more than \$1 million a year should not pay a smaller share of their income in taxes than middle-class families pay.

To assist the Committee in its work, I also included specific tax loophole closers and measures to broaden the tax base. Together with the expiration of the high-income tax cuts from 2001 and 2003, these measures would be more than enough to reach this \$1.5 trillion target. They include cutting tax preferences for high-income households, eliminating tax breaks for oil and gas companies, closing the carried interest loophole for investment fund managers, and eliminating benefits for those who use corporate jets.

In sum, the plan I am sending to the Congress today is a blueprint for how we can reduce this deficit, pay down our debt, and pay for the American Jobs Act in the process. I have little doubt that some of these proposals will not be popular with those who benefit from these affected programs. And some of these changes are ones that we would not make if it were not for our fiscal situation. But we are all in this together, and all of us must contribute to getting our economy moving again and on a firm fiscal footing.

After all, we are all connected. No single individual built America on his or her own. We built it together. We have been, and always will be, "one Nation, under God, indivisible, with liberty and justice for all." We have always been a people with responsibilities to ourselves and with responsibilities to one another. This means that as Americans work hard to find a job, keep their businesses afloat and grow, and provide for their kids, their representatives in Washington must meet their responsibilities and make the tough choices needed to get our economy back on track.

This plan lives up to a simple idea: as a Nation, we can live within our means while still making the investments we need to prosper. It follows a balanced approach: asking everyone to do their part, so no one has to bear all the burden. And it says that everyone -- including millionaires and billionaires -- has to pay their fair share.

These may be tough times for our country, but I have a deep faith in the American spirit, and we are tougher than the times we live in and bigger than the politics we have recently seen. If we all put partisanship aside and roll up our sleeves, I have no doubt that we can meet the challenges of the moment and show the world once again why the United States of America remains the greatest country on Earth.

BARACK OBAMA

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September 19, 2011.

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