

DEBATE WATCH 2006  
Minnesota Senate Debate  
September 19, 2006  
St. Paul, MN

## Amy Klobuchar: Rhetoric vs. Reality

"Amy Klobuchar's plan for a massive tax increase and more government control of health care will kill jobs and hurt our economy. On issue after issue, Klobuchar's big government prescriptions are wrong for seniors. Given her lack of credible solutions, it's no wonder Klobuchar was so visibly uncomfortable and defensive tonight."

-Mark Drake, Republican Party of Minnesota Spokesman

### I. Medicare Part D

#### Klobuchar Rhetoric

"I would not have voted for Medicare Part D."

"We should have fewer plans..."

#### Klobuchar Reality

**"Medicare Drug Coverage Helps All Beneficiaries Pay For Prescription Drugs, No Matter How They Paid Before.** The typical senior who previously lacked drug coverage will end up spending about half of what he or she used to spend on prescription drugs each year - an average annual savings of \$1,100." (<http://www.whitehouse.gov/infocus/medicare/> Accessed September 18, 2006)

"About 38 million people with Medicare, 90 percent of all beneficiaries, are now receiving comprehensive prescription drug coverage through Medicare Part D, employer-sponsored retiree health plans or other creditable coverage. ... The average premium in 2006 for the basic Medicare drug benefit is about \$24. Last year, premiums were estimated to be about \$37 per month on average - a difference of 35 percent. Because of Part D, seniors are saving an average of over \$1,100 a year." (Fact Sheet, "Strong Competition And Beneficiary Choices Result In Drug Coverage With Lower Costs Than Predicted Last Year," Centers For Medicare And Medicaid Services, August 15, 2006)

"A majority of senior citizens in a recent poll say they had no trouble using -- or signing up for -- the controversial 10-week-old Medicare prescription drug plan, health insurance officials said today. The survey of more than 800 seniors differs from assertions by politicians and health and senior citizen advocacy groups that many Medicare enrollees have had difficulty choosing a drug plan

from among the dozens that are being offered." (Bill Brubaker, "Survey Refutes Criticism of Medicare Drug Plan," *Washington Post*, March 13, 2006)

"At present, most beneficiaries seem pleased, according to opinion polls. A Washington Post-ABC News survey last month showed 65 percent of people are satisfied with their drug plans. An AARP poll concluded that 78 percent are satisfied. Industry-sponsored surveys made similar findings." (Jeffrey Young, "Wind shifts on Medicare drug benefit," *The Hill*, May 2, 2006)

## II. Medicare Part D: Veterans Affairs Prescription Drug Negotiations

### Klobuchar Rhetoric

"We should negotiate....."

"We should lift the ban on negotiation."

### Klobuchar Reality

#### Many Problems With Transferring the VA Program To Medicare:

**VA Prescription Drug Formulary Highly Restrictive.** "The VA provides an important service, but it is rarely held up as a model for providing cutting-edge medicine, with good reason. The new Medicare benefit ensures access to virtually any Food and Drug Administration (FDA)-approved medicine. On the other hand, the VA drug formulary, which determines the medicines available to veterans, is extremely restricted." (Sally C. Pipes Op-Ed, "Beware Of Kennedy's Side Effects," *The Hill*, April 19, 2006)

**"Only 19 Percent Of Drugs Approved By The FDA Since 2000 Are Listed On The VA Formulary."** "Only 19 percent of drugs approved by the FDA since 2000 are listed on the VA formulary. Only 38 percent of drugs approved in the 1990s are listed. For example, the top-selling drug Lipitor, a statin that lowers the risk of heart attack and stroke, is not on the VA list. . . . Similar cholesterol-lowering statins are on the formulary, and Kennedy would likely suggest directing patients to one of them. But one size really doesn't fit all. Patients react to different drug variations in different ways. . . . Lipitor, moreover, is the one size that would fit most. Clinical trials have shown it to be best in its class at reducing death rates. . . . This is what happens when a single buyer must meet the needs of 4 million people. The buyer, in this case the VA, tries to control costs, and some needs don't get met. Now Kennedy wants to apply this same system to the nearly 40 million Americans who rely on Medicare." (Sally C. Pipes Op-Ed, "Beware Of Kennedy's Side Effects," *The Hill*, April 19, 2006)

**Medicare Cannot Emulate The VA System.** "The VA's negotiating power comes from the federal government's forcing drug makers to sell to the VA before they sell to other government programs, like Medicaid, which dwarf the VA in size. These government agencies control the bulk of the U.S. prescription-drug market." (Sally C. Pipes Op-Ed, "Beware Of Kennedy's Side Effects," *The Hill*, April 19, 2006)

**The VA Negotiation Only Works Because Of How Small It Is.** "Since the 4 million veterans who benefit from VA services make up a small market, drug companies can absorb the cost of the VA discount. Extending the same below-market rate to 40 million Medicare beneficiaries would be a radically different proposition. . . . Medicare accounts for about 40 percent of all U.S. drug spending. With its enormous purchasing demands — and backed by the overwhelming financial and regulatory power of the federal government — Medicare would simply dictate prices, distorting drug markets on an unprecedented level." (Sally C. Pipes Op-Ed, "Beware Of Kennedy's Side Effects," *The Hill*, April 19, 2006)

**Bush Plan Creates More Competition.** "Instead of mandating nationwide price controls, the new Medicare drug benefit creates competition among numerous private drug insurers, which are jostling to offer consumers the best prices and cost-benefit combinations." (Sally C. Pipes Op-Ed, "Beware Of Kennedy's Side Effects," *The Hill*, April 19, 2006)

### III.Iraq

#### Klobuchar Rhetoric

"I think we need to start bringing our troops home."

#### Klobuchar Reality

**"Iraqi Forces Have Arrested The Second Most Senior Operative In Al-Qaida In Iraq, And The Group Now Suffers From A 'Serious Leadership Crisis,' The National Security Adviser Said ..."** (Qassim Abdul-Zahra, "No. 2 Al-Qaida Leader In Iraq Arrested," *The Associated Press*, 9/3/06)

**"[Hamed Jumaa Farid Al-Saedi's] Arrest Also Led To The Capture Or Death Of 11 Other Top Al-Qaida In Iraq Figures And Nine Lower-Level Members."** (Qassim Abdul-Zahra, "No. 2 Al-Qaida Leader In Iraq Arrested," *The Associated Press*, 9/3/06)

**Iraqi National Security Adviser Mouwaffak al-Rubaie:** "Our troops have dealt fatal and painful blows to this organization." (Qassim Abdul-Zahra, "No. 2 Al-Qaida Leader In Iraq Arrested," *The Associated Press*, 9/3/06)

**"A Fifth Iraqi Army Division Took Control Of A Section Of The Country From U.S. Forces ... Pushing To 50 Percent The Number Of Iraqi Divisions That Have Picked Up Primary Responsibility For Operations, According To The Pentagon."** ("Pentagon Says Half Iraq's Army Divisions Take Lead," *Reuters*, 8/8/06)

**"U.S. Defense Department Spokesman Bryan Whitman Said The Iraqi Division Took Primary Control Of An Area That Includes The Cities Of Tikrit And Kirkuk, North Of Baghdad."** ("Pentagon Says Half Iraq's Army Divisions Take Lead," *Reuters*, 8/8/06)

## IV. Taxes

### Klobuchar Rhetoric

"We need to roll back the tax cuts... to the Clinton levels."

### Klobuchar Reality

#### **But Over 1.9 Million Minnesota Taxpayers Benefited From 2001 & 2003 Tax Legislation.**

According to a report by the Department of the Treasury on The Economic Growth And Tax Relief Reconciliation Act Of 2001 & The Jobs And Growth Tax Relief Reconciliation Act Of 2003, 1.969 million taxpayers in Minnesota will have lower income tax bills in 2004. (Department Of The Treasury, Office Of Public Affairs, Press Release, "State-By-State Breakdown Of The Combined Effects Of The Economic Growth And Tax Relief Reconciliation Act Of 2001 & The Jobs And Growth Tax Relief Reconciliation Act Of 2003," April 1, 2004)

#### **Close To Half A Million Small Businesses In Minnesota Received Tax Relief From President Bush's Tax Cuts.**

Based on the number of returns filed in 2004, the 2001 and 2003 Bush tax cuts provided 490,000 small businesses with tax relief. This figure includes tax returns "that report at least one dollar of income or loss from a sole proprietorship, farm proprietorship, partnership, S corporation, and/or rental income." (United States Department Of The Treasury Website, [www.treas.gov/press/releases/reports/ty2003.pdf](http://www.treas.gov/press/releases/reports/ty2003.pdf), Accessed March 28, 2005)

**Small Businesses Pay Taxes Through The Owner's Personal Tax Returns.** "One is that the very tax cuts intended for individuals also had a profound effect on businesses. That is because unincorporated companies -- sole proprietorships, partnerships and specially structured limited liability corporations -- don't pay tax at the corporate level. Instead, these entities pass through all their business earnings to their owners, who report the income on their personal tax returns. In recent years, there has been an explosion in these so-called pass-through businesses, which far outnumber conventional tax-paying corporations. And instead of paying a top individual tax rate of 39.6 percent, as they did when Bush took office, these business owners have paid 35 percent since 2003." (Jill Barshay, "The Labor Vs. Capital Debate," *Congressional Quarterly Weekly*, February 3, 2006)

## V. Social Security

### Klobuchar Rhetoric

"I don't think our seniors want their Social Security to be put in some Russian roulette game."

### Klobuchar Reality

The Real Gamble Is Doing Nothing:

**As Of 2004, The Cost Of Doing Nothing Was An Estimated \$10.4 Trillion.** ("The 2004 Annual Report Of The Board Of Trustees Of The Federal Old-Age And Survivors Insurance And Disability Insurance Trust Funds," Social Security Administration, 3/23/04)

- **Each Year We Wait Costs An Additional \$600 Billion.** ("The 2004 Annual Report Of The Board Of Trustees Of The Federal Old-Age And Survivors Insurance And Disability Insurance Trust Funds," Social Security Administration, 3/23/04)

## VI. Klobuchar Makes "Tough Decisions"

### Klobuchar Rhetoric

"You gotta make tough decisions every day... That's how I've done my job as the chief prosecutor for Hennepin County."

### Klobuchar Reality

Klobuchar Presents Herself As A Supporter Of Working People But Has Created A "Hostile Work Environment;" Close Associates Describe Her As "Self-Absorbed," And "Too Obviously Ambitious:"

**AFSCME Local 2938: Klobuchar's Own Employees Say She Took Credit For Their Work, Damaged Morale And Created "A Hostile Work Environment."** "With the U.S. Senate field clear of all but one rival for the DFL Party's nomination, Hennepin County Attorney Amy Klobuchar is facing a new obstacle: The union local representing her staff is asking that she be denied the endorsement of its parent group, the powerful American Federation of State, County and Municipal Employees (AFSCME). In a letter this month to union leaders, local president Jim Appleby, an assistant Hennepin County attorney, said Klobuchar had denigrated office lawyers publicly and privately, taken credit for their work, damaged morale and 'created a hostile work environment.'" (Patricia Lopez, "Klobuchar's Work With Staff Is Focus Of A Union Battle," *Star Tribune*, February 19, 2006)

**AFSCME Local 2938: Klobuchar's Priority Is Hiring Those "Who Support Her Ambitions."** "The local, AFSCME 2938, represents about half of the 400 employees in the office, including investigators and all 112 of its nonmanagement attorneys. ... The two-page union letter said Klobuchar's management style had resulted in increased grievances, and 'qualified personnel from her own and other public offices have been rejected because her priority has been to choose [job] candidates who support her ambitions.'" (Patricia Lopez, "Klobuchar's Work With Staff Is Focus Of A Union Battle," *Star Tribune*, February 19, 2006)

**AFSCME Local 2938 On Klobuchar: "She Presents Herself As A Dedicated Public Servant ... When Her Only Dedication Is To Her Own Self-Promotion."** "The letter also said that Klobuchar 'has used the publicity from the many successfully prosecuted criminal cases to give the public the false impression that she was actively involved in those cases. She was not.' The letter continued: 'She presents herself as a dedicated public servant ... when her only dedication is to her own self-promotion.'" (Patricia Lopez, "Klobuchar's Work With Staff Is Focus Of A Union Battle," *Star Tribune*, February 19, 2006)

**AFSCME Local 2938: Rift With Klobuchar About “How Our People Are Treated In The Workplace.”** “Appleby said Hennepin County prosecutors, once the best paid in the state, had fallen behind Ramsey, Anoka and Dakota counties even though their workload was heavier. But he said the union’s letter is ‘not about contract negotiations.’ ‘It’s about how our people are treated in the workplace,’ he said.” (Patricia Lopez, “Klobuchar’s Work With Staff Is Focus Of A Union Battle,” *Star Tribune*, February 19, 2006)

**AFSCME Local 2938 Opposed Klobuchar Endorsement In 2002.** “It is rare for a DFL candidate to draw the ire of labor unions. . . . Appleby said his local also asked that Klobuchar be denied endorsement in 2002, when she was running for re-election. That request was ignored, he said. Klobuchar ran unopposed.” (Patricia Lopez, “Klobuchar’s Work With Staff Is Focus Of A Union Battle,” *Star Tribune*, February 19, 2006)

**“Political Insiders, Foes And Acquaintances Say Klobuchar Is Extremely Bright . . . But When They Go Off The Record, Several Say She Is Also ‘Self-Absorbed,’ Too Obviously Ambitious And Unwilling To Give Enough Credit To Others.”** “Political insiders, foes and acquaintances say Klobuchar is extremely bright, hard-working and determined. But when they go off the record, several say she is also ‘self-absorbed,’ too obviously ambitious and unwilling to give enough credit to others. Some say she also seems to be trying to prove herself to someone.” (Jon Tevlin, “Chasing Amy,” *Star Tribune*, August 31, 2003)

**“Her [Klobuchar’s] Favorite Topic Is Amy Klobuchar,’ Said One DFLer.”** (Jon Tevlin, “Chasing Amy,” *Star Tribune*, August 31, 2003)

## VII. Issue

### **Klobuchar Rhetoric**

...“ This increase in Minneapolis [crime] is completely unacceptable.”

### **Klobuchar Reality**

**Minneapolis Experiences One Of The Largest Violent-Crime-Rate Increases in Country.** “Crime has increased in Minneapolis...The increase in crime came despite an 11.3 percent decrease in murders from 53 in 2004 to 47 in 2005. Much of the increase can be attributed to a 40.8 percent increase in robberies, from 2,248 to 3,165, and a 37.4 percent increase in aggravated assaults, from 2,036 to 2,798, while forcible rape increased from 389 to 395, according to the FBI report. Increased juvenile crime and gun availability factor into the increase...Gang-related crime has also increased and accounts for much of the violent crime committed...Only two U.S. cities with more than 100,000 people reported higher violent crime increases than Minneapolis, according to the FBI report.” (Tyler Rushmeyer, “Violent crime goes up in Minneapolis,” *Minnesota Daily*, June 14, 2006)

**Minneapolis Crime Rate Increases And Is At Least Six Times National Average.** “The FBI released data Monday indicating that violent crime surged 35.5 percent in Minneapolis last year,

but the city's Police Department said a computer glitch grossly exaggerated what was actually a 15 percent jump from 2004. A 15 percent increase is still six times the 2.5 percent national rise in murders, rapes, robberies and aggravated assaults in 2005, figures disclosed in preliminary data from the FBI's Uniform Crime Report...violent crime in Minneapolis has increased in every year since 2001." (Greg Gordon, David Chanen and Howie Padilla, "However tallied, Minneapolis crime is up," *Star Tribune*, June 14, 2006)

**Violent Crime Surges in Minneapolis According to Recent FBI Statistics.** "St. Paul and the U.S. saw slight increases in violent crime last year, but Minneapolis encountered a spike, FBI statistics released Monday show. Robberies and aggravated assaults accounted for most of the increase in violent crime in Minneapolis." (Pioneer Press, "Violent crime surges in Minneapolis," *Pioneer Press*, June 14, 2006)

## VIII. Klobuchar and Big Oil

### **Klobuchar Rhetoric**

"We need to take on the oil companies."

### **Klobuchar Reality**

#### *Klobuchar Has Extensive Holdings In ExxonMobil:*

- **Analysis of Amy Klobuchar's Personal Financial Disclosure Shows 12 Mutual Funds Worth \$15,000-\$50,000 That Contain An Average Of 2.109 Percent Of ExxonMobil Stock.** (Amy Klobuchar Personal Financial Disclosure, May 24, 2006)

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