

THE ECONOMY

The President's 2008 Budget is committed to pursuing pro-growth policies to sustain economic prosperity for all Americans by:

- Making the tax relief permanent;
- Spending taxpayer dollars responsibly;
- Accelerating scientific progress with the American Competitiveness Initiative;
- Opening new markets;
- Making health care fairer, more affordable, more accessible and flexible;
- Promoting diversified energy sources and using alternative fuel; and
- Investing in education.

- **Making the tax relief permanent:** The President's tax relief reduced taxes for every American who pays income taxes. To keep our economy growing the tax relief should be made permanent.
 - Since the President's tax relief took effect:
 - Business investment increased dramatically;
 - Millions of jobs have been created; and
 - Average wages for American workers have risen.
- **Spending taxpayer dollars responsibly:** Balances the budget through pro-growth policies and spending restraint and enact common-sense reforms to help prevent billions of taxpayer dollars from being spent on unnecessary earmarks. Expands program integrity activities with proven track records for reducing improper payments and eliminating other forms of waste.
- **Reform entitlement programs to address the longer-term fiscal challenge facing our country:** Reforming entitlement programs such as Social Security, Medicare, and Medicaid will spare future generations from huge tax increases, and make these programs permanently sound.
- **Accelerating scientific progress with the American Competitiveness Initiative:** Increases funding for the American Competitiveness Initiative and stays on track to double critical basic research in the physical sciences over ten years to help keep America the most innovative and competitive economy in the world. Over 10 years, the ACI proposed an increase of nearly \$50 billion in innovation-enabling research in the National Science Foundation, the Department of Energy, and the Department of Commerce's National Institute of Standards and Technology.
- **Opening new markets:** Expands opportunities for American workers and helps impoverished nations by eliminating barriers to U.S. products and developing free trade.
- **Making health care fairer, more affordable, more accessible and flexible:** Makes health care available and affordable through the President's proposed standard deduction for health insurance and the Affordable Choices Initiative for States.

- **Promoting diversified energy sources and using alternative fuel:** The President's Twenty in Ten Plan increases and expands the current renewable fuels standard of 7.5 billion gallons in 2012 to a new alternative fuel standard of 35 billion gallons, requiring renewable and alternative fuels in 2017. Combined with the Administration's proposal to improve and reform Corporate Average Fuel Economy (CAFE) standards, the President's plan will reduce our projected domestic gasoline consumption by 20 percent in 2017, and help reduce our projected gasoline-related greenhouse gas emissions by as much as 170 million metric tons.
- **Investing in education:** Builds upon the successes of No Child Left Behind, ensuring that parents and students have opportunities to select higher performing schools and help make college more affordable by providing additional grant aid to the students who need it most.