Representative Keith Rothfus (R-PA) talked about President Donald Trump’s policy agenda and his relationship with congressional Republicans. *This transcript was compiled from uncorrected Closed Captioning.

Host
Host: joining us, representative Rothfus. Good morning. The president yesterday signed paperwork that effectively pulls out of the transpacific partnership. Was that a good move?

Guest
Guest: it’s what he campaigned on. It was a good move. I was among several of my colleagues that had issues with the trade promotion authority legislation that came up about your half ago. I was concerns with respect to a global marketplace. We have to be out there competing, there's a term in this market that we could be selling to. When you have the construction or something like the TPP commission, 12 member states, and those members states will be able to opine and perhaps have an influence on how we could be trading, what our policy should be, that's concerned from a sovereignty standpoint. If you take that up a layer into a TPP commission, I would be very concerned about actual regulation. When TPA came out, there was no mechanism that I thought would prevent something like that from happening. Back to regulations from overseas coming into this American economy. We have to make ourselves as competitive as possible. You look at our high tax rates and revelatory burden, $2 trillion to comply with the entire federal register we have here. We put a lot of burdens on our business as we're trying to compete in a global marketplace. We have to get our own house in order. The president has talked about tax reform and regulatory reform, I think health care reform ties into that. We see Drummond’s costs being borne by the business sector, which puts us at a competitive disadvantage in a global marketplace. -- tremendous costs being borne by the business sector, which puts us a competitive disadvantage in a global market place.

Host
Host: does this put states like Pennsylvania in a rough state?

Guest
Guest: we want to be able to give us a competitive advantage in this global marketplace. You can't look at this in isolation. You have to look at the context of what we are doing from a domestic policy perspective here. When you are looking at the tax code in the revelatory environment, we could be doing a lot better to make ourselves more competitive in the global marketplace. Attract capital into this country and try to get the capital of locked up overseas to come back into the country.

Host
Host: one of the things the president just book about recently was the renegotiation of NAFTA. In your mind, does it have to be renegotiated?

Guest
Guest: you to look at the relative tax rates and how we are taxing our companies, how Canada and Mexico are taxing. Let's take a look at the entire spectrum of our trading relationship with Canada and Mexico and make sure that we're on a solid footing as possible to help our economy grow.

Host
Host: representative Ruthfus Pennsylvania. If you want asking questions about trade deals and other issues facing numbers of congress, democrats, call (202) 748-8000. Republicans, call (202) 748-8001. For independents, call (202) 748-8002. What faces republicans in the house as they try to come up with some kind of alternative to the affordable care act?

Guest
Guest: number one, and apple rolled out from under people. There are people who did access health care plans through the aca. At the same time, there has been damage done to millions of other people with escalating premiums, as the deductibles, and a lot of people are referring to it as the other affordable care act coming of the democratic governor of Minnesota during the campaign says it turns out the affordable care act is not so affordable. No Chelsea Clinton talking about the crushing cost of the aca. Former president Clinton talking about it being the craziest thing. This was not supposed to happen. We recognize that across our district, is our responsibility to step in and offer an alternative to address these issues.

Host
Host: one of the alternatives came out from -- he gives states the option of you give affordable care act and other options if they don't want it. What you think about that as an opening act as replacement plans go?

Host
Host: I am most familiar with commerce and prices's legislation. I will look to that, friendly, as a benchmark as he takes over at HHS. We got to move away from the mandates of Washington, DC. and I think the president's inaugural address candidate this, turning our back to the people. If there is a health care plan that works for you, you should be able to access that health care plan. If there's not a health care plan that works for you, there needs to be a
much more robust market where companies can create products that will work for you and your family. You're not an option right now with the affordable care act.

Host
Host: what is it about representative price's plan that appeals to most?

Guest
Guest: gives far more flexibly for American families. We take in to consideration the issue with pre-existing conditions by looking at high risk pools. Severe key issue for many of us. I'm a cancer survivor. But all have family members with serious health conditions and want to make sure we have access to health care plans. Using a look at the tax credit proposals that congressman prices talking about. People in the individual market right now who are buying their own health care insurance like myself -- I don't get the same tax benefit somebody might if you're getting your health care through your employer. Take a look at that. It's an issue of fairness. I think you have to give far more flexibility to how insurance plans can be created. Customize them for families who might want a different type of plan, allowing individuals to pool together. This concept of gaining the kind of purchasing power that the big guys have if you have the little people pulled together. Association health plans. There's a lot in his legislation that has a lot of merit. I am looking forward to him being in hhs and getting this out there.

Host
Host: that cover missionary for congressman price at Kennecott this morning on c-span3. If you want to see for yourself, you can find out more information at the website. The first call comes from been from Johnstown, Pennsylvania. Republican line. You are on with the congressman. Go ahead.

Caller
Caller: thank you taking my call.

Guest
Guest: good morning, ben. How are you?

Caller
Caller: recovering from Sunday. But we still got more rain than the patriots.

Guest
Guest: you tell them.
Caller
Caller: thank you, I support you and you done great job. There's something I have been wanting to talk to a represent a route -- about for a while now. I know it is prevalent in our area. There are people who work and pay taxes and they still struggle to get by. While there are some people, not all, who scam the system the government programs in order to get by without working. I'm not saying people who need those programs, people who are truly disabled, people who truly don't have food, I'm all for that. I'm all for paying taxes to go to those programs. Sometimes the people who abuse these programs are living better than the people who are working, and that doesn't seem fair to me.

Host
Host: I hear -- guest: I hear that from a number of folks, people who are struggling to get by, people who have two or three jobs, the husband and wife might be working and they come and tell me about situations of what you are talking about. We need to have robust antifraud revisions and make sure that these programs are directed towards those who need the help most. We have to beating of ways to get people back in the game. I'm looking at tremendous deficits that we have coming out of this town and responsibilities we have to make sure we are keeping the commitments to our seniors and Medicare looking at veterans benefits and that we have the resources we need to be taken care of veterans. Yet we have 92 million people not in the workforce, the lowest labor participation rate since the 1970's. It's sad, each one of those individuals represents somebody who could be helping to contribute to our society and very often, people get sidelined or marginalized and they don't have the proper training. We got to reengage people and get them back on the field again, because I think most folks want to be productive. They want to be contributed to society. They understand we have these responsibilities, the we just can't tolerate fraud.

Host
Host: humble, Texas. Independent line.

Caller
Caller: good morning. When you guys plan on voting on war? Are we at war, right we? -- a largely -- or aren't we? And if we reveal the aca, how much is it going to cost?

Guest
Guest: we'd have a real examination of what we have been doing overseas. This is an issue -- we've been at war for 15 years. We have two authorizations to use military force, the one from 2001 that allowed us to go after al Qaeda, the one 2002 the provided for going into Iraq. I’m of the opinion of the 2001 authorization to use military force is sufficient to be going after al Qaeda and its affiliates, including ISIS. I think president trump and second tremendous and
general Flynn need to have a national security team in place. Glad to see Mike Pompeo get confirmed finally. There was no need for the two-day delay that occurred over the weekend. These are among the most serious issues that we have. We are spending a lot of money. We have a Pentagon budget close to $500 billion and $600 billion. We've got to be very cognizant of the fact that we put our folks in harm's way, and that we have a tremendous response ability for them. With respect to the affordable, we've a system that's collapsing right now. These premiums are not sustainable. There is a better way. This is what we campaigned on. I would encourage you to take a look at our proposals. Was it a look at Senator Cassidy’s bill that was introduced yesterday, Senator Collins, and see what has merit. This is the beauty of the bicameral system. We have a house and we have a senate, we can surpass respective bills like these with the committee that comes together with the best product for the American people.

**Host**
Host: how long before we see definitive plan?

**Guest**
Guest: I hope sooner rather than later. I'm advocating for urgency about this matter as we look at us letting premiums trade I love to see insurance products available to American families perhaps in fall of 2018. But it takes time to put those together. I don't think there is sufficient time right now for a new insurance products to be available in the fall of 2017. We will see what it Mr. To flexibility secretary price will have under the affordable care act and his delegation of responsibility to HHS, which begs a bigger question about the aggressive authority agencies have been given by legislation and what agencies themselves have taken without being stopped by the courts. It's a huge issue we've talked about, we talk of a regulatory super state in Washington, DC. we have to shift the power back to the legislative branch.

**Host**
Host: Chris on the democrats line.

**Caller**
Caller: mi on -- and I on?

**Host**
Host: go ahead.
Caller: how come every time I hear a politician speak about trade, they always scream taxes, regulations, EPA, but they never say a word about wages? What's the average wage in china, India, Mexico? How do we compete against that?

**Guest**
Guest: it's a great question, and you are right. Wages are lower. The American workers more productive, we have more technology, we can compete in the global marketplace, and we have competed in the global marketplace. We export a lot of goods out of this country. We'll need to do is be taking a look at some of these other issues that make us uncompetitive. We have a global marketplace, we have global flows of capital. Capital is going to go where it's going to get a good return. Companies are looking at things, they are looking at labor, they're looking at regulatory environments, they are looking attack structures read is accommodation of things that are being looked at. I would contend that we have a very uncompetitive tax code right now, not just the federal taxes, we have state taxes and property taxes, these are all factors that go into these companies decisions on where to locate a business. We want to make ourselves as competitive as possible on these different issues.

**Host**
Host: that is Chris and Michigan. We go next to avis. Go ahead.

**Caller**
Caller: good morning. I was just wanting to ask a little bit about the of affordable care act and what is going to be the plan as this is completely repealed. Is there nothing is going to put in place right away to replace it? Wouldn't it make sense for them to have a replacement or some type of adjustment to make sure that the premiums can go lower other than let's just get rid of it and people not being able to have the provisions that are under it as far as protecting people with pre-existing conditions, getting young adults covered up to age 26. What is going to happen? It's a little bit frightening, because this affects all families, regardless of whether you buy your health insurance through the affordable care act or you are getting it through your job. What is happening? This is frightening.

**Guest**
Guest: great question. Thank you for bringing it up. We started the process with a reconciliation -- it wasn't even a bill, it was a budget resolution allows the committee of jurisdiction to begin a craft legislation should begin to repeal the affordable care act and I am thinking we need to have a replacement of the same time, because there are many issues going on. We have insurance market which is in trouble. When you see these premiums going through the roof and you see insurers withdrawing, we have and what your Pennsylvania, 11 of 16 counties only have one insurer. Five states in this country now only have one insurer.
When you have one insurer, that's called a monopoly. This was not supposed to happen. We have 17 of 23 co-ops that have gone bankrupt, costing taxpayers $2 billion. This is not sustainable. We have to come up with a better plan. We have a better way platform we put together that has these various proposals, cognitive price -- congressman price's legislation is in there. Senators Cathleen Collins introducing the distillation yesterday. It's an iterative process, it needs to have the full participation of the American people. We have to read the legislation, when it has to find out what's in it. You look at the process by which it was passed, with senator Kennedy’s death and what they did to the overall legislation, where you had a draft of legislation they got rammed through the house, Christmas eve votes in the senate, it was a debacle weight was passed. They threw together a reconciliation package at the end to try and fix some of the damages. It's interesting because we have speaker Ryan, who has been very much in the weeds on this. There was a summit at Blair house with president Obama in 2010, where president Obama met with congressional leaders. Speaker Ryan laid out what was going to happen if you went down this path to federalizing the health care system the way we did. And sure enough, it all happened. It's incumbent upon us to come up with a solution for the American people.

**Host**
Host: our guest is representative Keith Rothfus, serving the 12 district of Pennsylvania and also serves on the financial services subcommittee. Will this administration and the house and senate take of issues concerning. Frank --. Frank -- Dodd frank?

**Guest**
Guest: it did -- he has driven up cost, institutionalized. To bigger fail. This would be an implicit backup to those types of large institutions. That is not what Dodd frank was sold as. The consumer financial detection bureau has run amok that does things like guessing people's races by their last name. It's unconscionable what's been going on very you hostile work environment, whistleblowers coming forward, and we have seen people's financial service options decrease. We've seen community banks, we are losing a community bank a day because of Dodd frank and the regulatory burden. The other financial choice act that we introduced, it is an iterative process. We need to come up with regulation that is responsible and prudence and transparent. And we increased penalties for wall street in our financial choice act. This is the way we want to go. We would prefer bankruptcy for financial institutions, not bailouts, which is what is in the Dodd frank law. Many issues that weird debating within our committee with the goal of having a much freer economy. We’re bumping along the bottom. Resident Obama the administration was the first demonstration not to have economic growth exceed 3%. People are hurting. This town has done very well, as president trump said. I challenged folks who visit this town to count how many construction cranes are on the horizon. Look at the German wealth and suburban counties around Washington, DC. and would that that will be transferred back to the country.
Host
Host: you serve on housing committee, and one of the first things president trump did was assigning an executive order taking a look at a mortgage fee, can what this is what the president did and why?

Guest
Guest: we had issues in the mortgage market, part of coming out of the regulations out of Dodd frank. People in Washington, DC making a decision on who gets a mortgage. It's technical, something called a debt to income ratio of 43%. Some bureaucrat in Washington, DC thought that should be the line for who gets a mortgage. A local community bank or credit union may know a borrower whose debt to income ratio is higher than that and is going to be able to carry a mortgage because they are able to pay rent at a higher level. We want people to get into homes, home ownership has come down significantly. We are behind other countries. Again, because of the failed housing policy coming out of Washington, DC

Host
Host: Margaret, go ahead.

Caller
Caller: I would like to thank you for taking my call. I appreciate your time and I appreciate the coverage of c-span. Representative Keith Rothfus, I have a concern when -- I hear what you're saying, and you are talking fast, but there is a little bit of name-calling and there's a little bit of denial about the last eight years on the economy going down. But the problems of building the middle class and who is going to pay for that is not clear when you talk so fast. Whenever people say they're going to deregulate, deregulation keeps our water clean and it keeps our air and smog down. The question is, if you don't have regulations that are thoughtful and protect people, then how do you call that science? A very concerned about this broad denial of who caused the problem.

Host
Host: ok, next caller.

Guest
Guest: great question. I will try to slow down a little bit, I know I do talk fast. I prefer the term right regulation instead of deregulation. The news to be regulation, we want to have clean air and clean water. We want to have transparent financial markets. We have legislation we've
already passed out of this congress, the regulation of the executive in need of scrutiny. What we're saying is that congress should have input on these regulations. Regulations have the force of law. Under our constitution, congress is supposed to pass the laws. We have developed this practice over the last 100 years where congress delegates to the executive branch in legislation that says secretary of such and such agency should promulgate regulations consistent with this law. And then they run with that. It turns out, a developer a regulation of going to have a tremendous impact on jobs, wages, on the economy. And we have seen that over the last 15 years, 20 years, 30 years, four years. We want congress to have a share in that progress. If there is a regulation that you as a voter approval of an you are a number of congress -- and your member of congress does not, even to hold that person accountable at the ballot box. Right now, there's no way to hold Washington accountable with respect to these regulations. This is a huge issue and I think president trump has zeroed in on it. I look forward to meeting a lot of progress this year on this regulatory system.

Host
Host: he signed an executive order taking a look at what the solution exists in regarding the affordable care act.

Guest
Guest: it tells the secretary of HHS to be looking to where we can provide relief for the American people? What flexibility do we have?

Host
Host: Indianapolis, Indiana, independent line. Paul.

Caller
Caller: I was just reading an article or a column by Mark Feiss from the Washington post, reprinted in the Indianapolis star about the idea of border adjustment taxation. We're basically, we lower the corporate income tax rate to 20%, and then we forgive it on exports, that we charge it on imports. The idea is it would advantage are manufacturers in exporting. And it would protect small importers from overseas competition, it would help correct the labor disadvantage. It's not just the labor disadvantage. I do quite a bit of trade with small companies in Europe, and I know they have a -- when they sell to me, they take the vat off. If a small-company want to sell the Britain, they add to that, plus a huge fee for collecting the vat.it makes it impossible for small firms in Indiana to export to the u.k. 166 or more than 160 companies -- countries in the world that we trade with right now have this border adjustment. We are one of the few that doesn't. It puts us at a tremendous disadvantage, especially for small firms that do single items that really aren't -- I’m thinking of like bronze plotting -- plumbing fittings.
Guest
Guest: this is one of the big issues that would be debated this year, how we address this issue of border adjustment. He is correct and they look at countries that use a that -- vat, where it is waived for the products they are exporting. There is a proposal that Kevin Brady from ways and means has put out with respect to this issue. I think it is a bit we're all going to have to scrutinize very much. This goes back to putting ourselves at a competitive advantage as possible in a global marketplace. There are tax issues, border adjustments, the income tax rates we pay, another, he mentioned that I'm the proposal going down of 20% on the corporate side, again, we want this economy to take off. We've been struggling going on 1%, 2% economic growth. If we expect to meet the commitments we made with respect to the programs we have, whether to social security, Medicare, veterans benefits, education, highways, we have to be brought in a much healthier pace. We can, but it's a function of getting the policies right in Washington, d.c. so we can transfer the power from this wealthy town out to the rest of the country, which is exactly what president trump has spotted as the big issue.

Host
Host:-- (202)-748-8000 for democrats, (202)-748-8001 for republicans and (202)-748-8002 for independents.

Caller
Caller: they are always worried about the cost like the health care act, when they passed a drug bill, there was no cost involved in that cost billions now. One other subject, as far as taxes, they say they want to lower the corporate tax rate to make business better. Why don't they promote kids? They lowered corporate taxes in Kansas and Kansas is a mess, now.

Guest
Guest: when they passed the drug bill, there was a debate that it was not pay for. It was passed in 2002 or 2003, and there were concerns with it at the time, with respect to the cost. It was structured as a premium support program. It ended up coming in, 40% under budget and 90% of seniors appreciated the plan. That was a different time, we did not have a $20 trillion debt at the time. We have a growing deficit. This is money we are taking from future generations. It is not responsible or moral. We have to come up with programs that generate economic growth and generate the kind of revenue for us to pay for these programs. We have to be careful. We are creating a constructive program to make sure these are paid for.

Host
Host: republican line.
Caller
Caller: thank you. I would like to ask the congressman if he knows what will go on with the sequester. The sequester that has been up since 2011.

Guest
Guest: you don't hear much about the sequester, so thank you for bringing that cap. We have been doing patchwork budget fit -- budget fixes over the past couple years. We have an opportunity going forward, taking a look at what the president’s budget will look like, see how it will address that. I think that is something that will be discussed, and I really appreciate the caller for bringing that up.

Host
Host: you can see that hearing live on c-span three, go to our website for more information. Let’s go to barb, in Michigan, independent line.

Caller
Caller: I have a question for you. President trump said he wants to take the oil from Iraq, and he is now the president, and I saw a news on it, last night, that his word had -- his words have consequences and our troops overseas are in grave danger because he said that he wants to take the oil. It is for our own greed and against the Geneva convention. I want to hear your take on what is going to happen that he says things so frequently that is putting our forces in danger.

Guest
Guest: I am not aware of the story you are talking about. I know that we have a new defense team in place with general Mattis. I think that the president will be looking to general Mattis very much on these matters. President trump is one of these individuals who gets out there, he lays out a framework and then it is up to his deputies to start to implement and maintain a tremendously talented circle of folks to help him work through these issues. I spoke on the house floor, recently, supporting the waiver we gave to general Mattis. Typically you have a seven year gap between military service and serving as defense secretary. General Mattis has been with our marines, he has been overseas, he has talked to soldiers who have been gravely wounded and he understands the cost of war and I think it is important to have someone like general Mattis at that table, to understand what we have been through, and where we can be going.

Host
Host: the president will be attending a public retreat. What will be the result of that meeting?
Guest
Guest: it is an opportunity for us to talk about the legislation we have been working on for the last four to six years, how that works with the president's plans to make America great again. There was a lot of congruency with what the president has been talking about with respect to reforms, so it will be good to have the president to build those relationships. It is important for folks in this town. One of the unfortunate aspects of president Obama's tenure was not enough communication between the white house and the congress and I have heard this on both sides of the aisle. -- pleading with democrats and they were like will he is coming now. It is important for the white house to have good relationships with congress. I think the president and the vice president being at the retreat will be good. I think president trump will be reaching out to both sides of the aisle and developing those relationships and we have to do that as a country. A lot of people came to me after the election, when my district won decisively for trump. There were folks that did not vote for him and they have expressed their concerns to me. This is an opportunity for this country to have a much deeper conversation about what we can be doing. Where this country can be. Speaker Ryan has articulated clearly, you look at our congress, you look at our house of representatives, there is not one person who does not want to see health care improved. It is a question of getting the policy right. I think if we step back from some of the language people have been using, some of the demonization. We have an opportunity. We want to leave this country a better place.

Host
Host: thank you for your time. Another member of congress joining us next, representative Jim Himes, a democrat in Connecticut. We will talk about issues facing congress. That conversation on its way.

Unidentified speaker
>> one of the issues you brought up with the congressman was the process of repealing and replacing the affordable care act. A we have been tracking on Washington journal. That process taking a state -- taking a step, yesterday during Monday’s session in the senate. Republicans presenting the first official Obamacare replacement plan. Introduced by senator Susan Collins from Maine and bill Cassidy from Louisiana. Bill Cassidy notably a position. It is called the patient freedom act and it is unique in that allows states who want to keep the components of the portable care act to do so. It also has other alternatives according to usa today and their story. The senate democratic leader did not declare where he stands on the legislation, calling the plan unworkable and something that would create chaos in the marketplace. Yesterday, Susan Collins and bill Cassidy talked about how their plan would work. Here is Susan Collins describing the components of her plan.

Unidentified speaker
our goal is to increase the number of people who are insured in this country, to help restrain the growth of premiums and to give consumers more choices. We do so, as dr. Cassidy has explained, by returning options to the state. Ours is the only bill that has the unique combination of allowing in the senate, allowing states to choose to keep the affordable care act if it is working for them. That means they would still receive the subsidies, the tax credits, the consumer protections, and they would still be bound to the individual and the employer mandates. Another option, which we call the default option in our bill and the one which I believe most states would embrace would allow states to cover the uninsured population by providing a standard plan that had a high detectable, a basic pharmaceutical coverage, some preventive care such as free childhood immunizations, and it would be financed through a health savings account. The amount of money that would go to states that choose that option would be the same as the amount of money that they would receive now, under the aca, plus what they would receive if they expanded Medicaid coverage under the aca, whether or not they have chosen to do so. It is a generous approach that would allow states to cover uninsured individuals. I do want to emphasize that those individuals could choose not to go into the state plan. They could opt out and instead, by -- buy more generous health insurance coverage with their health savings accounts. Employers and taxpayers would be allowed to contribute further to those health savings accounts, and the health savings accounts which they -- would phase out at certain income levels. They would avoid the cliffs that are