Thank you very much, I appreciate very much your kind introduction and thank you for letting me come and speak to you today via satellite. I don't know if you read the newspaper but Saturday was my mother's surprise birthday, today's my Dad's birthday and I hope you all appreciate me being here to be able to appreciate me being in Maine to be able to congratulate them on their 75th and 76th birthday respectively so thanks for letting me come. Mr. Mayor, I appreciate your leadership as the president of this conference. I understand, and as you mentioned the need for me to be in touch with Mayors. I am a lot in Texas and I know that every mayor has a really tough job to do. I remember something Lyndon Johnson used to say whenever the burdens of the presidency seemed difficult to bear he found comfort in the thinking..."Well, at least I'm not a mayor". Some of the boldest reforms though in America today are coming from Mayors and other local officials. In a national movement which is crossing old lines of region and party I'm very aware of the fact that you're solving problems that many thought once hopeless. Chicago and Milwaukee, Mayors Daley and Norquist are leading the way in education reform and I'm aware of that. In New York and New Orleans and I know Mayor Morial's on the dias there, he and Mayor Giulliani have brought down crime rates. Entrepreneurial mayors in Indianapolis and Philadelphia have dramatically increased the quality of city services. And I'm very aware of, Mr. Mayor, as a result of my travels around the country that places like Pittsburgh, Cleveland and many other cities have seen a renaissance in their neighborhoods in downtowns. As you mentioned Mr. Mayor, I'm aware that mayors are at the helm of what's called metro economies, a part of today's nation's economic growth. These are just a few examples of what strong leadership and a spirit of cooperation can do for a city and for our country. And that's the spirit I want to take to Washington DC. As Governor, I've worked with Mayors in my state. As you mentioned, as candidate I've appointed Mayor Steve Goldsmith as a top domestic advisor and as President I will rely upon Mayors across America for good ideas and insight. I pledge to work with you to improve the quality of life in all our cities. This work begins with education, which is a constant focus of my campaign. I believe education is a local responsibility. In the details of policy, it should be left to local officials who
answer directly to parents. The theory here is pretty simple, those who know your name are more likely to know your needs. Washington must be humble enough to stay out of the day to day operation of local schools, it must be wise enough to get States and school districts more authority and freedom, and it must be strong enough to require proven performance in return. We spend federal money we must see results especially when it comes to disadvantaged children.

I came into office in Texas in 1995 pledging to make public schools the number one priority of Texas and to reform more schools. And we’ve made good on that promise. We re-wrote the Texas education code for the first time in 50 years, stressed the basics, ended social promotion, restored discipline, and strengthened accountability in our schools. I’m especially proud that the performance of minority students in my State is improving at one of the fastest rates in the country. African American Texas fourth graders have better math skills than any where else in America and out eighth graders have some of the best writing skills of any state. I make this same pledge in the presidential campaign, I will work to close the achievement gap that persists in some of America's schools. To reach this goal, part of my education agenda will be to reform Title One programs, under my reforms all students must be tested, results will be posted by school on the internet and low performing school will have three years to get results to meet standards, to make sure no child gets left behind. Or something must happen or parents will get the resources directly, that school will improve or there will be alternatives for the parents. But for every failing school there must be a moment of truth. You see and for every parent a moment of choice and for every child in this country a second chance. Entry into a life of real learning and high standards. Too many of our children today cannot read and you all know this. In our nation's poorest schools almost 70% of the fourth graders cannot understand a simple children's book. This leaves a divided society and whatever the cost the effect is discrimination, the soft bigotry of low expectations. We must make sure that every child learns to read as early as possible. I propose a new program called Reading First aimed at the national goal of teaching every child to read. We'll commit five million dollars for diagnostic testing to identify early reading problems and we'll train teachers in research base methods including phonics and we'll have intervention programs to help problem readers. You see, Mr. Mayor, every child must learn, cause there is no second rate children in America and there are no second rate dreams.

Secondly, I've proposed a new prosperity initiative, a plan that will help move America toward home ownership. To meet this goal we will allow low income families to use up to a year's worth of section 8 rental payments to make a down payment on there very own home and they will continue receiving housing support for 5 years as they build home equity and financial security. We will give extra help in the form of matching grants of up to $1500 to help families make down payments and meet the closing cost on there new homes. Today, low income housing credits, as you all know, help with rental housing. We need
a similar program to increase the supply of affordable single family housing. So I have proposed a tax credit for project cost of redevelopment and new housing in struggling neighborhoods in our cities. And last through individual development accounts or what's known as IDA's banks will receive tax credits for matching the savings of low income citizens of up to $300. Now all these programs are aimed at improving city life by encouraging home ownership and more savings and more freedom.

Thirdly, our cities must be safer places to people to raise their families. We must vigorously enforce current gun laws with aggressive prosecution and strategies like project Exile in Richmond or Texas Exile in my own state. As president I will commit a 150 million dollars to project century, a federal-state partnership to enforce juvenile gun laws. I will seek legislation to raise the age for juvenile possession of a handgun from 18 to 21 and pose a lifetime ban on gun ownership for serious juvenile offenders and sign legislation requiring safety locks for children. In my state we've had project Safe Child, a program to provide trigger locks for all existing guns free of charge. As President I'm going to take this idea to the national level to reduce the risk that guns pose to our children.

On illegal drugs our society must send a clear and consistent message that drug abuse is dangerous and wrong. I'll support drug and alcohol treatment programs that work. I'll encourage faith based programs that become an integral part of the battle to fight addiction. At every level I believe government should view programs that change hearts not as rivals but as partners in the work of neighborhood renewal.

As Governor of a border state I also know the problems associated with international drug trafficking. I'll work for better coordination of federal efforts along the border, in particular the southwest border. I'll direct US attorneys to prosecute all large drug cases and provide 50 million dollars a year to reinforce border counties that prosecute federal drug referrals.

Forthfully, Mayors across America are facing environmental issues and problems that come with growth and development. As President I will help you meet these challenges, not with commands from Washington but with cooperation. Brownfields are a serious environmental problem as all you all well know. Many of these eyesores are located in urban areas with high poverty rates and high crime and high unemployment. Current law makes clean up so expensive and complicated that these neighborhoods are often left with nothing, no new businesses, no new jobs, and the same old contamination. I will work with congress to reform laws affecting Brownfield clean up. Good public policy should encourage developers to purchase and clean up Brownfields rather than leaving the land contaminated and unused. I will direct the EPA to set clear standards for redevelopment, allow states and cities the flexibility in meeting those standards and provide federal liability protection for those who redevelop.
Brownfields under these standards. You see Mr. Mayor it's time to move beyond the old system of mandate, regulate and litigate and that's what I'm going to do when I become your President.

To protect natural resources, farm land and open spaces my administration will fully fund a 900 million dollar land and water conservation fund requiring that half of that go to state and local conservation efforts.

I will seek to eliminate the death tax that has caused many family farms on the outskirts of your cities to sell prematurely. You see Washington can help cities, most by sparing them from needless and unfunded mandates. There has been progress on this front under the leadership of my good friend Victor Ashe. The Conference of Mayors persuaded Congress to pass unfunded mandate reform, now its harder for Washington to impose new demands on cities without providing the means to meet them. My view is that the federal government should not be your rival but your partner in promoting smart growth and regional cooperation.

Finally, I want America's Mayors to know that if I'm fortunate enough to become the President I will bring a new spirit of cooperation to Washington DC. As we look to City Halls and State Houses across the country we see public officials working together in a spirit of fair dealing and bi-partisanship to do the publics business. I believe public service is a honorable calling and I appreciate you all's service. And there are many now serving in Washington who view it that way. But in today's environment, their voices are easily drowned out in the den of battle. Unfortunately, the agenda is determined and the tone set by the loud, the aggressive and the contentious. This should not be the spirit of Washington. This is no way to encourage good people to serve and no way to build a legacy of accomplishment. I recognize none of us can control how others will conduct themselves but each of us can control our own actions and our own words. As President, I will do everything I can to restore civility to national politics. I will promote a respect for honest differences and a decent regard for one another. There is much we can do for our country and its time for leadership that will reach across the political lines to find bipartisan solutions to the nations problems. That is what I'll do from the first hour of the first day.

Once again, I appreciate you all giving me the chance to come and visit with you and now I'll be glad to answer a few questions.

Questions and Answers:

**Mayor Webb:** Governor Bush there will be 4 questions, I'll ask the first one and then I'll turn it over to our outstanding Vice President Brent Coles of Boise Idaho. Let me just share with you that many of us as Mayors have great relationships with our Governors and some of us as Mayors have relationships with Governors that could be a lot better than what it is.
Governor Bush: I hope that's not the case in Texas. (Laughter)

Webb: Given the fact that you are a Governor can you speak to what steps you would specifically include in having mayors part of drafting your platform, being part of your transition, being part of your administration if elected and would you consider or philosophically feel that programs like child health insurance program where the money stops at the State level and sometimes ends up being a huge surplus where it doesn't go down to the local level where some of that money could go to then local level and then if not utilized be returned to the State. Could you share with us your feelings on those subjects?

Bush: Well, I appreciate that Mr. Mayor and I appreciate that underneath the surface of your question is a little bit of optimism which I'm greatful for, particularly when it comes to weather or not I'll include Mayors in my cabinet. I've got a lot of friends who are Mayors around the country, many democrat mayors in my state I call friend and I will listen because I truly believe, Mr. Mayor, that the best politics is that closest to the people. That's one of the reasons why I call myself conservative, I believe that power sharing at the local level will mean government is much more responsive. You mentioned an interesting idea in CHIPs, in my state in Texas, that's the children's health insurance program were just beginning to implement it. I'm willing and open minded to make sure that we do a better job of signing up more of the uninsured children in Texas and if that requires a cooperative effort with the city or a power sharing with the city I'd be open minded to work with a Mayor Brown or a Mayor Kirk for example. I do trust local folks, in terms of Washington DC I believe as we go into the 21st Century that the idea of empowering individuals or making Government as close to the people as possible particularly as a result of the whole ability to move information around on the internet is going to be much more feasible. One of the places where I think Mayors are going to set the pace, Mayor Webb, is where it comes to how to use the internet for direct response to the consumers we serve. one of the things I know that Mayors are beginning to put use of the internet for is the ability to communicate directly with the consumer. I think the federal government needs to take lessons from local jurisdictions who are using the internet better. In other words, my point to you is the whole attitude is going to be to localize government. Same with education, you've heard me talk about education, I don't mean to be kind of moving off the question but there is the same attitude and that is how do we trust the consumers, how do we focus on every child. See the system today is so process driven weather it be in dealing with customers for the federal government or children in schools that we ask the wrong questions. We ask the question in education, How old are you? Oh, your 10, we'll put you here and if your 12 your here and Mr. Mayor let me tell you who gets just shuffled through the system with that kind of attitude...You know it and I know it. There are kids who I've in the inner cities or children whose parents may not have English as a first language we need to start asking the question, How do we view you as a individual? How do we judge you? What do you know and if
your don’t know what your supposed to know we’ll make sure you do before its too late. It’s a new attitude Mr. Mayor and that’s what I intend to bring to Washington.

**Mayor Coles:** Governor Bush this is Brent Coles, Vice President of the US Conference of Mayors and Mayor of Boise Idaho

**Bush:** I’ve heard of you (Laughter)

**Coles:** We invite you to come out soon Governor

**Bush:** Thank you

**Coles:** We appreciate the themes that you have touched on so far and they are the themes that are important to the Mayors of this nation. Rita Mullins, Mayor of Palatine IL has a question that she would like to ask likewise a important issue that reflects the interests of the mayors of this nation.

**Mayor Mullins:** Yes, Governor Bush I know that you are aware of how important sales tax is to the state budget but are you aware of how important it is to the cities of American that use that sales tax to provide services such as fire, police, water sewer and roads and to reduce property tax. What are your thoughts on leveling the playing field between the brick and mortar businesses and the e-business with regards to collection of that existing sales tax on the internet?

**Bush:** Mayor thank you very much, I'm very aware of how important the sales tax is to the state of Texas, I also mentioned Mayor Kirk of Dallas, he's quite outspoken on the subject, he's made a lot of us in Texas aware of how important the sales tax is to local jurisdictions and I knew that all along. My attitude, Madam Mayor is that I think its important for us to put a moratorem on any policy whatsoever out of congress on e-commerce for 3 to 5 years make sure before any decision is made we fully understand where the world is developing. I think it makes sense to take our time, to fully understand the nature of e-commerce and how its effecting states and local jurisdictions so I support the moretoreum now in place.

**Coles:** Thank you Governor, I also ask Mayor Beverly O'Neill of Long Beach California, She has a question for you.

**Mayor O'Neill:** Hello Governor Bush, we are glad you are here with us today, Thank you very much.

**Bush:** Thanks

**O'Neill:** I'm Beverly O'Neill, Mayor of Long Beach California. I'm also Chair of the jobs, education and workforce committee for the conference of Mayors. We as
Mayors consider the investment in our people our highest priority. The question I have for you is related to the new 10 point program, the new agenda for American cities that he Conference of Mayors developed. And this one is regarding the work force development and how we can work, how you can work with Mayors to build a stronger workforce for our future economy. Governor Bush if you are elected President, what are your plans to invest in the people and the families of America to reduce the quality the growing skills gap to link workers to jobs and to help move people from welfare to work?

Bush: Madam Mayor, Thank you very much for that. I want to harken back to what I said earlier and you know this and every body in the room knows it that job training starts with making sure every child gets educated. I worry about the gap of hope in America and I worry about people saying "The American Experience, the American Dream is not available for me" I think the best way to close the gap of hope and the digital divide that is confronting first and foremost California is to make sure that the public schools meet the challenge of the 21st Century. I believe strongly in accountability. Mayors should respect accountability, of all the elected officials you are held more accountable than probably any other elected official since your so close to the people. The corner stone for public education reform is to measure is to insist upon accountability. that's why when I'm the President I'm going to say to a school in Long Beach California if you receive help on any program, particularly the Title one programs you need to measure and you need to show us weather or not children are learning. Cause you see, I start with the premise that every child can learn and if not there needs to be other options. One of the things I'm so hopeful about is the charter school movement in America cause I believe that it provides outlets for educational entreprenuers. And I know in your state of California Madam mayor, your beginning to get Charter schools flourishing throughout California and this is constructive good news. I've seen what happens when we set high expectations and have strong accountability systems. Children will learn, the so called at risk child will become a child who is employable, ready for college and ready to learn so step one is a good public education system. Step two is that it's important to understand that when it comes to spending money for job training that the market place moves a lot quicker than labor training. In other words that the market moves quickly and we have to recognize that when it comes to job training programs. But job training programs cannot be universal in application. In other words we can't just have a one size fits all, your going out of your way, Madam Mayor to take advantage of the assets in place in your viable city. Which means you'll be attracting perhaps a different job than somebody out of Midland Texas will be in which case the job training money that comes to the states needs to be with maximum flexibility which really relates to Mayor Webb's initial question is will the President be willing to work with Mayors to provide flexibility on programs so they can be tailored to meet your specific needs. And the answer is it must be. In my state of Texas we had what's called job work programs, job training programs that were decentralized to meet the specific needs of the city all around Texas.
We need to do the same thing in America so you can do, combine job recruitment, job expansion, with job training. So there's to good ideas there.

Coles: Governor, Thank you, Brent Coles again, We can tell from your comments from your speech, from your responses that you've been listening to the mayors of America and likewise we want to wish a Happy Birthday to your Mother and your Father. Both your mother and father have been to Boise Idaho so we hope you'll get there soon. Likewise as you can tell from the questions and from your input already from the opportunity to have a mayor on your policy team. Very important to us is access to the Oval Office, access to the White House, access to the next President of the United States, so Governor if your successful in this endeavor we'd ask you this question. Would we have that kind of access, would we be in the oval office, would we be not only a part of your administration but as the US Conference of Mayors would we be there meeting with you as the issues come up as we guide this nation forward.

Bush: Well, Brent of course, I'm a good listener. I understand that there is a lot of folks that may not be supportive of my canidacy at the Mayors Conference and that's OK. That's what politics is all about, what Americas all about but I think if you ask the Mayors from Texas you'll find that I'm an open minded person. I'm interested in ideas more than anything else. I'm willing to share credit. I believe that there is some great ideas that come from the local level and that's what I want to do. I'm running for the right reason Brent, I want to improve America. I've got a pretty darn good job the way it is as far as I'm concerned. But I'm on a mission and the mission is to make sure the 21st Century is as hopeful as it can possibly be for every person and I mean every person. As for you personally Mr. Mayor you are welcome to come to the White House to visit so long as don't lift any of the silverware.

Thank you all for having me and God Bless.