

THE WHITE HOUSE  
Office of the Press Secretary

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March 20, 2009

**Remarks of President Barack Obama - As Prepared for Delivery  
National Conference of State Legislatures  
Friday, March 20, 2009  
Washington, DC**

Over the past two days, I have been traveling in California, talking with Americans about the challenges they are facing as a result of this economic crisis. These are challenges that all of you know well. You are on the front lines of this recession. It's your states that are struggling with shrinking revenues, your budgets that are being cut, and your services that families turn to first in a moment of need. As a former state legislator, I know how difficult your work can be, and how important it is to have a strong partner in Washington. And I want you to know I'm committed to being that kind of partner.

That's why we are taking unprecedented steps not only to help your states make it through these difficult times, but to make sure you come out on the other side stronger and more prosperous than you were before. That's the purpose of the budget I am submitting to Congress. It's a budget that makes hard choices about where to save and where to spend. Because of the massive deficit we inherited and the cost of this financial crisis, we are going through our books line by line so that we can cut our deficit in half by the end of my first term and reduce it by \$2 trillion over the next decade.

But what we will not cut are investments that will lead to real growth and real prosperity. That's why our budget makes an historic commitment to comprehensive health care reform. That's why it enhances America's competitiveness by reducing our dependence on foreign oil and building a clean energy economy. And that's why it makes a down payment on a complete and competitive education for every American child from the cradle up through a career. In short, our budget will strengthen each of our fifty states for generations to come.

That is also the purpose of the Recovery Act I signed into law last month - a plan that will not only help states avoid painful budget cuts, but also make a meaningful difference in the lives of Americans across this country. Because of what we did, there will be teachers in the classroom and police on the beat who otherwise wouldn't be pursuing their essential missions. Because of what we did, neighborhood health clinics

are creating jobs and providing affordable care to those who need it. And because of what we did, 95 percent of hardworking families will receive a tax cut – a tax cut they will see in their paychecks beginning on April 1<sup>st</sup>. Altogether, we will create or save 3.5 million jobs – 90 percent of which will come in the private sector.

It is the most sweeping recovery plan in our nation's history, and with a plan of such size comes an obligation to be vigilant with every dime we spend. That will require holding ourselves more accountable. It will require a new level of transparency in how we invest taxpayer dollars. And it will require a new sense of responsibility here in Washington and in our states. That is a standard we have sought to uphold from the very beginning. That's why I asked Joe Biden to ensure that we are implementing our Recovery Act quickly, and implementing it well. That's why I've appointed a proven and aggressive Inspector General to help prevent waste and fraud before it happens and root it out when it does. That's why, on the very day I signed our Recovery Act into law, we launched a website called Recovery.gov – so that Americans can see where their tax dollars are going and make sure we are delivering results. And 46 states have launched their own websites – linked to recovery.gov – to help people keep track of how money is being spent down to the local level.

And today, as part of our continuing efforts to make government more accountable, we are taking the next step in implementing the Recovery Act. I am issuing a directive that will provide guidelines to federal agencies for what does and what does not constitute an acceptable use of taxpayer money; guidelines that will help ensure that we are proving ourselves worthy of the great trust the American people have placed in us.

That starts with a fundamental commitment. Decisions about how Recovery Act dollars are spent will be based on the merits. They will not be made as a way of doing favors for lobbyists. Any lobbyists who want to talk with a member of my administration about a particular Recovery Act project will have to submit their thoughts in writing, and we will post it on the internet for all to see. If any member of my administration does meet with a lobbyist about a Recovery Act project, every American will be able to go online and see what that meeting was all about. These are unprecedented restrictions that will help ensure that lobbyists do not stand in the way of our recovery.

This plan cannot and will not be an excuse for waste and abuse. Whenever a project comes up for review, we will ask a few simple questions: does it advance the core mission of the Recovery Act? Does it jumpstart job-creation? Does it lay the foundation for lasting prosperity?

The initiatives that will get priority will be ones that have demonstrated how they will meet this test; initiatives that maximize the number of jobs we are creating so we can get the most bang out of every taxpayer buck; and initiatives that help make health care

more affordable, rebuild our crumbling roads and bridges, or provide other enduring benefits to the American people.

Now, no plan is perfect. And I can't stand here and promise you that not one dollar will slip through the cracks. But what I can promise you is that we will do everything in our power to prevent that from happening – which is why we are building on the provisions in the Recovery Act to forbid the use of these funds to build things like dog parks. Let me be clear: I don't have anything against dog parks. What I do oppose is building them with funds from the Recovery Act – because that is not how we will jumpstart job creation and that is not how we will put our economy on a firmer footing for the future.

And because I'm not willing to ask all of you to do what I'm not willing to do myself, we are going to set an example here at the White House. Recently, a proposal was submitted requesting Recovery Act funds to modernize old electrical and heating systems in the East Wing of the White House. This is a much-needed project that is long overdue – and I hope Congress funds it in the future. But because this request does not meet the high standards I have set – because it will not create many jobs or advance our recovery – it will not be funded under the Recovery Act.

The rules I am putting in place today will help create a new culture of accountability. And I'm pleased that the U.S. Conference of Mayors has committed to joining us in this effort. I don't need to remind you that the American people are watching what we do. They need this plan to work. And they expect to see their hard-earned money spent efficiently. This extraordinary moment requires extraordinary responsibility on all our parts. There is little room for error – especially in a time of crisis.

During World War II, a largely unknown Senator grew concerned that waste, corruption, and scandal threatened to choke off our nation's war efforts before they'd truly begun. Congress didn't think a whole lot of the matter and granted him far less money than he asked for. But Harry Truman had the courage of his convictions so he traveled across the country gathering information, holding hundreds of hearings, and issuing dozens of reports. And when it was all over, he had saved billions of dollars, deterred corruption, and bolstered America's confidence in the conduct of the war.

What Harry Truman understood was that spending tax dollars wisely isn't just about keeping our books straight, it's about fulfilling our obligation as keepers of the public trust. And while I do not know how long the road to recovery will be, I do know that if we act with the same sense of responsibility that Harry Truman showed all those years ago; and if we build a partnership that stretches from the State House to the White House; then will turn this economy around, and the American people will emerge from this crisis stronger than we were before. Thank you.

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