iTownHall November 14, 2007 Transcript has been edited for clarity and grammar

SUSAN: Good Evening and welcome to Senator Mike Crapo's live telephone town hall conference call. This is Susan Wheeler, Senator Crapo's Communications Director; I will be your host this evening. Thank you for joining us tonight, and we hope that you will find this call informative and useful. For those of you who are wondering if you are connected, you are. In order to allow everyone to hear, you are in listen-only mode. In other words you can hear me, but I cannot hear you.

This is a new technology, and we are trying it out this evening for the first time. This telephone town hall format provides Senator Crapo with another means to efficiently communicate with Idahoans when votes in Washington, D.C., or other scheduling conflicts prevent him from hosting regular town hall meetings back home. It's always useful to find ways to make technology work in ways that let Idahoans communicate directly with their representatives in Washington, D.C., and we are hoping that this technology will give you that opportunity and you will enjoy this program tonight.

As this is a live question-and-answer session with Senator Crapo, in a few minutes you will have the opportunity to speak to the Senator directly. In order to actively participate in tonight's call, that means if you want to ask a question, please press star 3 on your telephone keypad. Then you will be transferred to one of our staff members, who will ask for your name and question. Also, if you would like to simply leave a comment or have an issue that you need help with, you can also press star 3, and a member of our office staff will assist you momentarily. So, if you would like to ask a question, press star 3 and that will put you into one of our staff members who will visit with you briefly before putting you into the question and answer queue.

I also want to remind you that if you ever need to contact Senator Crapo you can do so by calling one of the seven state offices that he maintains in Idaho. The phone numbers for each of those offices are located on the Senator's webpage at http://crapo.senate.gov. You may also call the Washington, DC office at (202) 224-6142 and at the Senator's website you can also sign up for his monthly e-newsletter.

Senator Crapo is now waiting to hear from you, and they tell me the phone lines are open, so, if you are interested in asking a question, press star three and you will be transferred into the question queue and with that let's welcome Senator Crapo to the telephone town hall meeting.

Mike, good evening. Thanks for taking time out of your busy schedule to host this call this evening. You probably want to start with some opening remarks.

MIKE: Well, thank you very much, Susan, and welcome to all of our friends in Idaho who are joining us for our first telephone town hall meeting. This is a new experience for us; I'm sure a new one for you and we hope a very successful one. We hope it gives us an opportunity to have a good hour-long visit here and give me a chance to answer your questions and to discuss issues of the day with you. As we usually do in town hall meetings, I will make four or five minutes of comments, and then go to questions from listeners. I will take questions for as long as we have in the program.

I'd like to just talk a little about my perspective of what's happening in Congress right now. We are coming toward the close of the first year of this new Congress. As everyone knows, in the election last November, the control of Congress, both the House and the Senate, changed from Republican to Democrat control. And we are now all learning a new dynamic as the Democrats are managing the Congress with the Presidency still in control of the Republicans, George Bush. The dynamic has been, frankly, a difficult one. We have seen very big difficulties in the past couple of Congresses as the balance between Republicans and Democrats has been so close that neither party has been able to dominate. I actually think that that's probably in many ways a healthy thing. But what we are seeing is that huge pressures are being generated right now on both the spending and the taxing side.

Let me just briefly explain that and then we'll throw it open for questions. On the spending side, the United States government spends almost \$3 trillion every year. Of that, about two-thirds goes to entitlement programs, which are primarily Medicare, Medicaid, and Social Security. Those programs are what I often call mandatory spending, or spending that is on autopilot. What I mean by that is that spending, nearly two-thirds of our budget, goes on regardless of whether Congress ever votes again on it or not. Previous Congresses and Presidents have voted on it and had it signed it into law; it just goes on and on regardless of the economy, regardless of any other dynamics, or whether the revenue to the Treasury is adequate. It poses a huge problem because it is growing and that spending is growing at rates two, three, and sometimes even four times the rate of the growth of the economy. It is creating great spending pressures on Congress.

The other one-third of the budget, the discretionary part of the budget, is made up about one-half by defense spending and the other half is all of the other parts of government other than the entitlement programs and the other defense spending. It is that part of the budget, the defense budget and the other non-entitlement parts of the budget, that Congress votes on every year.

So far this year, we have not successfully made it through that much of the budget because the bills that have made it to the floor and have made it through to the President have exceeded the budget that we have established for ourselves by billions of dollars. The President has said that he will veto any of them that come in over budget, and we are really looking at virtually a stalemate in Congress right now as bills are either filibustered for being too big on spending or vetoed by the President and the President's veto is being upheld. So Congress is really facing a year-end crunch in trying to get the budget put together because we can't agree on the level of spending.

The last thing before we throw it open for questions is that, on the taxing side, we have a very new dynamic. Most people are probably starting to learn what the Alternative Minimum Tax is. It was a tax that was started in 1969 to hit just a 155 people who were extremely wealthy, but who, because of loopholes in the tax code, were able to pay legally no income taxes. The problem is that it was not indexed and, over the last 30 to 40 years, it has grown in such a way that it is now increasingly impacting people squarely in the middle class and is hitting them with very huge tax bills. In fact, the impact on the middle class this year is about \$55 billion; next year, about \$85 billion; and the year after that, over \$100 billion. And so many of us, myself, included, believe we should eliminate the Alternative Minimum Tax, or at least change it so that it truly does as it was originally intended--hit only those who are extremely wealthy. The problem is that under the new rules that were adopted in this Congress any kind of a tax relief bill has to be paid for by some kind of other tax increase. So, as we try to stop the Alternative Minimum Tax, we are seeing multitudes of tax increase proposals come down the line. And it literally is a circumstance in which we are facing the potential of hundreds of billions of dollars of tax increases just to stop the Alternative Minimum Tax from slamming the middle class.

We've got some very difficult battles here, both on the spending and on the taxing side as well as a number other interesting and important issues that we can talk about from health care, to the Farm Bill to the Endangered Species Act, and environmental concerns and the like. So why don't I stop there and let's go to the first question.

SUSAN: Oh, you hit one of those squarely on the head. We're going to start with Nancy, in Boise, who has a question about Health Care. Nancy, go ahead. Nancy.

NANCY: Hello

MIKE: Hello Nancy, go ahead with your question.

NANCY: I was wondering if you had any specific answers to how our country can fund or help people with insurance, health insurance specifically?

MIKE: Very definitely. I will answer that question specifically and I think more generally you are asking, how can we make health care more affordable in this country so that everyone can gain access to it. And we can do that. To answer your question, let me first start by saying that we have, in my opinion, a broken health care system at the federal level. And by that what I mean is, for years there has been a battle in Washington over what kind of a health care delivery system we should have. There are those who believe we should have basically government-provided or government-run health care, a more socialized medical system like other nations have tried. And then there are many, and I'm on this side, who believe that we should have a free-market health care delivery system and rely on markets to help us control health care costs and delivery systems.

But the problem is neither of those two competing philosophies about how we should develop our health care in this country has been able to prevail and what we have ended up with is a really a bad mixture of both that probably does worse than either one would have been in its pure form. And I believe a couple of principles need to be very carefully focused on. First of all as I have said, I believe that a socialized medical system will result in lower care, higher costs and rationing of medical care in ways that Americans shouldn't have to face and don't want. I believe a free-market delivery system is the best way to go.

But our approach must have as its objective that every American be insured and there are ways to do that. One way, which I have been working on legislation to do is to provide support to Americans who are financially in a circumstance where they can't get access to health care through our tax code. The proposal that has been discussed by many would provide that those who are uninsured, or frankly, everyone, would be able to get a tax credit or tax deduction in sufficient amount to enable them to have essentially tax relief in an amount that would be sufficient to allow them to purchase a health care policy. The belief is that it would actually reduce a lot of the pressure on the federal treasury and that that tax

relief would be very beneficial to the federal government as well as to individuals who could then participate in a market decision of their own to buy their own insurance.

For those who are not able financially even at that level to obtain their insurance there has to be a safety net. But one way or another we will end up paying for the health care costs even of those who are uninsured, but those who are uninsured will get a much lower level of quality and timeliness for their medicine, for their medical care, and the cost of it will be higher. So I believe everyone will benefit if we can obtain a system or reach a system that will enable us to provide insurance or allow access for insurance for every American.

SUSAN: I'm going to jump in here with a little reminder for the folks who are joining the call a little bit later that this is a live question-and-answer session with Senator Mike Crapo and you have the opportunity to speak directly with the Senator. If you have a question that you'd like to ask him, please press star three on your telephone key pad and you will be transferred to one of our staff members, who will ask for your name and your question. That will put you in to the question queue. And we're going try to get to as many of these questions as we can. Our next question is from Heidi in Idaho Falls. Heidi, you have a question for Senator Crapo.

HEIDI: Yes, I do. How do you feel about the Iraqi War and in specific about it, how do you feel about the stop-loss policy that's been placed on our soldiers?

MIKE: Well, first and foremost, let me say that I support the President and supported him at the outset and still support the President in the war in Iraq and in his decision to fight there. I know that there is a high level of concern in our nation about whether the war in Iraq was the correct move to defend our nation properly. I continue to believe that it was. When the war started, I believe that the people of America understood that this was not going to be one of those two-week wars that you watch on CNN and that it was then going to end. In fact, it's been said by many of those who are experts on terrorism that this is going to be a generational war, not just in Iraq. But a battle against extremists and terrorists will be something that we fight in one context or another for many, many years. It's unfortunate to have to acknowledge that but it seems to be a reality of our current political situation.

That being said, I do not believe that the United States should essentially be in a permanent occupying position in Iraq. I do not believe that we should let the situation there deteriorate into a situation where we have to have a permanent military presence to maintain order and protect our interests. And I don't believe that that will ultimately be necessary. With regard to the President's decisions to our troop's management, again I continue to support him there. The objective that I think we must have is to make sure that the men and women of our fighting forces, even though they are called upon to go to Iraq, do not have to have repeated and successive missions there that are in excess of what is determined by our military leadership in the Pentagon to be the proper spacing of those kinds of missions. We have many, many difficulties in that context that we have to continue to face.

The one last thing that I would say is that. as we deal with this issue, one concern that I've had over a number of years now as the war has gone on, is that I don't believe we have allowed our men and women in our fighting forces to have the rules of engagement that will enable them to adequately fight the war and defend our nation. I believe that the United States should commit our men and women in harms way and into battle only when our national security requires it, and that if we determine that our national security requires it and we send our men and women into harm's way, we should allow them and we should provide them every resource to win. And I've been concerned that, to some extent, because of political dynamics in the country and otherwise, that we haven't given our troops the proper rules of engagement to successfully pursue their objectives in Iraq. I'm hopeful that we're moving closer to that and essentially giving them the support that we should as a nation to do their job and get it done properly.

SUSAN: OK, we're going to move to a question from Salmon. Stan, you have a question for Senator Crapo, go ahead.

STAN: Yes, with the healthy forest initiative, the amount of red and dead forest that we have on our forest fires in Southern California. do you see any move to allow for better management to reduce the threat of wild fires from our federal lands?

MIKE: Well, Stan, I wish that I could answer your question with a strong affirmative yes. But I have to answer it in a qualified way. On Capitol Hill in the congressional level, as you know I was the Senate sponsor of the Healthy Forest initiative a few years back, which we barely got past the filibuster in the Senate at that time. That was just a first step in terms of giving our resource agencies the necessary authorities to better manage forest fires and protect us as they manage. In those areas where the Healthy Forest Act has been able to be initiated and utilized it has worked and it has proven that we can manage well without harming the environment or losing the heritage that we have in our wonderful forests. The problem is that it was very limited in scope. And that was because we didn't have the political votes to do a more broadly-based bill. We still don't have the votes in Congress to give broader-based authority right now than the Healthy Forest Act that we passed a few years ago.

So, at the congressional level, I'm sorry to say that I don't think we have the votes in Congress to go further than we did with the Healthy Forest Act. That being said, the agency officials in the Forest Service, the BLM and others are working very hard at the administrative level to use the current authorities that they have to improve and strengthen their forest-fighting policies, practices and abilities. And they will, I think, make improvements as they can but the extent to which they make those improvements will be limited until Congress can once again get the courage and the political will to step forward and expand and extend further those kinds of authorities that we had in the Healthy Forest Act that we passed, like I said, several years ago. So I'm sorry that I can't give you a better picture of that, but that is the most accurate picture to answer your question.

SUSAN: Well, I see we have several questions on energy and fuel costs. So let's go to Ivell in Teton. You have a question/

IVELL: Yes, hi, Senator Crapo. What are we going to do about the rising fuel costs, and what are we going to do to help the people be able to afford the heating for their homes?

MIKE: Well, let me answer the question in reverse order because I can answer the second part of your question a little more quickly. There is federal support for the people who are in lower income categories and, in particular, people who face high rising heating costs as this winter comes. And every year (although I haven't seen it yet this year), but, as we deal with these issues in Congress, there is a very strong push to make sure that although the resources are never as fully available as they should be, that we have as strong and as adequate a support system in place for people who literally will not be able to obtain heat in the cold winter months. And that safety net program is, like I say, not a perfect safety net. But there is a safety net that Congress does provide for heating assistance.

The broader question that you ask, though, is what can we do to control and deal with the rising costs of fuel. On that front, there are many things that we can do. We have started doing some of them. We should have started on this to develop a national energy policy a decade ago. But, as is the case of some of the other issues I have talked about tonight, Congress has been of two minds about how we should approach the issue. While Congress has debated, it has been unable to move forward aggressively the issue and the circumstances have gotten worse. Probably what we need to do as a nation is to demand of our political leadership is that we become less dependent upon petroleum as our major source of fuel, that we become less dependent on foreign sources of petroleum as we transition to a more balanced energy portfolio.

I like to analogize it to an investment portfolio. People don't, not very many people, invest all of their money in one stock or in one place. They are prudently taught to diversify their investments. Yet our energy reliance is almost totally on petroleum. As we move into other arenas, and we should do so aggressively, we can expand our utilization of nuclear power, of alternative and renewable fuels. That's one of the reasons I'm a big supporter of the ethanol, which we can utilize and bio-fuels and other things like that, wind and solar, and we can't forget conservation. We must remember that every gallon of fuel or amount of energy that we save is one that we have not consumed from the limited supply that we have here on the Earth.

And so as we look at a national energy policy, again, we need to move into one in which we develop and utilize in a prudent way our petroleum resources so we're not so dependent upon foreign countries for our petroleum and that we then have a transition away from such a heavy dependence on the petroleum and move into these other arenas, while we also have a strong conservation ethic in the country. It will take time for us to do that. And while that's happening, we're going to continue to see these high fuel prices. But those are the kinds of things that we can do and must do in order to maintain control over the rising fuel costs that our nation faces.

SUSAN: Senator, as I'm looking at the queue of questions, it just keeps getting longer, so I just wanted to remind folks that we do only have an hour for this program. We're going to try to get to as many questions as we can, and so if you keep your questions short that will give Senator Crapo some additional time to address the questions. But at the end of the program, at the end of the hour, anyone who's still on the line will have an opportunity to leave a voicemail for Senator Crapo. So if we don't get to your question, you're still welcome to leave your opinion and we'll be able to get that. I see that we have several questions dealing with immigration, so let's go to Keith in Idaho Falls. You have a question about immigration.

MIKE: Yes, Keith, are you there?

KEITH: I am here. My question is I've heard some reports on the radio of Mexican soldiers crossing our border and I wanted to know what Congress was doing about illegal immigration and controlling the border?

MIKE: Well, there are reports of Mexican troops crossing the border, and I believe and hope that those are limited. In other words, that those are not extensive occurrences, and our government working with the Mexican government is making sure that that kind of intrusion on our border is not tolerated and is kept under control. And I'm confident that we will be able to resolve that part of the issue very effectively and we should and will do so strongly.

With regard to border control, that is the one piece of the immigration issue in the country that there is almost unanimous agreement to. No matter where a person ends up on the political spectrum on the other parts of the immigration issue, there is almost no disagreement on the fact that we need to control the illegal entry across our borders. Congress has committed significant resources in the past few years to do so, but has failed to do that in the decade or so leading up to the current debate. And as a result of that, there is a very low level of confidence among the American people that when Washington, D.C., says we're going to control the borders, that they really will because they said that back in the mid-80's and never really did it. So I think the American people are really in a wait and see mode right now, to see whether Washington is going to deliver on this commitment to control the borders.

And frankly, I'm in a kind of wait and see mode myself because it is going to take a sustained effort by Congress over a period of years to provide the resources and the ingenuity to control the borders. My understanding is, well like I've said over the last couple of years, I think very adequate resources, not total adequate, but very significantly increased resources have been given to the issue and you will continue to see Congress do more of that. And we'll just have to see if Congress can sustain the level of commitment that we have seen the last few years.

It takes a little while to ramp up and we're seeing some of those efforts move forward. There are certainly stories where there have been mistakes or bad judgment in how to approach it, but I believe that overall our homeland security forces and immigration forces are going to be able to put together a very strong effort at the border to address that part of the issue.

Now let me say, I don't think that we can expect to ever actually be able to seal a border of such length. But we have already seen significant reductions in the illegal crossings and we need to increase our efforts until we have achieved, effectively, controlled illegal immigration at the border. When that is done, there will be a greater confidence level with the American people that we can move forward with some of the other more comprehensive immigration reforms that I think need to be implemented.

Frankly, I also believe that we need to have the more comprehensive parts of the immigration issues resolved as soon as possible because I actually think they help us control the border. And what I mean by that is we do need to have a workable Guest Worker Program, where those who want to come to this country to work can get a work visa for a temporary basis, but are not given a pathway to citizenship or permanent legal residence, particularly those who illegally entered the country, are not given the benefit towards citizenship or permanent legal residence, but that we do create a system in which those who want to work here have a legal system, a legal way to obtain that work. Once we have a workable Guest Worker Program in place, then there will be less incentive for illegal entry into the country because illegal entry into the country will not generate the employment that it currently does.

And so, I realize there are a lot of other pieces to the immigration issue, but right now I would probably say that it is one of the biggest and most difficult issues to resolve. Just to quickly summarize my position, I've generally said it but I want to clarify this very carefully, I do not believe that as we set up our comprehensive immigration system for this country that we should base it on a system that rewards illegal entry into the country with citizenship or permanent legal residence. I believe instead that we should establish a temporary Guest Worker Program, one that works, and then for those who enter the country, whether they enter the country for a visit, for a vacation, or for a temporary work visa or for an education visa or if they don't even enter the country but want to become a citizen then they can apply under our immigration laws like everyone else and get in line with everyone else who follows the law.

SUSAN: Well we're going to the next question. We really appreciate the patient of folks who have been waiting in the queue for a period of time. If you would like to ask a question, press star 3 on your telephone keypad. We're now going to go to Cindy in Parma who has been very patiently waiting. Cindy, you have a question for Senator Crapo.

CINDY: Hello, I have a question on the usage of horses. The issue has come about of killer markets and they've all been closed in the United States. We no longer have the killer market. I, for one, do not wish my horse to be dead, killed or whatever. But I also see for the BLM and the horses who have no home, who are crippled, who are displaced, who have nowhere to go the market is for the meat market. Those opportunities have been closed in the United States. Mexico and Canada are fighting them, but transport to those countries are almost of a hardship on everybody that needs to do so. We have represented that for years of the killer market. It is no different than the cattle that goes through. These horses that are in the killer market are going to become turned out, running free, and maybe dispersed upon your front yards in later years.

MIKE: I know the issue that you are talking about very well. As a matter of fact, we have debated this issue in Congress now for, oh, four or five years, at least. And you are correct. Although the effort to prohibit the slaughter of horses in the United States was forestalled for many years, the effort to prohibit it has succeeded recently and that's why you see the prohibition in the United States. Many people might react by saying but why would we want to slaughter horses?

You made the very good point that there is a point in a horses life where the horse is old and he is either going to have to be slaughtered or just turned loose out into the open range where the horse will probably die from exposure or starvation or something else. And there is also a market as there is for cattle. And, for some reason, we have seen a strong push in the United States to essentially say, you can eat cattle but you cannot slaughter horses for either American markets or other markets where it is a more accepted and common food source.

And so your question, I think, is why did this happen? It happened for a reason that is hard for me to explain, but basically because there was a strong objection raised and ultimately enough votes gained to say that we should not participate in horse markets but it is still ok for us to participate in cattle markets. I suspect the issue will come back before Congress a number of times as this kind of issue is there is never an easy or ultimate final resolution to it. And I think you will see Congress struggle with this issue more and more as the vote tally swings one way or another with elections.

SUSAN: Let's move to another question with regard to the Special Olympics. Shannon in Burley has a question regarding Special Olympics.

SHANNON: Hi. We just found out today that President Bush vetoed a spending bill, and in that was a provision actually that Senator Craig and Representative Simpson have worked on to help with money for the Special Olympics, and I'm just wondering, first, I didn't notice, or it hasn't been apparent that Senator Crapo has supported that. And second, I'm just wondering what can be done to continue to pursue that funding, because that venue's going to be vital to, I mean, the economic growth of the state will be incredible.

MIKE: Well, first of all, you're absolutely right. The Special Olympics, Idaho is really honored to have the Special Olympics coming to Idaho, and it's a great thing for Idaho, which our entire delegation strongly supports. And so first of all with regard to the question of support, all four members of the Idaho delegation are very strong supporters of not only of the Olympics coming here, but of the federal portion of that cost.

The question that you ask, really is kind of a good foundational question to discuss a part of that spending battle that's going on here in Congress. At the beginning of the hour in my remarks, I indicated that the bills that are being submitted to the President are far in excess, billions of dollars in excess of the budget that the President has demanded that Congress work with. And the President has said that he's going to veto those bills if they come in with excess spending, in an effort to try to control the spending here in Congress, and he has done so now with a couple of bills. The one that you referred to was the one, the most recent one where that has happened. That bill will now come back to Congress, and I suspect that the President's veto will be sustained.

So then the question, I think your asking this question, so then what happens? Are there other ways we can get this, work to obtain the funding? Not only this funding, but other parts of the funding in that bill that are critical to important functions that we need to pay attention to. And the answer is yes. Although Congress and the President are engaged right now in, literally, a deadlock over spending, it's very much expected that sometime, whether either in December or January or whenever, that what we call an omnibus spending bill will be established.

This is not a good way to do government, it's not a good way to do spending policy, but it's what has happened in most of the last three or four spending cycles. And that is these bills that Congress cannot get completed, because of either a conflict with the President or a conflict in Congress, will be wrapped into one larger spending bill, where four or five of the appropriations bills will be wrapped together after extensive negotiations, and done so in a way that the President then agrees and the Congress then agrees, and we move forward. So, frankly, it's a messy way to do business; it's not the best way to do it, and it opens the door, frankly, for a lot of a lot of spending that shouldn't make it through. But it also provides a vehicle for the spending that is proper and justified to make it through.

So, even though this bill was vetoed, that doesn't mean that the Special Olympics dollars, or that the other aspects of the bill that were included, are necessarily lost, and that everything starts over. The bill is now before Congress and in one way or another, most of it will be re-entered into another vehicle that will . . . I'm pretty confident that it will ultimately make it to the President's desk. Now, it's dangerous to predict a successful outcome on any specific item, but I can assure you that the Idaho delegation will be working very aggressively in a united fashion to make sure that the federal portion of this Special Olympics is committed to and funded.

SUSAN: Well the next question we have up is going to touch on a subject near and dear to your heart Senator, as a member of the Finance Committee. It's from Gerald. He has a question about entitlements. Gerald, go ahead.

GERALD: Hello Senator. I appreciate the opportunity to talk with you. You spoke earlier about the entitlement programs, and how they're beginning to bring our nation to its knees, and first they expand all the time. Of course, this means in order to finance all these entitlement programs we're going to have to increase taxes, which will probably bring our economy down.

And the illegals that are coming into this country, the Heritage Foundation says that we're having to subsidize these people by \$21,000 a year per person, which could add up to be a trillion dollars per decade, and here's more stress and strain on our entitlement program. Our jails are filled, our hospitals are filled, our schools are filled, all these things. And it doesn't seem too complicated to me that the solution to this is to seal the border and enforce the laws. And of course, to the entitlement program, as it exists today, why can't we start cutting back on that rather than expanding it? You know, when are people going to take responsibility for their decisions and their problems rather than looking for the government to take care of them from the cradle to the grave?

MIKE: Boy, Gerald, I agree so much with you. That is a very good summary of a number of the problems we face, and we must get a handle on control of entitlement spending.

Let me take one of the big pieces, and just talk about, and that is Social Security. There are ways that we can deal with the social security system and cause it to live within its means, while still providing the benefits that people that pay their payroll taxes should be able to expect from having paid those taxes throughout their lifetimes. But it's going to require that we make some tough decisions.

One approach to that that has been talked about is to allow people to have their own accounts, and to manage their own accounts rather than having the federal government just put their dollars into its own accounts. That can make a big difference.

Other ideas that have been talked about are to provide that the benefit levels that people can achieve from Social Security are the same that they get today. For example, if a person retired today, they would get certain amount of money. I think the estimate is something like, the person with a normal lifespan who retired today, the average person in that context would get something like four or five hundred thousand dollars of Social Security benefits throughout their expected lifetime. If we were to say that's the level of Social Security benefits that we will guarantee, and then build a system around that, we could make that work.

And, so many of us are very concerned about just the fact that we can't even get at the issue. We can't get the debate engaged. The President tried to get that debate engaged a few years ago, and as you'll recall, there was literally no political will to engage on it. That's just one piece of it.

We've got to do the same thing, as you've indicated, on resolving the Medicare and Medicaid programs, and getting the kinds of reforms I talked about earlier engaged in. We've got to do the same kind of thing with regard to dealing with the immigration issue. I personally believe that our entitlement programs should not be extended to those who have illegally entered the country, and just by dealing with some simple, obvious reforms in that way, we can make major steps forward. But we have to, as a nation, make the decision that we are going to deal with these issues, and that we're not going to ignore them anymore. If we ignore them, you're absolutely right. What will happen is we'll hit a, literally, an economic wall in which our economy will be hurt, the ability to sustain these programs will be hurt, and we will face even more difficult decisions for every year that we've put off making these tough decisions.

SUSAN: Well, I'm trying to get as many different topics as we can into this short hour that's quickly going by. So we're going to jump over to nuclear energy. We have a question from Idaho Falls from Connie. You have a question for Senator Crapo about nuclear power?

CONNIE: Yes I do. My question is I know we've had tremendous Congressional support in the past for nuclear power, and I'm wondering if there's any debate at all going on about using nuclear power for sustainable energy.

MIKE: Well, the answer to your question is yes, and we are finally starting to win that debate. For many years, particularly through the nineties, the general public's opinion was a little bit negative about nuclear power, partly because the price of natural gas was so low that there really wasn't an energy crisis, and you know, there are a lot of groups that oppose nuclear, and they had, in my opinion, scared the American people about it. Now that we see the price of natural gas exploding, petroleum-based fuels just sky- rocketing, people have given nuclear power a better look, and the most recent polls that I've seen, have shown that the public has about a seventy percent or more support level now for a significant increase in the utilization of nuclear power. And that's been reflected in Congress.

President Bush is a strong supporter of nuclear power, and the Department of Energy budgets have, they haven't been as strong as I've wanted them to be, but they have been growing, and we have been making very significant policy and fiscal decisions to move our nation forward into much more extensive utilization of nuclear power. It is, in my opinion, it ought to be one of the cornerstones of our energy portfolio, if you will, as we move forward as a nation to try to become energy independent.

I will tell you that elections matter, and we're having an election next year, and after next year, we'll have a new President. And to be honest with you, it depends on, the attitude of the new President, the next President, toward nuclear power can have a significant impact on whether we were able to sustain this increased movement toward more nuclear power in our nation. Now, I'm not saying that the President, whoever it may be, has the sole influence on that. But what I'm saying is that we've seen of the last ten or fifteen years how the attitude of the president and the administration toward nuclear power can have a huge impact on the budgets that are available for nuclear power as Congress moves forward. And so, I just encourage everyone who's involved and interested in that issue to pay attention politically and to encourage their friends and people within their circle of influence to pay attention to it as a voting issue. I think it's that important.

SUSAN: Well, we're coming into the last few minutes of this call. I want to remind all those who are on the line that if you do have a question you want to ask Senator Crapo, or some comment that you want to leave, and you're not able to do that directly to him, at the end of the call, you'll be able to do that in leaving a voice mail for him that we'll receive. We're trying to get around to as many of the different issues that are up, and there are plenty of them, and we're going to now go to a question on education from Pat in Boise.

PAT: Yes. Senator Crapo, in the past two elections, we've had the candidates for both parties, and also in this election, suggest that a college education is going to be an absolute necessity. As you know, most of the educational funds come from the local district or the state. We've done an abysmal job in Idaho, according to the Statesman, of getting our kids to college, 26 percent. What do you see the federal government doing to help students obtain that necessary college degree?

MIKE: Well, first and foremost, let me say to you that I very strongly agree with the conclusion that you were putting forward, that a college education is a critical thing for our young people today. And we must facilitate that to the maximum extent possible.

At the federal level, there are several programs that we continue to increase and strengthen--either outright full outright scholarship programs or student loan programs that are designed to help those who don't have the resources to get through college to be able to do so. And, again, one can say, those resources are never adequate, and they are never adequate to solve every problem, but we have been very dramatically increasing the amount of resources dedicated to those programs designed to help those, particularly at the income levels where they wouldn't otherwise have the opportunity, to be able to get either interest-free loans or actual grants that would enable them to get that college education.

But there's another piece of this, and that is the cost of a college education has been rising exponentially it seems. Many of us were talking about this, some of us were talking about this the other day and I think that many of us can identify with the fact that when we went to college several decades ago, although it seemed awfully expensive to us then, in comparative dollars it was much less expensive. College tuition has far outpaced inflation, and for reasons that we need to better understand as a nation, the cost of a college education, the cost of tuition is just exploding, and I think one of the things the federal government can do, and some of us are working to try to enable this and get it going, is to analyze the reasons for this explosive growth in the cost of college education and determine whether there are policies that can be adopted that can help control the growth of that cost. I know that there are probably other creative ideas, and I for one would be very, very willing to entertain them. But those are the thoughts I have both on the tuition side, on both the help with tuition and the effort to try to control tuition as we move forward into this new century.

SUSAN: We're going to move back into some Medicare questions. I see that we have several calls that have a little different take; each person has a little different take. So I'm going to go to Wendell in Burley. He has a particular question about Medicare, and then I want to fold a couple of other Medicare-related questions into that, Senator, before you answer.

MIKE: All right.

SUSAN: Wendell? Wendell, are you there? Apparently this program's telling me teleforum can't be sent, but Wendell's question is, "What's your position on Medicare payment cuts?" There was also a question from a woman in Pocatello, I believe she had to hang up. She was concerned because her mother's physician is no longer taking Medicare patients, and we also have another related question about the cost of prescription drugs being too high. So, why don't you take a little bit of time and deal with those three in one.

MIKE: Well, with regard to the Medicare cuts, I'm not quite sure what the caller was referring to. In one sense, there are no Medicare cuts because the Medicare budget keeps rising, in fact, at a rate higher than the rate of the growth of the economy. But, in another sense, individual programs in Medicare sometimes do get cut, and the reasons for those cuts is that as Congress tries to deal with explosive growth of the cost of Medicare, members of Congress go in and evaluate the programs, and some programs get paired back, while other programs get dramatically expanded. Overall, like I say, the Medicare costs have been growing far in excess of the growth of the rate of the economy. So I'd have to know the specific cuts to be able to talk more specifically about that the caller was calling about.

The second question was on the physicians. The lady who, called who indicated that her physician was no longer taking Medicare patients. There is a real problem developing in that arena. The reimbursement rate for physicians has not really increased for years. It's been maintained at a level rate, and as a matter of fact, it has been scheduled for up to ten percent cuts for the last couple of years, and literally as we speak, Congress is debating over what to do about the fact that there is a projected ten percent cut in physician compensation for Medicare payments after they've received no increases for inflation for four or five or more years. And facing that, the physicians are indicating that they actually lose money when they take patients and are compensated at only the Medicare reimbursement rates, and so more and more physicians are simply saying, you know what, I can't continue being a physician if I lose money by taking Medicare patients, and so I'm just going to not take them anymore. I think you will see within the next couple months, if not sooner, the Congress will take some action this year to at least stop the ten percent cut to physician payments, and to try to provide a little bit of an increase for the physicians this year, which will hopefully stave off even more physicians just refusing to take Medicare patients.

And the last question, Susan, was?

SUSAN: The cost of prescription drugs . . .

MIKE: Yes, the cost of prescription drugs. The cost of prescription drugs has been an explosive issue here in Congress for a number of years and a difficult one for us to deal with. I wish I could answer the reason why prescription drugs are becoming so expensive. But part of the reason is that almost every other nation in the world controls the price of prescription drugs through price controls. The United States, with a free economy, has not imposed price controls, and so the result of that is

that the entire cost of the research and development of new drugs has fallen upon U.S. consumers, because the drug companies, the pharmaceutical companies, have not been able to spread that cost among other countries where the prices were fixed. It is an extremely unfair situation, and is an aspect of our international trade negotiations that is very large right now. So Americans are saying, well, that's not fair, and if that's the way it is, then why can't we import drugs from other countries and so forth. And we're engaged in that debate right now.

The bigger issue, though, is that the United States must successfully conclude some of our trade negotiations with other nations so that we obtain free trade agreements, and fair trade agreements, in which these totally unfair subsidies or fixed prices are dealt with.

One last thing, Congress just a few years ago did pass for Medicare and Medicaid patients a very successful prescription drug program that has actually helped to significantly ease the cost of prescription drugs for those who are in these income categories and at the point where their source of medical service the Medicare and Medicaid programs. And so, in some areas we are being able to find some solutions there, but I'm afraid the answer to the prescription drug issue, ultimately, is going to depend more on international trade negotiations than it will on other types of specific reforms, though I'm very open if people can identify other ways to control these prices.

SUSAN: Right now we're having a small amount of technical difficulty, and I'm not able to take any of the callers live. So I'm going to just read to you what the questions are as we've got them and we have about four minutes left so maybe we can get through a couple of them, and maybe I'll get the problem fixed before the end of the program. But Paul in Idaho Falls had a question about term limits. He wanted to know your position on term limits. He says, "How do we return authority to the people instead of professional politicians?"

MIKE: Well, you know, in the past I have supported and have voted for term limits at the federal level, although I actually have concluded that I believe we already have a form of term limits, and that's called the elections. People go to the polls every two years for the House of Representatives, every six years for the Senate, and for most of the offices in Idaho either every two or four years, and cast their ballots. And I believe that that is the way we should approach it.

When you look at the House of Representatives, when I was elected in 1992, in the year I was elected, twenty-five percent of the House of Representatives turned over. There were 25 percent who were brand-new members. And the next year, about another ten or fifteen percent turned over, and the next year it was similar, and I've observed similar

types of turnover rates in Congress as I have served here. And so, although there are some who serve for many, many years, they do so because their constituency sends them back. And so although I was ultimately a strong proponent of term limits, ultimately I came to conclude that for the most part, there's a pretty significant level of turnover in most elected offices, and if the people don't like the level and want to change it, they have an opportunity to do so in every election.

SUSAN: All right, they've got the problem fixed, and we're going to take our last call live. We'll be taking a call from ... oh, it doesn't look like it's working for me ... Diane in American Falls. Are you there? It doesn't appear that she ... Apparently the problem isn't fixed. Diane's question was ... Diane, are you there? "When are we going to start doing more for veterans?" And we just have a couple minutes to wrap up, sir.

MIKE: Okay, I'll try to be very quick and concise. Again, a very common question, and if you look at the budget for the Veterans' Administration and for the dollars we're putting into veterans' support, primarily into health care and education and the like, it has been going up dramatically over the last four to six years. And, so I guess the answer is we've already started, and that doesn't mean we've achieved it, the level of support for our veterans who put their lives on the line and bodies on the line for us, but the progress, the process for trying to significantly beef up our support for our veterans has already begun. And literally, I wish I had the charts in front of me, there have been significant increases for our veterans, and that will continue. I think both Republicans and Democrats in Congress believe that particularly in this day in age, with the kind of long-term expectation that we'll be engaged in long-term in defense of our nation, we need to make sure that we protect and support those who put their lives on the line for us.

SUSAN: Well, it looks like our time is about up. We appreciate you spending an hour this evening, sir, and we want to remind all those who are on the call that at the end of this call you'll be given the option to leave a voicemail message for Senator Crapo, and we apologize to those who are in the question queue that we were not able to get your question. But hang on till the end of the call, it will just be a few seconds, and you can leave a voicemail for Senator Crapo, or you can call one of our local offices in the state, or the Washington DC office and leave a message as well.

You're welcome to visit the Senator's website which is at <u>http://crapo.senate.gov</u>, and there is a lot of information on the website that can give you a lot of information on the Senator's position on various issues as well as allow you to send him an email.

We're interested in continuing these calls in the future, so we'd certainly like to have your feedback on how you felt this technology works and what you liked and didn't like about it, and if you'd like to participate in our next call, or you know someone you would like to participate, please feel free to contact us. We appreciate all of you sticking with us this evening, even through the technical blip that we had toward the end there, and we will be posting this full telephone townhall meeting on the Senator's website sometime tomorrow, so you'll have the opportunity to listen to it again or to refer your friends and family. Again, thank you very much for joining this evening. Good night.