KAY BAILEY HUTCHISON

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Dear

The U.S. Senate is now debating legislation that would dramatically expand federal government control over our health care system. It's important that you know I will not leave this fight. I will remain in the Senate this fall to help lead opposition to any government takeover of one-sixth of our economy.

Let me be clear. Our health care delivery system, particularly in Texas, must be improved. In fact, it requires serious reform. There are far too many uninsured Texans and Americans.

But the solution lies in free market principles, competition and incentives to attack this problem – not reliance on government bureaucracies and handouts that will only make health care even less affordable.

I'm putting all my efforts into stopping nationalized health care dead in its tracks. Last spring, the Obama Administration demanded immediate passage of a bad law. But during the summer recess, the voices of the citizens of Texas and every state were heard loud and clear. My goal is improving access and affordability of health care – without destroying a system that serves most of us very well.

Texas should be leading the nation on this issue. Our entrepreneurs have always been the best in the world. But Texas government – at least in recent years – is not doing its job.

We're not innovating. We have more uninsured, both adults and children, than any other state. That is not a badge of honor for Texas.

There are now 6.1 million uninsured Texans, compared with only 4.9 million when the current governor took office. Nearly one-third of non-elderly adult Texans have no insurance. And three-quarters of the uninsured live in households where at least one member has a fulltime job!

I'm running for Texas governor because I know we can do better. I believe 14 years of one-man rule is too long, and I see no improvement on our state's major problems under Governor Perry. Property taxes are the highest in the nation (followed by New Jersey) – and they're almost confiscatory. Our highways are lagging and TxDOT is broke. Our children are quitting school at alarming rates.

I'm proud of Texas, and I'm optimistic about our future. But you don't need a crystal ball to see the future train wreck if we continue to do nothing about the issues facing our state.

Responsible conservative governance means that our children and grandchildren can live and prosper in Texas, as we have. will you help me make certain they can by assisting my campaign? Your contribution of \$1,000, \$500, \$250, \$100, \$50, or even \$35 would be greatly appreciated.

WWW.TEXANSFORKAY.COM P.O. BOX 130 | AUSTIN, TEXAS 78767 When we tackle a major issue in Washington, I have often pointed proudly to the Texas way of handling that issue. Sad to say, I cannot use Texas as a shining example during the current health care debate.

In fact, Governor Perry's suggested health care solution has more in common with President Obama's approach than it does with sound conservative principles. Governor Perry wants to "fix" health insurance by taking federal funds away from Texas hospitals. His plan relies exclusively on a broken federal entitlement program, Medicaid, and merely perpetuates the entitlement culture that threatens our fiscal wellbeing.

My approach is dramatically different. I advocate reliance on the free market. By setting up a health insurance marketplace, my plan wouldn't take any funding away from hard-pressed hospitals because it doesn't rely on federal funding at all.

Instead of government mandates or control, I believe it is better to use tax incentives to encourage purchase of insurance, and to make it more widely affordable. A statewide health insurance exchange could be utilized by both small businesses and individuals to reduce red tape burdens on employers. Businesses could select an affordable level of employee health benefits, and uninsured individuals could purchase tailor-made policies with tax-deferred dollars.

A similar plan has been successfully started in Utah. This free market approach is gathering steam in conservative circles such as the Heritage Foundation. It directly takes on the main problem – too many uninsured – without doing damage to the excellent health care access that many Texans already enjoy.

As you know, my roots in Texas run deep. I have an abiding appreciation for our state's history and our shared values. We have always relied on personal responsibility, hard work and individual initiative. For years, I have attempted to bring Texas thinking to Washington, and stop Washington thinking from taking over Texas.

I'm now ready to bring a reformer's perspective to Austin. Quite frankly, I believe the lobbyists and insiders in our state capitol could use an infusion of new, conservative thinking and new ideas – a cleanup of business as usual in a city that badly needs it.

Will you help me on this Texas-sized endeavor? I've been encouraged by support from men and women all over Texas who want to see our state remain a beacon for individualism, and the best place in the world to work and raise a family.

I would be grateful if you would join the thousands of your fellow Texans by contributing whatever you can afford to my campaign today. Your contribution and your support mean a lot to me. Together, we can keep Texas great.

Sincerely,

Kay Bailey Hutchison