

September 19, 2017

The Honorable Mitch McConnell Senate Majority Leader United States Senate Washington, DC 20510

Dear Senate Majority Leader McConnell,

Obamacare is broken and the states are the best place to fix it.

A better way to repeal and replace Obamacare is to examine how welfare reform became law in 1996. After vetoing previous legislation, President Bill Clinton signed into law the third welfare reform bill passed by Congress that session.

At the time, many liberals objected to the work requirements for able-bodied adults, while some conservatives complained that the states received too much money in the final version. Today, more than two decades later, the facts show that the welfare reform law is an overwhelming success.

Governors like Tommy Thompson from Wisconsin, Terry Branstad from Iowa, and John Engler from Michigan used the new resources from the federal government to dramatically reduce the rolls of public assistance in their jurisdictions. They made welfare reform work in the states.

The block grants given to the states remained stable through the years, saving federal taxpayers from increases in taxes prior to welfare reform. Today, states have a reliable source of funding from the federal government called Temporary Assistance for Needy Families (TANF) to help transition people from government dependence to true independence through the dignity of work.

Welfare reform passed in the 1990s works because states were given maximum authority along with adequate funding. This model can work for the repeal and replacement of Obamacare.

Adequately funded block grants to the states, along with maximum flexibility and control, is the best option on the table. We appreciate the work of Senators Lindsey Graham, Bill Cassidy, Dean Heller, and Ron Johnson to draft language that embraces this simple, yet profound concept. We call on the members of the United States Senate to move quickly to repeal Obamacare and replace it with flexible block grants to the states.

In 1981, President Ronald Reagan reminded us during his first Inaugural address that the federal government did not create the states, the states created the federal government. Our founders were right. They intended

for the federal government to have limited powers and the rest be given to the states and - more importantly - to the people.

Adequately funded, flexible block grants to the states are the last, best hope to finally repeal and replace Obamacare - a program which is collapsing before our very eyes. We stand ready to work with you and the other members of the Senate, the Speaker and the other members of the House, and with the President and his administration to repeal Obamacare and replace it with something that works - in the states.

Thank you for your attention to this important issue.

Sincerely,

Governor Scott Walker Wisconsin

Governor Kim Reynolds Iowa

Governor Paul R. LePage Maine

Governor Pete Ricketts Nebraska

Governor Dennis Daugaard South Dakota Governor Asa Hutchinson

Governor Asa Hutchinson Arkansas

Governor Sam Brownback Kansas

Governor Phil Bryant Mississippi

Governor Doug Burgum North Dakota

Governor Bill Haslam Tennessee HOLLOMB

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Governor Matt Bevin Kentucky

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Governor Gary H. Herbert Utah