

IDAHO WOMEN LAWYERS

LUNCH WITH GOVERNOR OTTER

July 13, 2010

Question/Answer

**MODERATOR OF QUESTIONS/ANSWERS: Nicole Hancock
GOVERNOR OTTER**

PEG DOUGHERTY: Could I have everybody's attention please? Thank you. The Governor does have a very tight schedule and he needs to be leaving here right at 1, so I want to get started. I would like to welcome everybody for our third of three luncheons for the candidates for the gubernatorial seat in this coming year. If you are getting lunch, obviously it is in the back. There is a sign-up sheet and an envelope to put your payment in and \$10, so I will let you take care of that.

Just a quick announcement, we've got an upcoming networking event on next Thursday, the 22nd at Flatbread at 615 Main. We are going to get started around 5:00. We had one a couple weeks ago and it was very well attended and it suits our friendly time to meet with other colleagues. I really encourage any summer interns or externs to come and get a chance to talk to some of the members of Idaho Women Lawyers or any friends. That takes care of the housekeeping.

I would like to welcome Governor Otter, and thank you, very much, for coming to speak with us today. I would also like to recognize that he has an extra here, Alison Huxtable, who has been with him over the summer and is here for a couple more weeks. Alison will be starting her second year up at U of I Law School; so welcome...glad that you could be here today. Also, from the Governor's office, David Hensley and Eric Fletcher. Eric is taking pictures and he is also an intern at the Governor's office.

The format today is fairly open. We are going to give the governor a chance to speak to us and then we will have a Q&A sessions – 15-20 minutes at the end. There are sheets of paper and pens on each of the tables. If you jot down your question and then we will have Paula Hancock, our VP, will moderate the Q&A session and ask those questions just to keep that part of it moving along. With that, welcome Governor Otter. Thank you very much.

GOV. OTTER: Thank you. Well, I guess third time's the charm. I think this is the third time we set up this meeting and, uh, I had a little problem, I think you heard about the first one – I ended up in the hospital. But it is a pleasure to be back, or to be with you, and to have a chance to answer some of your questions; but also, kind of briefly tell you about the office of Governor. You know, and actually being Governor. It's a lot different than what you think. It is a lot different than what you learn about being Governor. What I mean by that is that I know when I was at school, I took political science. I was a pre-law major when I first went in to school, and

circumstances changes, so I never quite...in fact, one time I had moved to the University, or Moscow, after I graduated from the College of Idaho and we move, or didn't move, but we went to Moscow and we got set up for an apartment and everything because I was going to go to law school. When I got back uh, from that little trip, why there was a letter from the President of the United States. And I thought, how important. Gosh, he wants me to go to work for him. Well, he actually did have me go to work for him and so I spent the next few months getting ready to go to Fort Knox, Kentucky to the School of Armor where I fulfilled my military obligation between 1968 and 1973. So, I never quite made it, but uh, I do know what I learned in political science is a lot different applying it than it is the theory that you learn – the things that you are supposed to be able to do, the disciplines that one would have in a representative government – in many cases are a little bit different.

So, I kind of equate it...let me also say, so later on when I was Lieutenant Governor, of course there wasn't a law school down here, but later on when I was Lieutenant Governor, I ended up taking a lot of law classes, that were adjuncts through Boise State, in the basement of the Supreme Court building. So, I took real estate law and criminal law and paralegalism, legal ethics, I went through, I can't remember exactly how much, or all of the courses that I took, but I pretty well exhausted what I could do here. They said, well, if you are going to become a lawyer, you've got to go to law school your last year and a half. You have to actually go to the campus. Fortunately, they changed that now so that you don't have to.

I remember when I was in one of the classes – I believe it was criminal law, because it was taught by a former prosecutor out of Twin Falls. I remember when we were told the difference between a first and second degree burglar. A burglar in the first degree and a burglar in the second degree were treated much different, and the question was, do you know why? The question was always, well was somebody harmed in the process of that illegal entry? No. That isn't the difference and that would add another criminal case to it. Well, you know exactly what it was. Does anybody know what it was...in the old first and second degree burglary? The difference is night and day. If you committed an illegal entry in burglary at night, it is first degree burglary. If it was in the daytime, it was second degree burglary. So, I surmised...and the question was, well why? Well, in the daytime, probably nobody is going to be in the house so nobody is going to be harmed or anything like that. But in the nighttime, people are going to be home. So, I thought well, geeze on Sunday then when everybody should be in church, it is probably a misdemeanor...why wouldn't it be? Interesting enough, I had the opportunity on the concern of the professor, of the concern of the prosecuting attorney, to change the law and so we did. We used that as kind of a planned project. I was reminded that out of the 90 people that were in that class, they were astounded how long it took to change the law. You know, it's a good idea – why shouldn't they all be first degree burglary? You know, because the lawyers get in court and the prosecuting attorney – and one of the arguments, the first argument was whether it was night or day. Were we involved in daylight savings time at that time or not. Was it dark out, and where does dark start and daytime start – is it dusk? No...so it was kind of an interesting process but we did, as you know now, we got the law changed. In fact Denton Darrington, who was the Chairman of the Judiciary Rules Committee carried the bill. I was then the President of the Senate so I got to preside over the passage of this bill. While we were going through that process, I say again, I was astounded at how many other student – something I took for granted because, I had been in the state legislature between '72 and '76 and then I've been

Lieutenant Governor for quite some time and watched the process go forward and watch the laws. While all those folks at one time or another had taken classes in high school or maybe even college that had to do with the legislative and the writing of law process, but were astounded at how long it took and the things that we had to go through to change that. The reason I tell you that story is that it is much the same way in government, and being Governor, I should say.

After the inaugural party is over with and everybody marches around with pretty dresses and tuxes on and all that kind of stuff...in fact, a little before that when you are starting to set the budget, then the real impact starts to come. Then all of a sudden, you've got 72 agencies or sub-agencies that need attention – they need the money, they need to update the rules every year, so they go through those procedures and then that agency needs to come up before the legislature and defend why they want to change the rules. In the process, the Governor or the Governor's office gets that amendment. The Governor generally gets sucked into some of those discussions in those issues, so it's not just important to understand the budget and what you said in the state of the State, but it's also important to get around and recognize the intricacies of actually running a state agency.

All of the minutia that can blow up into a big issue and people get mad about, whether it is a new EPA rule or whether it's the Public Utilities Commission. No matter what it is, if that issue hits the newspaper, the Governor is supposed to know everything about it. I would have to tell you, that is a very tough task. Because what's going to happen is, somebody's going to walk up on the street to you and say, "Why did you give Idaho Power that 1.3% increase?" Well, you know, I wasn't there during the discussion; I wasn't there when Idaho Power came down and asked for the increase; I don't know what their justification was for it, so, geeze, I really can't tell you, but they expect you to know. They expect you to understand and know practically every person that testified for it and against it. I didn't learn anything about that when I got my political science degree. I learned about local government and how it works, state government, county, city and state government and how they work. I learned some about administrative procedures. I learned quite a little bit about federal government, but there wasn't any discussion in there about the citizen that walks up to you on the street and expects you to have the answers and know about everything. As soon as you say, you know, I will have to get back to you on that, but if you really need an answer today, I want you to call this person in my office. Their first reaction is that you're pushing me off and he doesn't want to talk to me about this and that he should know about that. Do I wish I could know about each and every one of those things – Absolutely. I would dearly love to. Would I be well founded in learning about all of the people (200,000) in Idaho that the Health and Welfare as a portion if not all of their support or some agency within the Health and Welfare? Would I like to know all those things? I guess, I would, but there's just way way too much. So, you find that being Governor has got to be from a much higher level. Not that I don't care about those folks, and not that any Governor doesn't care about those folks, but you have to look at it from about the 30,000 foot level. If you are even in a legislative district or if you are a County Commissioner, there is still a lot of those things that attend every citizen's concern that you would like to know about. I can tell you, that having been in several different positions, it is almost impossible to know. The first thing you've got to know is who to turn it over to. If it is a life and death issue, you've got to handle it right away. You also need to know that you get that person's information so you can get back to them. What

does that do for you? Sure it helps you handle that particular case, but in a much, much broader sense, it helps you understand what people are going through. When the economy turns down and for the first time they had to go get food stamps. For the first time, they had to go ask for LIHAC (?) for low income help for heating or air conditioning. For the first time, they had to approach some agency of government for help. You know, it can be disheartening at times. I was raised in a large family of nine kids. I was born and raised in Caldwell. My dad was an electrician. So, a lot of those things, I am empathetic about and I understand what they are going through because, you know, when I was growing up, there wasn't any of those things. There wasn't any Medicaid; there wasn't food stamps; there wasn't that kind of government help that you could turn to...there was family. So, first you went to the family and if you could handle it within the family, that was great. If you couldn't handle it within the family, then probably your church or some other community active group, and then maybe the county. I do remember that one of my uncles ended up in a county home – he was a veteran as well so it was kind of a bifurcated effort to help him. My point is, the biggest difficulty of being Governor is not what you know, but what you don't know. You have to research those things and follow-up on them. Is it fun? You, know, I have to tell you, this is the best job I have ever had. I think you have probably read that before. This isn't the only job I have ever had, but this is the best job I have ever had.

I have been richly blessed in my life because I had 30 years with the J.R. Simplot Co. – the last 12 of which, I ran the international division and visited 82 different companies to do business in. I built plants in 12 of those countries, so I had to deal with different customs and different traditions and different ideas of what those folks thought business ought to be about. My job was relatively easy in those last 12 years because all I was doing was following McDonalds around the world. Where ever they were building a McDonald unit, I would be sent to eventually supply them with not only french fries but also hamburger patties. In some cases, source other things for them. The reason I say that, is because it has helped me an awful lot when I became Governor. It has helped me directly because when I go to a foreign country now, I've got a friend over there and I can call up and say, "Hey, I am bringing the trade delegation in and we'd like to sit down with these folks and we would like to make some sales." When I started that process under Governor Andrus in 1987, when I became Lieutenant Governor, Governor Andrus asked me, for the most part; he said, you handle the trade missions and I had friends in 82 countries. When I showed up, I wasn't a stranger. But, I had been selling them products and we'd been keeping our promise so when we brought all those other Idaho products, the credibility that we had established, it kind of followed through. So, my time with Simplot was great. I loved being Lieutenant Governor. For a long, long time, I thought that was the end of my political career. I didn't want to do anything but be Lieutenant Governor, President of the Senate, and Governor in the absence of the Governor, so I could take credit for all good and none of the bad. Most Governors...I served three Governors, three separate decades and two centuries because I was elected to four terms before I went to Congress. The Lieutenant Governor's job was a great job. Congress, was not so good. I learned an awful lot in those six years that I was back there but I would tell you, by the end of my 4 ½ or 5th year, I knew that Washington, DC wasn't for me, because I just didn't see any effort by those people to really govern. I saw them in an effort to vote for today for the next election instead of vote for today for the next generation. Whether it was in my caucus, the republican caucus, or whatever, it was always...if you vote against this bill or if you don't vote for that bill, what's your constituency going to say

in the next election. Frankly, that shouldn't have made any difference. Your constituents should have known what you stood for when you got elected - when you said, "vote for me because I am going to do these things." So that's about the time that I decided (maybe a little bit before that) that I wasn't going to run for another term in congress and I was going to come home and run for Governor. It was about that time, of course, Dirk Kempthorne decided that he wasn't going to run again and he was going to do something else. As we know, he went on to the Department of the Interior.

I have to tell you, being Governor is the best job I have ever had. I have been able to help war people. I have been able to direct more what I believe to be the proper role of government than I ever could in any of those other positions, including as a member of the United States Congress. Being responsible for a state like Idaho, which is very conservative in its nature, and also I believe, for the most part, respectful of the needs of people. They understand that, but they also understand to a greater degree than I think most other folks – personal responsibility. Yeah, we'll help yeah. We'll help you over an economic speed bump in life, but you've got to be prepared to kind of help yourself and extend yourself as well. If you're just gonna sit on that speed bump and ask for government help, you probably aren't going to get it, at least as enthusiastically as you otherwise would if we knew that you were trying to help yourself. I believe that government's job is to help you over that speed bump. Not make a mountain out of it for you or not make it a way of life for you, but help you over that speed bump. And, that's what I think I've really pursued as Governor in the last 3 ½ years. We've had some tough times and dividing up a limited amount of money, and sometimes a shrinking amount of money, is one of the more difficult things to do. General government, I would say, we've cut back a little over 20% since I took office. My first year was relatively easy, because we ended up with a surplus of over \$200 million. Sometimes that can be more problematic being Governor than otherwise. Because, the more money you've got, the more requests you have chasing it. They are all good ideas, at least reasonable ideas, and some of them warrant merit higher than others, so those are the ones you try to pursue. When you've got a limited amount...in fact, that first year, I think we had a little over \$200 million in surplus and we had something like a billion \$400 million in requests chasing that. Everybody saw in the newspaper that there was a surplus there and so they had an idea, every agency, every cabinet member, all members of the legislature, everybody had an idea on where we ought to spend the money. Fortunately, the legislature looked at it and said, we ought to save some of this money in case this economy doesn't stay as robust as it is. So, we ought to put some of that money in the bank and save it for a rainy day. We ought to invest...we don't know if we are going to have another \$200 million surplus next year, so some of that money we should dedicate to one-time expenditures. Some of that money, we could do other things with. I suggested that we put \$100 million into the opportunity scholarship fund, which would have then yielded the earnings from that, we figured we would have had \$5 million to \$7 million a year for kids that are graduating from Idaho high schools to go to Idaho colleges. I think we got \$10 million the first year, and I suggested the same thing the second year. I think we have a total of \$20 million in that fund now. It is generating some funds...especially for students like myself come from families that there is no way the family can afford to send you on to school after high school. We didn't have that kind of help then and obviously I can see the different. I was the only one out of nine kids that went to college, but I could see the value of that education system – not only for the private sector itself, because as a business man, I understood that the next generation of french fries was

sitting around in a grade school or in a middle school or in a high schools some place that was going to figure out a better way/faster way to make french fries or computer chips. The next generation of pain killers is probably sitting around in a classroom some place today. To the degree that that teacher motivates and excites that creative genius that's in every one of us, that's going to be the value of the education. Also, my folks had one great hope for us nine kids that I have for my four kids and now I have for my five grandchildren – and that's that they have a better life than I do. So, education is the threshold over which most of that success is going to come. Of course finally, the preservation of the republic and the preservation of our system of laws and our preservation of our system of government. Franklin said that a well-educated citizen is our first line of defense over any form of Tierney. That if you can't enslave the mind, you can't enslave the body. So, we have to have smart people and that education process is what will be the preservation of the republic and the preservation of the rule of law.

I am often asked, what is the most difficult time that you have had as Governor. I would tell you, I have had a lot of difficult times, but the most difficult time is when you see a true need and when you see a true value that will have a long-term purpose and generate a long-term benefit for a lot of people, but you can't afford to do it. The money is not there. The alternative – raise taxes. The alternative is get rid of some of the tax exemptions. You are going to hear a lot about that in the next two months. You know, as fragile as our economy is right now, we just balanced the budget and we were just a little over \$86 million short this year, so we had to reach into a lot of different pockets and bring that money into the budget, because Article 7, subsection 11 of our Constitution says that you can't spend more money than you have. The easy answer in many cases would say, when you are short of revenues, raise the revenues, raise taxes. In a fragile economy like this...I can tell you as a former businessman, that in all those 12 countries that I went to and actually built a processing plant in, I had my choice. There were several other countries adjacent to that, that I could have chosen, but I was looking for stability. When I went to the bankers and said, "I need \$28 million to build a new 350,000,000 pound french fry plant," they would say, "how are you going to pay it back?" So, I had to amortize that \$28 million and they wanted it all paid back in a certain period of time and the stockholders wanted a return on their investment and all that added up to – I've got to refinance this thing or I've got to pay this thing off in seven years before the depreciation schedule hits too hard and before anything else hits too hard. So, I need a government that is stable and doesn't cost you more to do business. If I know what the environmental rules are when I go in to the country and then all of a sudden they change them, and now it costs me a lot more money to process the product or whatever other regulation they might add to me. If they increase the tax...and quite frankly, that happened to us in German and they left the country after I had retired from the company. They just couldn't afford to do business in Cologne, Germany anymore. They were supplying french fries to all of Europe in the economic union throughout Europe. They finally closed down the plant and went to Spain and built it because there was more stability in the cost of doing business. It doesn't always add up to taxes. We looked at it, I looked at it very closely and I said, if you raise taxes, whatever is going to happen, it is going to cause business, it's going to cause other folks to take a look at whether or not they want to do business in Idaho. We've got a fairly balanced tax structure in Idaho. Could it be more balanced? I suppose so, and both tax committees in the House and Senate are working on it. We've got property tax, basically the local tax, we've got sales tax, which is 6% and brings in about a billion \$150 million this year and we have income tax, which brings in about the same. Those are the two big participants to our general fund

budget – sales tax and income tax. Corporate tax will add about \$150 million a year, then you have the sin taxes, you know they call the lottery, which are directed toward education and to the permanent building fund. To the extent that we can get more participants in the education...whether it is the endowment or the lottery, or even the liquor taxes, it causes less of an impact on the general fund of the budget.

The general fund budget is basically made of those taxes that are the easiest to get to, and probably the most popular to raise. On the other hand, the most detrimental to attracting business and industry and new jobs into Idaho. So, we elected to balance the budget without raising taxes. Yeah, we took every dime that we had in savings. We cut back general government in a big way, and we eventually had to go to education. It is unfortunate that we dedicated a little over 50% of the state's budget to education, K-12. We had already cut back the rest of government so much that we couldn't afford to cut back any more without really endangering some of the needed services of needed people. So, like I said, you know, it is unfortunate. Would I rather have it another way, yes, I would. We have learned a lot of things in the process. We learned about efficiencies, we learned about co-locating. We now have some of the agencies that are co-locating and they find out that it is a lot easier to work together when you are in the same building, when they are working with the same lawyer, when they've got the same receptionist, copy machines, and everything else that little by little add up to the overall cost. Much was named about our effort with the Human Rights Commission. I would tell you, the Human Rights Commission is pretty happy today where they are within the Department of Labor. Why? Because 80%-85% of all of their cases were employer/employee related. Are they under them? No, they're not under them, but they're working together and solving more problems rather than having them go to Court...rather than having the kind of confrontation that generally ends up when there's not good communications. Being on the same floor and being in the same building, there is now much better communications between. Some of the other agencies that we've also combined are finding out very much the same thing. Is there more to be done? I suspect you can exhaust yourself in looking for efficiencies and we should, especially in the life of what kind of an impact that they may have on the general fund relative to being able to get that money to the Education Department and the other two very important agencies. You take education in Idaho, collection, and Health and Welfare – you've got 94% of the budget. That is where 94% of our budget goes. Now we've got dedicated agencies like the Fish and Game and the Highway Department and those kind of folks that create their own money – they don't get anything out of the general fund, but they collect their own money and then are responsible through the legislative process of requesting where they want to spend the money and they get the permission to spend that money on those things.

I want to briefly go to probably some issues that you want to talk about and that is the Court system, the appointment of judges and how that works. I think most of you know that there is a committee that comes together whenever there is a vacancy in the judgeship. There is a committee that comes together and sends out an advertisement to send in whoever wants to apply for this job. Then the Judicial Council goes through that process and generally renders me three names. Then I go through the names. Now, they also do a tremendous job of vetting folks. I don't know...how many in here have written a letter in support of a judge? Well then you know the process. I wouldn't know what your comments were, but I could see your comments, whether they were critical or your letter was appreciative of the job that this person was doing.

But it is amazing how many critical letters that are anonymous, but the briefing from the Judicial Council will be...these are the comments. There can be 4-5 comments on a judge applicant or they can be...I have seen as many as 50 or 60; it depends upon the level of Court. From District Judge on up...the ones that I actually have the responsibility for appointment. From the District Judge on up, you'll see some pretty critical comments and unfortunately, one can't go out and say, well this is what they said about this person, and this is what they said about that person, because those comments were offered, I think, in honesty but also knowing full well that they would be anonymous and that they wouldn't have to go in front of the judge at some date and say, geeze I'm sorry I said that about you in my letter and I just want to make sure that we're friends before we start this procedure. It's difficult. I've appointed two Supreme Court judges and, I believe, they were very good choices. One appeal's court judge and, I think, 17...

DAVID HENSLEY: Two Appeals Court judges; 2 Supreme Court justices and 17 District Court Judges.

GOV. OTTER: I'll tell you what I look for when I see an applicant for judge. I see, one: how other people feel about them. I get comments like this all the time..."He is belittling to lawyers;" "He does not have good courtroom procedures," "good smack-downs," I think was one to lawyers in the courtroom, "unprofessional." On the other hand, "This person has a tremendous knowledge of the law." "This person does their homework." "This person is probably very adequate to the position which they have applied." But the reason I make that comments, is a lot of times in walking down the street will be one of them. People will walk up to me and say "why did you appoint that person? Why didn't you appoint this person?" Well, I would say that person wasn't even on the list. I am limited to the Judicial Council's rendering down and their final interpretation of the three best people. Besides the comments from their colleagues, there is also a rating. How does the Judicial Council look at these folks on knowledge of the legal system, on ethics, on lots of different – I think 7 categories as I remember going across them – they are all pointed. So, you can see very easily in the most cases, the higher point people will be picked from those. Now, if there's 20 applicants, I'll have the point system on every one of those applicants to see how these three rose to the top, but I won't have the comments that I referred to earlier about all 20; I'll only have the comments about three. I think we are very fortunate in Idaho to have the system that we do because every judge, after they are appointment from district up, they all have to stand in front of the folks and say "I want you to give me this job for another term." We have gone through in the past and very contentious Supreme Court elections. You know, you watch that with a certain amount of fascination and also you say to yourself...you know I understand why a judge can't get up and say how they feel about an issue, because it may come to forum. On the other hand, how am I going to know if this person shares my concern and my values, so how do I vote for that person. It kind of reminds me of the presidential elections up until John Adams and Thomas Jefferson, that nobody ever said anything bad about anybody else, except in quiet or quiet conversation. It's been interesting to me how difficult it must be for a judge to run for re-election, or a supreme to run for re-election. What can you say? I guess you can talk about past cases and things that you have done in the past, but as far as speaking directly to the issues, like when somebody asks me about raising taxes, I can say something about that, but a judge can't because that could end up in the court and he would have prejudice on that issue. It's very difficult.

We've got 20 minutes left, let's go to question and answer. Let me just say, thanks very much for having me here. I tried to explain, the best as I can, what I thought Governor was like and what Governor is in reality and, I think government as a whole.

PEG DOUGHERTY: Great. Thank you, Governor Otter. I am going to hand it over to Nicole to ask the questions. If you have any as we're talking, just maybe pass them up and she will announce them. Go ahead and go.

NICOLE HANCOCK: I think I'll start with where you left off because we have several questions that came in before we started today that talked about the appointments to the bench in Idaho.

GOV. OTTER: Mmm hmm (positive).

NICOLE HANCOCK: Um, the ABA just reported that 31% of all state Supreme Court judges/justices are women and Idaho has zero Supreme Court justices who are women. Even with the 21 judges that you have appointed, only one has been a woman, so that makes 4.8% of the appointments you have made are women. Out the last 35 judges that have been appointed in Idaho, 34 have been male. So, I think that from our perspective and Idaho Women Lawyer's perspective, we would like to know what you are doing to look at matters and factor that into the evaluations we have already heard from you. Talk about what your perspective is on those numbers or statistics just in general.

GOV. OTTER: Yeah. Good question. Reasonable question. First off, let me begin on answering this questions where I left off. I'm limited to what I get. I'm limited to the judges or the names that folks send me. If I had my way, it would be A, B, and C. There wouldn't be a name or a gender or a nationality or anything connected to those. Then I would be able to look...now the person could still have...they could redact the name of the person that whoever sent the letter in was talking about or making comments about, but I don't know what I can do to encourage more women to go to the Judicial Council and apply. Tell me what I could do? I would be more than happy to do it. I have never, by design, said this person is a male and so I am going to introduce them or this Hispanic and I am going to appointment, or this person is female and I'm not going to appoint them. So, I am limited, number one, to the three names that I get. I am also instructed to read the point system and to read the comments about that person. We have had, let's see, there was two – Carla Williams was one, pardon me, or Darla, yeah. Darla Williams is one and I think the other one was...

WOMAN: Kathryn Sticklen.

GOV. OTTER: For the Supreme.

WOMAN: Juneal Kerrick

GOV. OTTER: Yeah, that was quite awhile ago. Anyway. You know, I looked it all up and I looked at their numbers and everything else and one just seemed to pop out at me and say, now this is the judge. Now, I interview every one of them – every one of the ones that I get from the

Judicial Council – I interviewed those people and ask them certain questions like, “When you’re making a decision about something and you go through the Constitution and then you go into the statutes and things, if you find it in the Constitution, is that where you stop or do you look further?” And, for the most part, the answer that I like to hear is that if I find it in the Constitution, that is as far as I’m going. I understand these other statutes and stuff, and maybe take some of the precedence and things like that into consideration, but I want folks that limit themselves, where possible, to the Constitution.

BRITT IDE: I just want to take from your opening when you ask of what things you could do. Some ideas we’ve working on and I’d just like to suggest and ask for your help with IWL’s mission of supporting women for positions of power in all areas (legal, government, business) and educating them on how to get there...*(can’t hear-background noise)*...so, one of the things you can do is just talk about that. Go to the Bar and engage that you are looking for women and minorities and talk about things you are looking for. Help appoint women to the Judicial Council, help the Judicial Council find good women candidates... we’ve done lots of research and found that women need to be asked to run. So, part of it is, you can help us ask more women to run for judge. We don’t get as many applicants as we like for many reasons. As a figure head of our State, you could do a lot by just talking about it.

GOV. OTTER: Well, I would also tell you that I’ve got that same series of questions that I ask every one. And, I think, in the interviewing process with the Judicial Council, if they knew that some of those questions were going to be asked – not that they need to be prompted or anything- but they would understand the reasoning for those questions. Like, I will ask, “What Supreme Court Justice do you most admire in the United States Supreme Court?” and then just tell me why...why do you admire that person. And, I’ll tell you one that I would have admired if I were a candidate was Sandra Day O’Connor. I had the opportunity when I was in congress to meet with her several times and what a dynamic...plus the fact that she was a cowgirl. But what a dynamic person and Regan was right no matter how often he was criticized...but Regan was right to appoint her. You know, I don’t know who the other candidates were at the time, but I can sure see every reason that she was appointment. There was no doubt. I would be more than happy...and maybe that’s one day maybe we should just say “Let’s all interview for appointment to the Courts.” Let me interview all of you for an appointment to the Court...I mean in mass like this. Ok, here’s one of the questions I’m going to ask. Am I looking for an answer? I’m looking for dynamic. You know, I have all the answers to everything, but I’m sure willing to listen.

NICOLE HANCOCK: I think along those same lines, you were asked on June 22nd, you had met with the women at the capitol event...you were asked after the event was over about the number of women who fill up your staff and how the reporter described it is that you were somewhat surprised to learn that of your 77 agency heads, only 27 are women. I’m wonder after you left that meeting, have you done anything to go back and look at the numbers you have on your staff or within your own department and then what types of recruitment efforts do you make within your own department?

GOV. OTTER: Well, first, I am proud of the fact that I appointed probably about as many women to my cabinet as any Governor has. And to positions that are very high ranking and very critical areas, like agriculture. Celia Gould was the first agriculture director that was female.

There wasn't a female before Celia. Did I appoint her because she was female? No, I didn't. I appointed Celia because her knowledge of agriculture and she rose above some of those other folks, the other three that the transition team looked at – were men. But, Celia just shown way over the other folks, so I said, it's going to be Celia. I think that reporter was equally surprised when I...Betsy Russell is who it was...as when I said, look at the people that I have appointed that weren't carry-over from the Kempthorne administration or Risch's administration. But look at the people that I have appointed and the jobs that they're in. So then she went through it and came back and said, well yeah, but these guys are being paid so much more money than the other folks. Well, the Department of Corrections is hardly comparable in terms of responsibility, in terms of the overall budget demands of that as some of the other agencies. So, as a result of that, there's a lot of men making a lot less than the Department of Corrections. There are men making a lot less than Celia or Toni Hardesty, or other folks that are in my agency. So, number one, that was her explanation...I was not surprised. I mean, she suggested that I was surprised. I have cabinet member meetings every month with every agency in groups of 6-8 and I know my cabinet very, very well and I am very pleased with the contributions not only that those cabinets folks make to my administration, but that they make to each other. I would tell you that those cabinet members, women and men included, are very critical to the success of my administration.

NICOLE HANCOCK: So do you do anything to affirmatively seek out women for those roles or do you take into account gender or the minority status to make sure that your numbers are a proportionate representation of the citizens or population that you're supporting?

GOV. OTTER: Were they're balance...where they're union candidates – yes. But I don't go through the process of saying, I'm gonna have this man or this women...I'm gonna have so many women or I'm gonna have so many men, or I'm gonna have so many Hispanics or any other minorities in my administration. But, when they arise even like this, yes, then I will and I have taken generation into consideration. But, if one's head and shoulders above the other, I go for the talent - the best person that I think can do the job.

NICOLE HANCOCK: Does anybody else have any follow-up on that before I change gears? Another question is: How do you defend the lawsuits against the United States on healthcare? Even those of us concerned about the new health program have concerns about wasting taxpayer money on political issues. In light of the budget restraints or constraints that you've been operating in this last year, can you talk about that?

GOV. OTTER: Well, sure. Um, you know, our estimate is that it could be up to \$100,000. Lawrence Wasden has said it might be less than that now because of the other states that have joined us and we are now sharing the cost on single arguments. We've got 20 of us now involved in that lawsuit in Florida, but there's 13 other actions being taken by other states that aren't exactly the same argument as ours in an expansion of the Commerce Clause, the Fourteenth Amendment, the Equal Protection Clause, and the Tenth Amendment, which is state's rights. I can never justify, if there's reason to sit down and confer with each other and solve the argument out of court, I can never justify going to Court if there's that possibility. The only way that we are going to get our story heard is by going to court. I believe that the Congress has expanded its authority, like I said, in Article 1 Section 18(?) the Commerce Clause.

I think there's a serious equal protection question because if this goes through, I've got to tax you in order to pay for Nebraska. I've got to tax you in order to pay for the largess that in order to get a few votes out of Louisiana, I've got to tax you to pay for the unions that are not going to be taxed, that all the other folks are going to be taxed for their "Cadillac policies," and I think that's inherently unfair and I think it's a violation of the Equal Protection Clause of the Constitution. I've never, in the history of the United States, can find any other time when the Congress mandate that individuals have to buy a profit. Do the states do it? Sure. It's always being thrown up to me...the states make people buy car insurance in order to have the privilege of driving their car. That is obviously to protect one another, and I think that's a proper role of the state – in order to make sure that if people do damage, they have the ability to pay for it. It's not hard to justify a lawsuit, but when there's no other way. Sure, I would have rather sat down with him and say take this out, this out, this out. I would tell you that we have to go forward and we are going forward. We already have the hybrids fooled. We told the feds that if you want to do it, you do it. But Bill Deal and the folks in the insurance area of the state, the insurance department, are setting up everything as though we are going to lose the lawsuit and have to go forward.

PEG DOUGHERTY: Nicole, we probably just have time for a couple more, so do you want to go through and...

NICOLE HANCOCK: Do you support the University of Idaho College of Law campus here in Boise?

GOV. OTTER: Yes.

NICOLE HANCOCK: That was easy.

GOV. OTTER: It's gonna be right across the street.

NICOLE HANCOCK: Right. Are you involved at all in any of their planning or implementation here in bringing it to Boise?

GOV. OTTER: No. I wasn't asked.

NICOLE HANCOCK: Are you going to finish your law degree then?

GOV. OTTER: That's a possibility. Would I ever practice law? I doubt it. But, I've always had that as something that I would dearly love. I would tell you that I have appointed the University of Idaho as the grant official for the justice scholarships, or grants, for repaying cost of education for prosecuting attorneys so that, you know, we can get more people involved in that and they can afford to work as a prosecuting attorney rather than private practice, help them pay off their student loans.

WOMAN: Could you add the AG's office to that?

GOV. OTTER: You know, I don't know. I don't know what the limits are on justice. I think it's prosecuting attorney.

AUDIENCE: Prosecutorial.

GOV. OTTER: Yeah, it's the prosecutorial. You know it would be great if we could, but we are finding more and more ways in more and more professions. I have to tell yeah, one of the things that I've focused on are the docs, because of our lack of doctors in Idaho. And the fact that so many of them are aging and the fact that it rural Idaho there are some places without doctors at all. And so, we put together, I think, some pretty good programs to enhance more of that. I could see that in other professions as we've seen it in law.

NICOLE HANCOCK: Maybe we could end on a high note and you could tell us what industries, new or existing, you see growing in Idaho that would help boost our state revenues or where we're moving into in the future that we can implement in our own practices.

GOV. OTTER: Well, obviously, the big kid on the block right now is AREVA and that's going into Bonneville County over in Idaho Falls. It is beneficiation for energy purposes – nuclear materials. And, it's about a \$3 billion project. They expected to start diggin' a hole this fall but now they think, they told me, it would probably be next spring. Not only will that have an awful lot of construction jobs going with it, but there will be a lot of long-term opportunities for us to have a real professional group of people over there that will join with the lab that will make a big difference, I think, in Idaho. That will be in all sectors, it won't be just like nuclear physicists or something like that; it will be in all sectors. We have...Marcia could tell you that we have five power lines trying to come across southern Idaho.

MARCIA FRANKLIN: Numerous.

GOV. OTTER: Oh, ok. Do you want to name them? No. We have quite a few and those are depending upon whether they're the size of the line, the dirty work, at about a million \$600,000 a line to \$2.4-\$2.5 million and a lot of construction – a lot of maintenance and operation after that's overwith. Whether we get them all, is a good question. But we are doing our level best to try to accommodate those.

In the smaller sector, we just had a new gun manufacturer move in to Post Falls. Moved out of California and moved into Northern Idaho and is extremely happy there. There are a lot of little companies...I can't...

NICOLE HANCOCK: It's landing like a thud here.

(Laughing)

GOV. OTTER: Well, they're sports guns. You know. Anybody here from Lewiston? The largest ammunition manufacture in the United States is ATK at Lewiston. There's a lot of jobs and lot to add to our economy. I'll tell you, I introduced them to the Taiwan east government years ago when I was Lieutenant Governor and they supply their military a lot. I don't know if

you are for or against guns. All I can tell you is that it's a reality for us and to the extent that we have to deal with it, we will deal with it. I mean the Second Amendment.

(Laughing)

GOV. OTTER: Time has arrived. Thank you so much for your time. I appreciate it.

(Clapping)

PEG DOUGHERTY: We are going to post the questions and answers on our website, so we will get those out for you.

CROWD: Thank you, Governor

Transcribed by Lori Anderson