

TRANSCRIPT: INTERVIEW WITH KATHLEEN SEBELIUS

Interview by Bob Beatty

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Question: Tell me when you're born, where you're born, and where you grew up, please.

Kathleen Sebelius: I was born in Cincinnati, Ohio. I was the second of four children. My parents were both born in Cincinnati. My grandparents came from Cincinnati, so we've been there for a couple of generations. I was born in 1948 in the middle of two brothers; one 15 months older than I am, and one 360 days younger than me. My mother took a bit of a breather and had a fourth child four years later.

Question: Let's start with your mother. Tell me about your mother.

Kathleen Sebelius: My mother was a teacher, taught high school. She graduated from college in Cincinnati. She grew up in Cincinnati and went to school at the Summit Country Day School, which actually was the school that my father went to also and a couple of my grandparents went to and then I attended. And then she went to the University of Cincinnati for college and ended up teaching in high school for a number of years until she married my father, really during the middle of World War II. They had known each other in Cincinnati. They both were Cincinnati kids. They had dated each other but they ended up dating and then marrying during the midst of the war.

Question: So your mother was a school teacher when you were a child?

Kathleen Sebelius: No. Once my mother started having children - and she did that fairly quickly after they got married - she actually was a stay-at-home mom who kept a busy household together while my father was off working and he also began his career as a teacher. So I think they had teaching in common.

Question: Tell me about your father. He, obviously, was quite passionate for public service. Tell me what you remember about that. Looks like in 1953 is when he first entered the Cincinnati City Council.

Kathleen Sebelius: Well, my father came from a family where his grandfather had started a funeral business in Cincinnati and it was very successful. And then my grandfather was a successful businessman on the board of Proctor & Gamble and on the board of the Kroger Company, both Cincinnati companies. My father was the oldest of three boys and he also had a twin sister. And the family was very hopeful. My grandfather certainly was very hopeful that my father would follow into a business position in Cincinnati. My dad had different ideas and he began his career as a school teacher and was passionate about schools and education and then heard Adlai Stevenson give a political speech. I think he heard him on the radio when Stevenson was running for president against Dwight Eisenhower. Dad was inspired by Adlai Stevenson, thought that he sounded brilliant and interesting, so he went down in Cincinnati to volunteer for the Stevenson campaign, tried to find the Cincinnati Democratic Party, only to find out that there was no Cincinnati Democratic Party in the early 1950s. So he got involved anyway in what was called the Charter Right Party, which was some individuals who had kind of spun off from the Republican Party, which dominated Cincinnati, and started the first Democratic Party in Cincinnati as a part of that campaign. A year later, some of the folks came to him and said, "We're trying to fill out a ticket for city council, there are nine positions. Would you think about adding your name to the list?" and it was called the Charter Right Democratic Coalition. They had to have a coalition to even put nine candidates on the ballot. They didn't have many hopes that any of them would be elected. But they thought

they should run in an election. And much to his surprise, and certainly much to the family's surprise, my father was elected to the city council in 1953 when I was 5 years old.

Question: And so from age 5 to 15 - and then he runs for congress in '62, when you're 14 - are you immersed then in issues? I mean, if he's on the city council and he's running for congress, does he come home and talk about everything that's going on? Is that part of your life?

Kathleen Sebelius: Both my parents were very interested in the community, interested in issues, involved, and felt strongly that we, their children, needed to know what was happening and what was going on. My mother's father had actually been in elected office. He had been on the city council and he was elected to a judicial position and probably could have been elected statewide if he had chosen to run. He was very popular. But my grandmother was not enthusiastic about politics and he was very happy being a judge. So we had that political side of the family. He was involved in our lives a lot.

At our table every night when my father came home for dinner, we did talk about issues and we talked about politics and what he was involved in at the city level. So my class could do a field trip every year and go down to the city council and watch the council work. And in some ways politics is a pretty easy job for a kid to understand. You can watch them in what they do. Most of my friends had no idea what their fathers did. They would disappear for hours in the day and then they would come back, but what happened in those hours, they didn't know. I could sort of watch it up close and personal. We could watch him sit in the council chamber, vote on issues, we could follow it in the newspaper. So in some ways, politics is a very tangible profession for a child to learn about.

Politics also comes with its bruises. My father was always in the minority in a nine-person council. He was often on the losing side of issues or on the side of issues that got wildly criticized by some of the business leaders. So I learned early on that what was said in the newspaper may not be exactly accurate.

My father felt it was really important for us to understand what he believed in and why he was saying what he was saying and kind of arm us with the information that we could use in our conversations with kids. So when somebody would say to me, "Ah, my father would never vote for your father," or say, "We think he's crazy," I would be able to respond with some focus on the issue, which I knew my friends had no idea about. They would just repeat something that they had heard. I was the issue person, so I learned from a very early age to be able to explain myself, defend myself, and also to learn that if people knew what you were doing, even if they began with a different point of view, often you could bring them around. You could educate them. And that was really my father's view of leadership: that you often could be out ahead of people but then you needed to explain to them why it was that you saw the world differently than they did and see if you could bridge that gap.

Question: So, did you see early on that that politics is something that's accessible because you saw it in your family because people were doing it?

Kathleen Sebelius: Well, I like to say that I never thought that political involvement was a voluntary activity in our family, it was sort of mandatory. And we went door-to-door and put up yard signs. I thought that's what everybody did in the fall and it only came to me later in life that there were people who actually went out to picnics and went to football games and didn't spend their time in call rooms and call banks! From a very early age we were around my father's campaigns because the city council was a two year term, so he was running frequently.

And then he began to run seriously starting in 1962 where he ran 10 races in 11 years, some of those statewide. So there was a lot of full contact sport in our family and that actually turned out to be very lucky for me, because when I began to run for office you could bring my siblings in, drop them at any vicinity in the state, any

room at any place, and they could run a call bank, they could go door-to-door; I had these wonderfully trained and skilled volunteers! Other people had to go hire people, I just called my family.

Question: So in 1962 John Gilligan runs for Congress and loses. In 1964 he's elected to Congress. And then two years later he's defeated and then in 1968 he loses an election after beating the incumbent US senator in the primary, Frank Lausche, who, refused to support him. So, after defeating the Democrat in the primary he takes on the Republican. Then he's elected governor in 1970. So I'm seeing something that you may be learning here which is, that you don't take any loss too personally or too hard? What do you learn from all of this? What can you tell me about what you remember from this period of time?

Kathleen Sebelius: Well, I think that certainly my father's political career and feelings about public service have helped to shape my life and my views. Most of all I think I learned that it's important to have a moral compass. It's important to have courage enough to take a stand on issues that are serious and defining. And even if you lose it's not the end of the world. So I learned that it's much more important to have a vision and a viewpoint; know what it is that you can contribute, know why it is that you're running and what you want to do. And then have the courage to stand by those convictions. I watched him do that time and time again.

We lived in Cincinnati, which is a southern city and operates very differently than Cleveland, Ohio. Cincinnati is in the southwest corner. It's much closer to the south. It was just north of the Mason-Dixon line. And there were always racial troubles and tensions and my father's earliest days on the city council involved a lot of racial interaction. He was very involved in civil rights and very involved with religious groups who were working hard to continue to desegregate what were still very segregated areas of Cincinnati. That was a lesson in moral courage because that wasn't the world he'd grown up in.

When I was a child we dropped out of the country club, where I happily was swimming on the swim team and all my friends went and that my grandfather help to start. We dropped out because my father tried to go with a council colleague to lunch in the grill and they wouldn't seat the council colleague. He was African-American and my dad said, "That's it. We're out." As a child I thought, can you wait until the fall when the club closes to actually drop-out? But those were kind of life lessons.

They talked to me about a situation where my parents attended a wedding with all their old friends, this is a town they grew up in and these are their buddies. My father got involved in a conversation and looked over and realized that no one was sitting with my mother in this social setting, because my father had made some very clear statements about civil rights and the importance of integration in a town that really didn't take too kindly to those ideas, even among their oldest friends. So those were interesting and painful lessons.

But also I learned the value of moral courage and the importance of being that kind of leader. I watched them do the same thing as we moved into the 1960s with the war in Vietnam. I believed strongly he was compelled to that anti-war position because he had a 17-year-old and a 15-year-old son and the draft was pending. My dad had accelerated his graduation from Notre Dame in order to go to officer training school and become part of the troops who fought in World War II. He was a silver star-decorated navy officer who was a gunnery officer on a destroyer. He was at D-Day, so he had his own very clear war experience, but felt so strongly about the war when he was elected to congress.

When Lyndon Johnson sent all the veterans to Vietnam to see what was going on, my Dad came home, and I will never forget it, he gathered us all around the table and he said there is something very wrong happening in Vietnam. This is a war we will never win. This is a civil war we shouldn't be in in the first place. And said to my brothers who were then a senior in high school and a sophomore in high school, "I will do anything I can to help you. But if you decide that you do not want to participate in this war, that's OK with me." He gave them his blessing to take whatever measures it was that they felt they needed.

He was one of the first congressmen to sign the Bombing Hold, again not a popular position in 1966; not something in a conservative town like Cincinnati that went over very well. When he ran for the United States Senate in 1968 he did beat the incumbent senator Frank Lausche, who was a two-time Democratic governor and two-time senator, but voted like a Republican. The labor unions did not support him. He did not support the civil rights movement and he certainly was pro-war, positions that my father took very strongly. So my father defeated him in the primary. But then my dad was very actively involved in helping to write the peace plan in 1968 for the Democratic convention. He felt strongly that the Democrats and that Hubert Humphrey needed to put forward a differentiation for the Democratic Party from the Republican Party and it should be about the war. And I think that very much influenced the outcome of that 1968 senate race. But it was something that he felt strongly enough about and felt was the morally right thing to do that he was willing to risk an election.

So each of those election defeats were also I think accompanied by a very principled stance and one that I found to be incredibly compelling, incredibly inspirational. I've never lost an election. So maybe I learned a little something also from the fact that, well, you don't have to give up on your principles. He might have needed to do a little more retail campaigning than my dad was willing to do. He used to say to me, you know, I think it's amazing you tend to be reelected and I never got that quite right! So it did inspire me maybe to do a little more on the campaign side of the puzzle. Maybe a few more parades and a few more handshakes than he was ever willing to do.

Question: I noticed when he lost in 1974 for reelection for governor he lost by fewer than 12,000 votes.

Kathleen Sebelius: He did. It took three and a half days to declare the election. It was the worst. It was a 10th of 1% of the votes in Ohio. It was the former governor who actually ran against him. Jim Rhodes had served two terms, sat out a term, and then came back and ran again. And at a point in the evening in 1974 Rhodes conceded and said, "The race is over." You know, congratulated my dad publicly on television, and we were in a campaign room and the results from Cleveland, which was the most Democratic city in the state, were beginning to come in and my father had the percentages he needed. But the turnout was lower than he needed and there was a suspicion at the time that it was not going to work out well. So, my dad never accepted the concession. My brother jokingly said to him later, "You should have just said thanks very much, we'll save everybody the trouble of counting the rest of the ballots, let's just declare it done." But he did lose by a fraction of a percentage point.

Question: When he was governor, what I read noted that he introduced the Ohio state income tax.

Kathleen Sebelius: He did.

Question: And we talked to several other Kansas governors – Avery and Governor Hayden - and both of them, especially Governor Avery, said that what I did was right with the income tax, but I should have done it in my second term. And Hayden said the same thing. "Maybe I should have that properly tax reappraisal in my second term." Did you see something like that? You already mentioned maybe more retail politics. You admire your father but maybe you need to be a little more strategic in politics in order win reelection, for example?

Kathleen Sebelius: I think he ran for governor knowing that the promise of Ohio was great. It was the sixth richest state in the nation at the time that he ran, but it ranked 45th to 50th on every state service. Mental health was terrible. The prison system was a disaster. There was no environmental protection. The education system was crumbling. So pick an area! And so he really ran with the commitment and the promise that he would turn that around and that there was actually some good the government could do, that we should not as Ohioans

accept the fact that we needed to be struggling with every service, not have a safety net under the most vulnerable people.

So, I don't think he could have done anything other than what he did, which was knowing that you have to have revenue that wasn't available and that the most logical place to get the revenue as you looked around the country was a progressive income tax. And not only did the legislature pass the income tax his first year in office but, they then got cold feet as the session went on and they decided to put the tax on the ballot. So, it passed the majority of the legislature but then was a ballot initiative, so he had to run another statewide campaign in 1971. And remarkably, the voters of Ohio, by about 65%, approved the income tax. He was very effective both in his race as governor and then in this race specifically around the tax, talking about the promise of this revenue, what that could do for the state of Ohio. And he used to talk about the fact that we need to decide what kind of Ohio we want to be. What kind of Ohio will be there for our children and our grandchildren? And it was a real vote about the future. Again, maybe not the smartest politics, there are lots of people who would have talked the game and walked away from the fight. But that was never my dad and it enabled him to do some pretty remarkable things in the short time he was governor. And that tax, even though it's been debated numerous times, has never been repealed in Ohio and it made Ohio a very different place today.

Question: And did his opponent hit him with it, though?

Kathleen Sebelius: Oh, absolutely! And he knew that was coming. But he was very popular nationally and I think that's one of the things that happened during his reelection campaign in 1974, which is why I talk about retail politics. It wasn't backing up on an income tax decision because I think that was absolutely critical. But he was busily talking to people who wanted him to run for president. The theory was that 1976 would be a good time for a governor, which it was; if you remember Jimmy Carter was the democratic nominee in 1976. Carter and my Dad had been governors together. Jimmy Carter chose not to run for reelection as governor of Georgia, sat it out to build his presidential campaign. My father chose to run for reelection with the thought being that he could be successful and then come out of Ohio. He was an Irish catholic, anti-war, pro-labor governor, so very attractive to lots of folks. And he spent too much time, I think, in 1974 not being in small counties in Ohio but being in California and New York.

Question: And then speaking about how he might have been quite successful at 1976...

Kathleen Sebelius: He was very attractive. He had a big anti-war base from the 1968 battles. He was one of the peace doves so he had a very strong constituency nationally from that US Senate race and had a lot of people encouraging him that that it was the logical next step. He just missed a little hurdle along the way and that's called reelection.

Question: Did he consider not running for reelection?

Kathleen Sebelius: You know, there may have been some people who talked to him about that. I never was part of that conversation. I think he was always somebody who wanted to do more and get as much as you can. You know, his races indicate that he didn't have any pause button that I ever saw. It was always go, go, go. So I can't imagine that he would have sat out the race to thoughtfully plan. It was do it all.

Question: Of course Jimmy Carter rented an apartment in Iowa for two years.

Kathleen Sebelius: Yes.

Question: Putting politics aside for a little bit to make sure I don't forget. We've asked the other governors. What high school did you go to? And what were you like in high school? What sort of...Kathleen Gilligan, correct?

Kathleen Sebelius: Kathleen Mary Gilligan, yes sir.

Question: And what did you do with those four years and what high school did you go?

Kathleen Sebelius: I went to one school from kindergarten through my senior year in high school: the Summit Country Day School. Both my parents were graduates of the Summit Country Day School and two of my four grandparents were graduates. It was a Catholic private school, a girl's school K through 12, and a boy's school K through 8. So my brothers also went there and my sister went there. The difference between my grade school years and my high school years was in the grade school there were 15 girls in my class but by the time I finished the 8th grade and we were on the second floor of the school in my high school, that doubled. So, I graduated with 30 girls and we were on the third floor of the school.

I think there's no doubt at all that going to an all-girls school shaped me in very positive ways for the future, because I was raised in an era where girls had definite limitations. You didn't play sports in those days, pre-Title IX. If you were a girl and went past the 7th grade, the sports basically stopped for girls. You could be elected treasurer of the class but you were unlikely to be president. I had friends who if they raised their hand too often in math class they learned the hard way that they weren't going to be invited to the parties over the weekends, so they had to pick and choose. I never was in that world. My world was girls did everything. We had the smartest in the class and we had the dumbest in the class. We had the jocks, and I was one, and the ballerinas. We had the presidents and the dunces. So my world was wide open. Nobody ever told me that girls couldn't do everything because I lived in a world where they did. And I think that had an indelible etching on me growing up in the 1950s, as I looked when I got to college, at friends who had come through grade school and high school in a different environment.

I was a jock. I love sports and I played sports all the way through high school and then through college. And that also was a great competitive outlet but it also helped me to learn about team sports and encouraging people and working in an atmosphere that I really loved. I was a good student, but not terribly serious about school, much to my parents dismay. And I was always trying to, well, I wasn't trying to get into trouble, but I seemed to get into trouble on a regular basis, much to the nun's dismay. I was actually the school president in the 8th grade and was impeached as school president because my conduct grade wasn't high enough to carry the flag in the May procession because I had acted out a little too much. But my grades didn't really suffer so it was OK.

Question: Conduct? You talked a lot?

Kathleen Sebelius: Oh, I talked a lot. And I always cooked up things to do. I was, I think, more bored than anything a lot of the time. So I was always figuring out, you know, what if we pulled the fire alarm or if we snuck back into the convent, those kinds of things. We didn't ever do the fire alarm because I realized quickly that would call the fire department, which is not a good idea. But we had teachers who got locked out of classrooms. I don't have any idea how that happened!

We had a semester of chemistry with the substitute teacher who never understood that her book had the answers in the back that were in colored pages. We all had the answers in the back also and I was the one who got to

talk her into giving us an open book test, which she thought was brilliant, not knowing that we all had the answers. So I did things like that. They weren't terribly bad. I never wanted to hurt anybody. I just wanted to kind of create a little bit of chaos.

Question: That's interesting. What sports did you play?

Kathleen Sebelius: I played everything. We had soccer when we were younger. That moved into field hockey, because they wouldn't give you a stick and a hard ball when you were in the 4th and 5th grades! So you learn soccer. I played basketball. I played basketball all through high school and college. I played tennis. And in the summers I swam on a swim team. But for the team sports it was basketball, soccer and field hockey.

Question: And this for the school against other schools?

Kathleen Sebelius: Correct, correct. And only if you went to a girl's school when you got into middle school and then high school was there actual team play between girls. That really stopped in most schools. Most coed schools had no girl sports other than some kind of gym class. A lot of the leagues that girls play on now just didn't exist in the late 1950s and 1960s. You know, boys played sports. They had football teams and baseball teams, but there were very few girls who played sports during their school years then.

Question: What kind of basketball player were you? What position did you play?

Kathleen Sebelius: I was pretty...I played basketball mostly when there were the old girls rules, which was really the stupidest game on the face of the planet, invented I am sure by men who thought that women couldn't run down the court. There were six players on the team, three forwards and three defense players and only two players - called rovers - could cross the court. But it was three dribbles and then you had to pass or shoot. So literally you could never bring the ball down the court! You could never do it! There were lots of fouls called when you would dribble three times and then take an extra step, that was "traveling." It was ridiculous but that was the game of basketball.

Question: I think it's called "Iowa rules?"

Kathleen Sebelius: I don't know. Well, everybody did it that way. I mean every girl at the time. They may have played it in Iowa. But they also played it in Cincinnati and that was girls basketball and it really was only later that they began revising the rules. So now it looks exactly the same. And then, you know, when I was in college, they finally began with Title IX and the first hint of the girls coming on. But Title IX actually was post-college for me. So girls did not get scholarships to play sports until a lot later. But it was a pretty awkward game.

I was a pretty good outside shooter. I developed that in large part because my brothers were always taller than me so I learned to shoot over their heads. And I also would always travel with the ball, so I could learn to take a couple of dribbles over the middle court line and then shoot from anywhere. So that was my specialty.

Question: I'm trying to get my head around how this game is actually played.

Kathleen Sebelius: Well, it was awkward, just take my word for it.

Question: You were often in the offensive play?

Kathleen Sebelius: I was a rover.

Question: Oh, you were a rover.

Kathleen Sebelius: I was a rover, which meant you could run up and down the court. You couldn't bring the ball with you very easily. But you could run up and down the court. The other people literally stopped at half court. They could not cross the half court line. It was a very stupid game.

Question: OK. I'm just curious. At this time, did you and your teammates actually say, "Can't we just-- Why are we playing this game when the boys are playing it?"

Kathleen Sebelius: Not really. I mean, you know, I would play. We had a basketball goal at our house and I'd play pickup games with my brothers and their friends. But those were the rules and so it didn't really occur to me that there could be different rules until they begin to break open and then I thought, why in the world did we play this stupid game for this long?

Question: But you were the dead eye outside shooter?

Kathleen Sebelius: I was a pretty good outside shooter, yeah.

Question: Too bad there wasn't a three-point line.

Kathleen Sebelius: That was my specialty. Little did I know that that should have counted extra.

Question: So, you mentioned college. You grow up in Ohio. And when your father was in Congress, your family stayed in Ohio?

Kathleen Sebelius: He was elected to Congress. My dad was elected to Congress in 1964. He was the second Democrat since, I think it was maybe ever, to represent the district as a representative of Cincinnati. To say it wasn't a safe seat was not an exaggeration. It was the Lyndon Johnson great election where a lot of people were swept into Congress. And at that point in our family, I had a brother going into his senior year in high school. I was going into my junior year in high school. I had a brother going into his sophomore year in high school, and then a sister in grade school. So, my parents talked about the difficulty of moving three children at the very end of their high school years and decided what would be better was we would stay in Cincinnati. Two of the three of us would finish high school, hopefully, my dad would get reelected, and at that point, moving made a lot more sense because then the final of the older children could finish six months of school and then my sister could move for high school. So that was the decision they made.

That was a very tough decision for my parents I think, particularly for my mother. My father went off to Congress and my mother was stuck with three teenagers and a younger child and trying to keep all the puzzle pieces together. And when he came home, he was very busy campaigning. But she was incredibly supportive of his efforts, incredibly positive about what was happening, and felt very strongly that it was the right thing to do.

Question: And where did you go to university and how did you choose that university? A lot of people end up going to college in their home state, you didn't, so how did that occur?

Kathleen Sebelius: There were lots of great colleges in Ohio, but I had a brother, a year older than me, actually go through the college process before I did. My father, a Notre Dame graduate, was eager for my

brother, his older son, to go to Notre Dame or Georgetown. Those were the two that dad was pushing. My brother applied to those two schools, I think to give my dad a little tribute, but then really wanted to go to an Ivy League school. He was really focused, and he ended up at Harvard, much to my father's dismay. He forgave him eventually about that.

So, I had watched that process, I did a lot of visiting. I was actually still interested in staying in an all-girl school. And at that point, most of the Ivy League schools were still all men and all women. Harvard had Radcliffe, it had not gone coed yet. There were the Seven Sisters Schools, Wellesley, and Smith, and then, there were two Catholic Colleges, Trinity, which was in Washington, DC and Manhattanville in New York, that kind of operated at the same level, had academic standards, you know, had to have a pretty good SAT score to apply. And for lots of different reasons, I decided that I would try to go to school in Washington. My dad was there at that time. We had spent summers in DC. I was interested in politics and political activity and that just seemed to be a focus. So, Trinity. And my aunt actually, my father's twin sister, had gone to Trinity College. So there was some family history with it and that's where I ended up choosing to go to school.

QUESTION: And what sports did you play there?

Kathleen Sebelius: [Laughs] I played field hockey. I played basketball. And I played a little tennis.

Question: What was your major?

Kathleen Sebelius: Political science and a minor in history in college.

Question: Did you, in your college years, think you're going to law school or what was your thinking?

Kathleen Sebelius: You know, I didn't spend a lot of time in my college years thinking about next steps. I did think about law school periodically, it sounds sort of interesting although at that point, nobody in my family had gone to law school, nobody in my close family. Nobody really.

I was in school in college from 1966 to 1970. The most, I think searing experiences I had during that time, and being in Washington was pretty amazing, was first in 1968 with Bobby Kennedy's assassination and Martin Luther King's assassination and Washington was really burned to the ground. It had riots all over the city. I stood on the roof of one of our college dorms and watched fires be set the night that King was killed. And that was a very tumultuous time in Washington, DC.

And then, Kennedy, who my father was very supportive of, was a very good friend. My dad was running for the United States senate that year Kennedy was running for president, until he was assassinated, and watching that occur. And then the peace marches started. And so, my junior and senior years in college were spent with kids coming from all over the country to Washington, coming on to our campus. We had sleeping bags everywhere. We opened up a lot of the campus dorms for people who were there over the weekends. And I spent a lot of my time as a volunteer at peace marches. Washington was very tumultuous. There was something there. You really felt like you were on the edge of the earth because the war was broiling and the young people are really kind of charged up, and making it clear that the government's position was totally unacceptable.

I remember sitting, watching that first draft occur. And again, with college friends, and you know, they picked people by birth dates, both of my brothers' birthdays, and they were both in college at the time as I was, and so they had a deferment while in college, but this would be kicked in as soon as they graduated. Both of their birth

dates ended up with numbers under 100. My birth date, if I had been eligible for the draft was 320, and it was very clear to me how arbitrary the system was, how crazy the system was. And terrifying, the notion that if indeed the war was not over by the time my brother graduated in 1969, he would be sent to Vietnam. My younger brother, two years later, would be sent to Vietnam. So it made it very real and personal, you know, looking at the guys who were my friends at Georgetown, the people who were involved and also feeling that you really needed to take a stand. And so college almost became secondary to me being really politically active, politically engaged in these world events.

Question: And you graduated in 1970.

Kathleen Sebelius: Right.

Question: And Nixon's been elected. The war is still going on so, then what did you do?

Kathleen Sebelius: In 1970, what I did when I graduated was go back and work on my father's gubernatorial campaign. He was running for governor. And I spent the next six months in Ohio doing retail politics, you know, going to Polish polka dances and union halls. Ohio had had its own particular brush with the war because the sitting governor had sent National Guard troops on to a college campus. It was a scene gone very awry and some students were killed by young guardsmen. And the irony was you had the National Guard, who were no older than the college kids who they were facing off against, put in a situation that was I think really untenable. And the tragedy at Kent State became pretty searing, not just for Ohio. That was May, just before I graduated, that that occurred, during my father's election. That became a key point during the election that was discussed. I remember going into union halls in Southeastern Ohio and having people say, "I would have shot more of them. I wish there had been more of those punks killed, they should just pull out their guns and shoot them all."

It was a very difficult time as there were people who felt you were being unpatriotic if you opposed the war. It wasn't something that Americans were used to talking about or doing. And certainly, there was a full country effort in World War II and, maybe a little bit of mixed feelings, but still a pretty full country effort in the Korean War. This was something that nobody had ever seen before. And the notion that people and young privileged kids who were in college campuses would somehow suggest that their government was wrong, and that we should not be involved in the war, and that you shouldn't go into the armed services when your government called you, was really untenable to a lot of older Americans who had never thought about that, lived in a world like that.

And here was my dad running for governor who had been very publicly against the war, very publicly committed to stopping the war, very publicly committed to his sons not being involved. And that became a pretty contentious point during that whole campaign. But Kent State really highlighted some of that tension, when you had 18-year-old guardsmen shooting 18-year-olds on a college campus. It seemed just like the world had gone crazy.

Question: It's always remarkable in 2004, when John Kerry ran for president, it's remarkable to me to see him being criticized for his service.

Kathleen Sebelius: You bet.

Question: And going through the process of trying to figure out this difficult time. And he, of course, visited Topeka and so I assume you knew him.

Kathleen Sebelius: Yes, yes.

Question: I mean, you must have really identified, you know, in a way with him and been sort of shocked to see that, as well after having gone through it yourself and seeing the turmoil right there.

Kathleen Sebelius: Well, what was really interesting about that period is I had a real front row seat being in Washington, being in college, being that age, being from a family that was very anti-Vietnam war. I mean, my father started talking about opposition to the Vietnam War in 1965 when most people didn't know there was a Vietnam War. So, he had been there for a while. I used to say it's really difficult to be a rebel in my family since my father is out ahead of us. It's like, how can I be more radical than him? It's hard.

But there were certainly conversations among my friends, conversations among the young men. Some people felt very strongly they needed to be patriotic and go in and others thought that that was the craziest thing on the face of the earth. And then my dad was involved in this as it was a pivotal point in his elections. So, I got to see it on multiple fronts. But, by the time my sister, who is five years younger than I am, by the time she went to college, that was all over. It was as if it never happened.

There was a moment in time in the late '60s or early '70s that then just disappeared. It disappeared on college campuses. It disappeared around the country. It was like it never occurred. But boy, while it was happening! And I've had a conversation with President Bill Clinton about this because he was at Georgetown a year ahead of me. And he was in Washington during all these periods of time. And for those of us who were there, it was a life-changing experience.

Question: Yeah, and so when it hits the modern era people may not understand that.

Kathleen Sebelius: That's right.

Question: It's curious to me that I think, so far, we haven't had a presidential candidate from that generation, our generation basically, and that has really been willing to confront that service, non-service issue. Am I right about that?

Kathleen Sebelius: Well, Kerry certainly was. I mean, Kerry was-- I'm just trying to think who else because Clinton was not involved in the armed services.

Question: And I think if we had that conversation at some point, because we're still wrestling with that...

Kathleen Sebelius: Well, it's so interesting. Yeah, I think you're right. I still think it is a very difficult topic to, on one hand, be patriotic and supportive and on the other hand, be in opposition. It's been easier in some ways with Afghanistan and Iraq because we're down to 1% of the population serving in a voluntary army. And the draft was so crazy and so arbitrary.

But I'm a strong believer that we should have the draft again. That if we are going to engage in war, it should be an all-in operation, not the notion that somehow we can put the war burden on this very small percentage of families and individuals and then the rest of us sit back and be armchair philosophers about what's going on. We'll get into Iraq, we'll get out of Iraq, yeah, we'll send troops to Afghanistan, because it's never going to be my kids, right? It's never going to be my kids. There was something so raw and personal about that period, but you're right, we never had a candidate who said, "I didn't do that for these reasons and I still feel really good about that."

Question: Well, it's interesting, this time around, we have two candidates, Trump and Sanders, who didn't serve, who could have been in Vietnam, and yet it was not really talked about at all.

Kathleen Sebelius: But I think Vietnam is still one of those wounds that there's nothing like it before or after, and it still is amazingly tough for people. Whether they were there or not there, it's still is, you know, not very comfortable.

Question: So, I guess...

Kathleen Sebelius: We're only up to 1968. [Laughter]

Question: Oh, well, you're...

Kathleen Sebelius: I'm old, Bob, you know what I mean?

Question: You're almost to Kansas. And so, you're back in Ohio. How did you end up in Kansas? I think, it's just a few years later. That's a good question!

Kathleen Sebelius: My father was elected governor in 1970. I stuck around for the inaugural festivities. And then, my best high school friends and I decided we'd go to Europe and we spent six months touring around until our money ran out. And when I came back from Europe, I really didn't have a plan, I didn't have a focus. And what I knew quickly coming back to Ohio was that I needed to do something. I mean, I was a college graduate and I didn't want to stick around. And even though the governor's mansion was lovely in Ohio, that was not clearly a place to be.

And a place I could go to quickly that I knew and had friends there was Washington. So, I literally called some college friends and found that one of them had an extra bedroom and said, "OK, I'm coming to DC." I looked for a job and that's what I did. So I ended up going back to Washington in 1971. And through a series of accidental conversations, I ended up working in criminal justice in Washington. A couple of years later, Gary Sebelius, who had graduated from K- State, came to Georgetown Law School and we meet in Washington. And when we decided to get married, he wanted to come back to Kansas for a year or two and practice law.

Question: OK. So, you're in Washington, DC. You've been involved in all those campaigns, you traveled into Europe and you meet your future husband, and he says, "Let's go back to Kansas." And your, what's your thought? I guess I'm-- that's a leading question because some people might think, Kansas? "I'm in DC, I'm in midst of everything." And your college years as you said, was the epicenter of the universe. So, what were you thinking when that moment comes?

Kathleen Sebelius: Well, I didn't think about it a long time. I didn't really know what it meant. I'd only visited a couple of times during the time that we dated and we meet between his second and third year in Law School. And then we got married in December after he graduated and probably, I've made three fairly brief trips to Kansas. I grew up in Cincinnati, which at that point was a town of about a million people, and I'd lived in Washington. So, it was definitely a switch, and we were just trying to figure out where we were going to be and it made sense.

Gary's theory was he wanted to practice law and find out if he really liked the practice of law, and that that would be easier in a relatively small firm than in a big firm where he wouldn't see a client for the first two or three years. And that's really what was available in Washington. You could work in a government agency as a lawyer, not have clients but have policies, and he had done that during some of his summers in Law School. Or you could work in a great big firm and be years away from actually seeing a live client. Or, he figured he could go back to his home state, not his hometown, mind you, but his home state.

Gary grew up Norton, Kansas, a town that on a really good day might have 3500 people, in the northwest corner of the state. And, while I think he loved that growing up experience and his father also was in politics, he really wanted to come more to a city. So, Topeka was where he looked for jobs and where he was offered a job in a law firm, and it just seemed like a good first start. I didn't really think a lot about it, you know. We got married and I arrived in January of 1975 in Topeka, Kansas.

Question: And his father, you said was a politician.

Kathleen Sebelius: Well, Keith Sebelius was a member of the state legislature for six years. What I found out when I was in the legislature was he was really widely respected and liked. He was actually a, what I would say, a true conservative. He was fiscally conservative about government expenditures and tax issues, but also very conservative about government interference in anybody's personal issues. So, the notion that you would have, you know, a prayer in school I think would have highly offended him, or that you'd interfere with peoples' health care choices would have not been something he believed in.

He actually carried the Human Rights legislation on the floor of the Kansas Senate. He believed in Fair Housing legislation. So, he had a kind of a populist, progressive mix of social issues, and being fiscally conservative and was very popular. He served in the Kansas legislature, then he ran in a primary, he was also a county attorney in Norton County. There was a guy named Bob Dole who was county attorney in Russell County. And they ran against each other in a primary for the First District congressional seat when there was an open seat, and Bob Dole beat Keith Sebelius by about 500 votes. And Keith continued on in his legislative career during that time. And then when Bob Dole went to the Senate six years later, Keith ran again for the first district and was elected and served for 12 years as the First District member of Congress.

Question: And did you meet him and did you visit him at his office in DC often or did you interact with him before you moved to Kansas?

Kathleen Sebelius: Well, actually, the one and only time I visited him in his office was after Gary and I got engaged. Gary and I both went to his office to-- well, no, that wasn't even the case because we weren't engaged at the time. I guess we were dating. We went to his office to use the phone, I think. So we didn't spend a lot of time with his parents in Washington. As I've said, it was his final year in law school and, you know, I knew his folks were there. But we didn't spend a lot of our time with them. He saw them on times when I wasn't necessarily with him. And our parents actually didn't meet until our wedding. They came to Columbus and we were married in the Governor's mansion in Ohio. And his mom and dad and aunts and uncles came in for the wedding. And that was the really the first time that Keith and my dad had met and they turned out to be fine friends. They knew all the same jokes. They knew all the same people. Keith, at one point, happily announced he'd never been beaten by a Democrat and my dad said, well neither have I, so there we go!

Question: And Pat Roberts worked for Keith Sebelius.

Kathleen Sebelius: Right, Pat Roberts was Keith's Administrative Assistant.

Question: And did you ever meet him during those years?

Kathleen Sebelius: I did. I did meet him. You know, I had more interaction both with Keith and Pat certainly after we were married than before. But yes, I met Pat numbers of times because usually Pat would travel with Keith in the state and, you know, we'd see him when we, both Gary and I, went back to DC on a fairly regular basis. And we would stay with Keith and Betty when we went back and they were there. But yeah, I knew Pat, and Gary had known Pat since he was 12 years old.

Question: It's funny how life works.

Kathleen Sebelius: Yes, it is.

Question: OK. So now, we're finally at Kansas. [Laughter]

Kathleen Sebelius: We are, and we've only been married for 42 years, so again...

[Laughter]

Question: You know, most information on your career tends to focus on after the governor's years and then afterwards. Tell me what you think is important in terms of before you run for the legislature and what you did in Kansas in those years between arriving and running for your first race?

Kathleen Sebelius: My first job in Kansas was at the Kansas Department of Corrections. I had done criminal justice work in Washington and I applied for a job and was hired. When I got to the office, I learned that I was the first woman in the central office who wasn't a secretary that they'd ever hired. And so it was not a familiar role for anybody. The secretary and I got along very well. There were lots of men in that office who found my hiring to be very distasteful and made it clear, the whole time I was there, that it was very distasteful, which was a little bit interesting.

The only anecdotal payback I got to enjoy later on was: I shared an office with a colleague who was great. He was very friendly, but there was another man on the floor who literally every day came in to our office, greeted John, my office mate, asked him to go to coffee or lunch, and never, ever, acknowledged my presence. Never said hello, never. I would often just, back to my chaos days in grade school, greet him effusively, "How are you?" Whereupon, he would continue to just ignore me and go about his business. And it was sort of lovely, about six years later when he applied to me for a job and I got to decide that maybe somebody else was really better suited for that particular position. So, there are things that go around and come around.

But that experience turned out to be really wonderful because of one of the really capable and strategic guys I met. We were writing The Community Corrections Act, looking at ways to begin to diversify the Kansas prison population. I later hired him as secretary of corrections when I became governor. So, I learned at an early stage both in Washington and then in every job I've ever had that there are always networks. There's always something to learn. There are always assets that you pick up in one position even if you don't love it. You know, figure out what you're learning and take it with you because it's going to come in handy later on. And certainly, that experience was incredibly helpful to me as governor when we dealt with really some very thorny corrections issues and prison issues.

So that was job number one. And I got to, in that capacity, accompanying my boss, the secretary who I reported directly to, accompany him to legislative hearings and I began to learn about the legislative process, and how that influenced a state agency, and I would prepare his testimony and often be the one to respond to legislator's questions. So, from the start of being here in Kansas, I began to interact with the legislature and decided that was a pretty interesting place.

Then, I was hired as the Executive Director of the Kansas Trial Lawyers Association, kind of the bar association for plaintiffs' lawyers, and was in that position for eight years before I ran for the legislature. And again, had a role not just of running the CLE Programs, and building membership, kind of typical association issues, but we have a very active legislative presence. Very actively involved in a lot of policy issues. And I spent a lot of time when the legislature was in session at the legislature. At that point not only were there were very few women legislators, but there weren't more than a handful of women lobbyists, women who represented any kind

of association or groups. So, it was a pretty rarified group to be part of to try and influence policy and to be involved in policy initiatives from that point of view.

Question: And it was during that time you got your master's degree? Was that a night program?

Kathleen Sebelius: Well, the University of Kansas ran a Master's in Public Administration and had three prongs, one was aimed at hospital administration and they-- those classes were near the hospital in Kansas City. They ran a portion focused for city managers and that was actually on the campus in Lawrence. And they had a focus on state government and not elected officials, but officials who were working in state policy. And those classes were here in Topeka and offered starting at 5:30 on weeknights, designed for people who are working full-time and wanted to get a master's degree. And again, that turned out to be an enormously helpful program, building a network of people who I later could call upon, many of whom continue to work for the state, some of them I hired. There were people I learned a lot about a policy framework that was helpful in terms of moving things forward. Learned a lot about organizational dynamics. That program was quite helpful and I was ready to go back to school.

Question: Now, one of my favorite questions when we talk to the governors is about their first race. Governor Hayden had an interesting race. So, tell us about running your first race. Who did you run against and what was it like trying to kind of think back to that first legislative race, 1986.

Kathleen Sebelius: In 1986, our state legislator, Judy Runnels decided not to run again. And Judy was a neighbor and a friend. She lived two blocks away. I had worked on her campaigns as a volunteer. I at one point was the precinct committee woman and I was involved in Democratic politics from the day I got here trying to find my people in Kansas. And Judy's predecessor, Ruth Wilkin, also a Democratic woman, lived at the end of our block. So, I had known both of the women who represented this seat. I knew them pretty well, watched them work, and was involved. I really didn't ever see myself as the candidate. I thought I'd be helpful, but not be the candidate. You know, my father was still the candidate. I was like the helper bee, I could do a lot of things.

And Judy came to and said, "Well, why don't you run?" And I thought, well, that's interesting. It was going to be an open seat. There had been a Democratic woman from our neighborhood for a long time in that seat. So the profile was there, it wasn't like taking a wild jump off the top of the Empire State Building. But two things were curious about it. One, it was very appealing to me because I had a two-year-old and five-year-old and I was working 60, 65 hours a week and traveling a lot. My husband was a very busy trial lawyer. And our home situation was sort of fraying at the edges. It was too busy and too tumultuous. And even though we had great child care and whatever else, I was really feeling the pressure. So the legislature actually appealed to me as a way to go home. Be busy for three and a half months a year and be much more flexible during the summer months. It was an opportunity to really spend more time with my kids, which is sort of ironic because a lot of times, people read my resume and say, "Oh, you ran for the legislature to be governor." I say, "Well, no, I actually run for the legislature to go home." So, that was very appealing.

What was difficult about just the decision to run was my husband Gary. His experience growing up as a political son was different than mine as a political daughter. His dad lived in very Northwest Kansas. And during his service in the legislature he would leave home on Sunday nights and be gone until usually Friday night, late. And when he would come home, he would often do meetings all over, which was at that point a pretty large state senate district. And so he really saw his father as kind of leaving. Politics meant that he was really detached from the family, that he wasn't involved and engaged. And then, when he went to Congress, it became even a step further away.

My experience, even though my father actually had run more races and had more tumultuous times, was that I felt very engaged and involved. The two individuals had very different approaches to families. And I think our mothers had very different approaches. Betty Sebelius was never an enthusiastic political spouse. My mother, in spite of what must have been her misgivings and difficult times, was very supportive and enthusiastic. And our message at home was always, this is great, you know, your dad is doing an important job, he wants you to understand, blah, blah, blah. Betty was a little more, he's gone. I think she found that very difficult.

So, Gary was really not at all enthusiastic about me running. He really felt that he knew what that felt like and that this would be the start of me leaving, of me being disengaged, and did not really want me to make this race. And we talked about it a lot. It was a very difficult decision but I finally convinced him that I really wasn't his father, that I was doing this in part to actually have something I love to do and thought I would be pretty good at, but actually have more time with the family and that decisions about future races we would make together and I wasn't going to use this as a steppingstone to then go disappear from them from the face of the earth. That wasn't the point. I wanted to be engaged, involved, and at the same time be able to have a better balance. And so he finally took a deep breath and said, "OK, let's do this."

My opponent in 1986 was a woman named Peggy Boggs who lived a block away from me. She had been elected to the school board so she had actually been elected to offices in that area. It was an open seat so neither of us were legislative incumbents, but she'd actually been elected. This was a small neighborhood, the Potwin neighborhood. Everybody knew everybody else and everybody was connected to everybody else. That was a little difficult. It would have been nicer if there was a little bit more a distance because these were all neighbors and friends. But, I felt pretty good about it. I had the two previous legislators who were very supportive and helpful and just ran the race and won.

Question: Well, state legislature, obviously, is very different than a lot of other races, it's very retail.

Kathleen Sebelius: It is very retail.

Question: If your opponent is very close, she's going door to door to the same people.

Kathleen Sebelius: She was a bit older than I am and did less of the door to door, I knew that. And I took that very seriously. It became a very good summer and full diet of walking and visiting neighborhoods. Now, it was also very difficult. My husband's law firm was involved in the re-litigation of Brown versus Board of Education, which went to trial that September. And he basically could have been in China, because he would leave for work at 4 o'clock in the morning and not be home until 11 or 12 as they would be prepping witnesses. The trial went on for a long time. I worked until the first week in October. So, I was working full-time. We had a two-year-old and a five-year-old. My husband was gone and I would leave work, change in to door-to-door clothes and walk until it got dark, sometimes with volunteers, sometimes all by myself, with cards. We had two shifts of babysitters. And it was pretty miserable. I remember when my parents came in for the last week of the campaign and they came to stay and be supportive and I spent the first night they were there just weeping. I just said, I don't know that I can do it. I was exhausted. I mean, the kids were just crazed because nobody was really paying enough attention to them. Although we had a great full-time childcare person, I certainly wasn't focused and Gary was gone all the time. I thought, I have made the worst mistake of my life.

And my parent's presence there was really helpful. They walked them to kindergarten every day. And my mother cooked a lot, which was also helpful because we could eat again and to kind of calm me down. Because I hadn't spent a lot of time cooking. And my mom took me out to a great little dress store a couple days before the election. She said, let's go, you need a new a dress for election night, let's go. And the person who ran the dress store greeted us and she said to me, "So, Kathleen, are we planning to win or lose, because that will depend on what you buy." And I thought, great question! I said, "Uh. Win." She said, "OK, well then, we'll

look over here." But it was the first time somebody sort of said that. I was like, "Yeah, well, I'm planning to win so let's get the winning dress." But, that worked out well. No campaign physically or emotionally was actually that difficult again. But that was a pretty tough and grinding race.

Question: It sounds like it was tough. On the other hand, looking back or maybe at the time, it must have been really special to think, oh, I've volunteered for my dad, helped my dad all these years and now... At that time, were you able to look and say, Wow this is pretty cool, dad and mom are here, and I'm running.

Kathleen Sebelius: My dad and I did a couple of things that were very fun. Alf Landon was my constituent. And one of the things I knew I could do was sort of rely on, well, you know, every candidate likes free press, right? You like to drive it a little. So, I made a couple of overtures. I knew Nancy Kassebaum a bit, I didn't know her well, but we made a couple of overtures. And my dad and I actually went with a TV crew and sat and chatted with Alf Landon about five days before the election, both former governors talking about their daughters running for office. And so, that was very cool. That would have never happened if my dad hadn't been there. He actually put up some of the yard signs and I used to tease him. I sent him out with a union crew at one point and I teased him that he had never put up a yard sign, I don't think in his entire political career said, so this was actually a first.

My sister ended up coming to town also and she looks a lot like me, and we did a thing for a number of miles where she would be on one side of the street and I would be in other one and we both introduce ourselves as Kathleen Sebelius. And she said, "Well, what if they ask a question?" and I said then call me over and just say, you were just saying, I'm Kathleen's sister, you just dropped the sister! There were a lot of ways we could use all of my family members. But it was cool after having worked a lot on my dad's races.

Question: This didn't come up in the opposition research, nobody knew! Interesting you mention Alf Landon and Nancy Kassebaum. Alf Landon was not a big fan of Nancy running for office. That's really not what I've thought something my daughter of doing. And that dynamic with your father sounds just sort of the opposite, very supportive of you doing this.

Kathleen Sebelius: Yeah, I think he was. I think he was kind of thrilled and found it to be interesting and exciting. And there was no question of that as we got a little further. I mean, he'd never served in the legislature. He had worked with the legislature but didn't really know this particular office. And as I moved up the food chain, he definitely was happy to offer more advice along the way but was always very supportive, always very interested and engaged. And he thought, I think, I was kind of following the family business. I was involved in something that he knew a lot about and cared a lot about and he thought service was a great way to make a contribution back to a community. So, he was kind of thrilled to watch me do this.

Question: So, it sounds like you planned on winning, obviously. You have resigned your job you said.

Kathleen Sebelius: I resigned about the first of October. I was really hoping I wouldn't lose and figured if I did, I'd get another job.

Question: You've been in the legislature a lot. You've been to hearings. It sounds like then when you arrived as a representative, you were ready to go and had maybe an idea of what you wanted to do. Or did you?

Kathleen Sebelius: Democrats were in the minority when I got elected to the legislature, and we had a Republican governor, so there wasn't the notion that you could command an agenda. It was really learning the ropes and figuring out how to work the system and how to get some things done. And not surprisingly, I think given the age of my children, I was interested in a lot of child care issues, a lot of family issues. I was always interested in health because that sort of intrigued me. I served also on the Federal and State Affairs Committee.

That tended to have this broad, bizarre portfolio. It had all the sin issues, if you will; anything that was hot might be dumped into the Federal and State Affairs. And that turned out to be a great committee to be on because it was just lots of learning. My first term particularly was a real learning experience.

I was officed with a very seasoned legislator, Jack Shriver, who came from out in Southeast Kansas. It was a wonderful partnership. He thought I was just crazy as a loon the way I operated and worked and he would say, just slow down, calm down, you know, you got plenty of time. His legislative clock worked very differently than mine. I actually thought he was going to divorce me as an office mate in our first week! I was asked if I wanted to order office stationery, which I did. I thought that it would be a good idea that I could actually write to some of my constituents. He was out of the office at that time and there was something sitting on top of his desk. I looked at it and it actually was his office stationery, but it had the wrong room number on it and it had the wrong committees, because I knew what committees he was on. I said, well, as long as you're here, let's order some for him and I put in the order. He was furious when it came. Furious! And I said, I thought this would be kind of a nice thing to fix, clearly it was all wrong. He said, I don't want people to know where my office is! He said, Kathleen, I'm not a stupid man. I thought, oh we clearly have a very different approach to this office.

But he was very serious. He was allowed to have an intern. All of us could have an intern. The legislature doesn't have full-time staff. You had a secretary that you shared. And I got to actually share one directly with him. He was senior enough that he was a ranking member on a committee. So, because the two of us were officed on the 5th floor by ourselves, we could have our own secretary. And then each legislator could have an intern, usually a school student, who came for credit. Well, Jack didn't want an intern so I took his intern too. So here I am as the freshman and I have half a secretary and two interns. I was in business! So I have my own little fiefdom from the beginning doing all this publicity stuff. And the last thing he wanted was even new stationary. So, we made an interesting pair.

But he taught me a lot about how strategically to get things done, how to work with Republicans, how to figure out if you wanted a line item in an appropriation bill, who it was that you had to talk to, how to get a lead sponsor who was a Republican, things that were not necessarily obvious but very, very effective.

Question: This was a different era in Kansas politics so, as a Democrat back then, you were able to get some things done or to work with Republicans at that time?

Kathleen Sebelius: Well actually it was a very different era in Kansas politics the whole time I was here. I never had the opportunity when I was in statewide office to have a majority Democratic legislature, even a majority in one of the two houses, so everything that I was involved in had to be bipartisan. When I served in the legislature, I was there for four terms, but three of those four terms were in the minority. If you wanted to move anything along, you had to do it on a bipartisan basis. Four of those years there was a Republican governor, four of those years there was a Democratic governor when I was in the legislature.

It was a very different era. Coalitions were made often around regions so Northeast Kansas often was interested in issues that looked and felt differently than the rural part of the state. And there were some debates and disputes that fell along regional lines, school finance issues and others. There were issues around certain kinds of topics. So, there was a coalition of folks interested in corrections reform or a group of people interested in maternal and child health issues.

One of the first things I did in those first two years in office, which actually made some of my Democratic colleagues very, very unhappy, was I quickly identified that Bob Miller, a Republican legislator from Wellington who served on the Federal and State Affairs Committee with me who actually was the chairman on Federal and State Affairs Committee, had young children also, had children about my kids' age. And I had a

series of ideas around childcare and child support that I thought were pretty good but I knew they were unlikely to go anywhere unless I had a Republican sponsor. So, I went to Bob and said, "OK, here's the deal. Here are the issues. You take a look at them. You think about them. But if we do this, your name has to be first and my name will be second. They have to be your issues," knowing that if they came in as my issues, they'd never even get a hearing. The committee chair wouldn't do it. And he was a very thoughtful and interesting guy - we became very good friends - and he said, "Well, that's not fair. You know, these are your ideas." I said, "Bob, they are my ideas, that's fine, you and I know that. I would actually like them to get passed and not to sit in some dustbin. So, it would be the two of us and nobody else, nobody else's name, just the two of us but yours will be first." He said, "OK."

So, we did that and I had lots of Democratic colleagues who said, "I'd like to sign on to that bill." I said, "Not going to happen. There's going to be two names. I mean, you can vote for it, we'll have them go through." But I knew that if we got lopsided Democratic signatures it wouldn't.

Partisanship worked to advance some individuals to make sure that those in charge stayed in charge. Committee chairs had extraordinary power. The budget bills in the time that I was in the legislature often weren't written down. They would come with a verbal report to the floor of the house and give a verbal report. And the members of the budget committee would, uniformly, Republicans and Democrats, stand up and support it, and everybody else would support it. People would say you don't question them, they're on the appropriations committee, Jack Shriver was on the appropriations committee, it was golden. So, he would be able from that position to make sure that his constituents were well-served, that there were issues for Southeast Kansas. It was a big tradeoff, and it was a different day in terms of transparency and openness, but also in terms of bipartisan cooperation as long as you figured out where the pressure points were.

Question: I'll never forget attending one of your State of the States. And afterward, I was talking to a Republican in the legislature and he didn't seem happy, of course. So I said, what did you think? He said, she's stealing our ideas. Now, we should be happy, it was just that you had introduced a couple of things the Republicans wanted and it made them angry.

Kathleen Sebelius: I did that from the very beginning. If you find common ground it's amazing what you can get done.

Question: So, you are in four terms in the legislature and there's two different governors.

Kathleen Sebelius: Mike Hayden in the first term and then Joan Finney.

Question: So you obviously have been very close to your father, you'd seen a governor at work, in other words. Now you get to see two other governors, what did you learn?

Kathleen Sebelius: Well, I didn't interact with Governor Hayden a lot. I was a freshman and second term Democratic legislator. I wasn't on any committee that had an influential position but I kind of watched him work a bit. It became clear that he was really struggling. There was a growing, I would say, division in the Kansas legislature. And actually at that point, some of the most conservative Republicans, led by Kerry Patrick and others, become real adversaries to Mike Hayden. They didn't like what he was doing. They didn't approve of his direction. And the Democrats had in my second term in office, four or five seats from the majority. So, it was a much more evenly split house. Republicans had the majority but not by a lot. So, with a group of rogue Republicans and all the Democrats, it was possible to put together the coalition in the house to, if you couldn't pass things, at least to stop things. And that became somewhat of the dynamic of my last two years in office that included a massive highway plan that Governor Hayden called a special session to propose.

And what I learned that really helped me when I ended up with the special session for school finance is that you better damn well count votes before you bring legislators in. And I knew by personal experience, he hadn't counted votes because I had been part of a Shawnee County delegation meeting with Governor Hayden in his office where he brought a number of the Democrats in. We talked for an hour about highway issues, about projects, about whatever else. He never asked any of us how we were going to vote. And we left that meeting and I remember Anthony Hensley saying, "He probably thinks he's got all our votes." I said, "Well, I don't think any of us were intending to vote for the plan that he was putting forward but since he didn't ask us, why should we volunteer." We were in the special session for almost eight days and nothing passed except a tribute to Alf Landon's 100th birthday. I think watching that was a very instructive experience.

And looking at the coalitions that could form with very unlikely bedfellows, between very conservative Republicans who went on to move further and further away from the mainstream and Democrats, was also kind of an interesting coalition. It kind of taught me that around the issues there are no permanent friends in there and no permanent enemies, you can actually reshape it. But you better know where the 63 votes are at any point in time or you can really be blind-sided.

Question: And how about Governor Finney?

Kathleen Sebelius: Governor Finney was a very interesting experience. We did have the majority in the house for the first two years Governor Finney served. And so, we would begin on Monday morning and I was a committee chair. I was the chairman of the Federal and State Affairs Committee by then. Speaker Barkus had appointed me, leapfrogged me over a couple of the more senior Democrats, much to their dismay, but he felt that that was a good thing to do. And so, as committee chairs and the speaker and the majority leader, House and Senate leadership would come to Governor Finney's office on Monday mornings. The theory was we were going to talk about the agenda for the week and what it was that she wanted to propose that we were to do. And those meetings became very curious because what we would think we were heading into always changed on Mondays. And often, Governor Finney would have attended some function over the weekend or had a conversation with Spencer or done whatever else, and literally totally changed the agenda items. And as Democrats, we were trying to be kind of good soldiers and figure out ways that we could be helpful and supportive. But the Republican leaders who were there would always just begin to sputter and say, "Wait a minute, I thought this was going to be budget week and I thought you told us this and this and this." And she would say, "Well, you know, we're not going to do that now, we're going to do this." And they always, I think, felt that we had been in on the switch, that we had some advanced notice and then they were just caught off guard, but often that was not the case. So, it was a little chaotic I would say when we were in the majority.

It actually was a little easier when we were not in the majority because it was easier to sort of try and be helpful from a different position. I do remember one of her earliest goals was to have a bill on initiative and referendum pass in Kansas. And it was a bill that needed to go through the Federal and State Affairs Committee. I felt very strongly after watching what had happened with initiative and referendum in states all around Kansas that that would be a terrible idea. Initiative and referendum, while it started as a populist movement to try and break up the moneyed interests, had turned into really a moneyed interest in and of itself and forced things on to the ballot that should never be.

I felt that the legislature actually was a pretty good check and balance, particularly a part-time legislature, that this would be a really dangerous and really difficult idea. And yet, I was the chairman with a sitting governor who was supposed to make sure this happen. And it was one of the most difficult sessions because it was an amendment to the constitution. It had to get two-thirds of the vote in the house. That was our good fortune. Bob Miller, who I had gotten to know when he was chair of Fed and State and I served with him as chair for two sessions was now my ranking member. As I was chair, he became the Republican ranking member. He felt equally strongly that this was a really bad idea. So, we had to design a scheme which actually, first of all,

added all of the possible restrictions to this measure that we possibly could think of and found anywhere in the world. And then get the bill out of committee, because the theory was if these ever actually passed, it had to be tied down so tightly that hopefully it could never work. But then, once we got it out of committee, the goal was to not have a pass on a floor vote. And I had to carry it on the floor. So I had some very interesting conversations with my colleagues. And we'd let a few Democrats off the hook, but I basically would say to them, "Pay no attention to what I'm going to say on the floor, none, if you vote for this bill, I will find you and kill you! I mean, this is really not a good idea. So, I'm going to say some things on the floor, knowing that on the second floor the governor was tuned in, this was her majority in the legislature and we had to make every effort." So, Democrats are going to have to vote for it, except for a few who could get off the hook. And then, we had hang on to the Republicans, so that was Miller's goal was to have the Republicans, even the populist Republicans say they would not vote for it. So we got a majority, but missed that constitutional majority and it was a terrible disappointment (laughs).

Question: Did the Governor know you weren't enamored with this?

Kathleen Sebelius: My guess is she probably had some inkling but the goal was not to have a big fight with her. It was also not to embarrass her. That was not going to be a very worthwhile venture. She believed in this so strongly. I mean, she had that old populist view that the people should be able to bring issues forward. And while I think it was in its purest form in the original days probably a great way to break up the powerful interests, I don't think that's the way it would have happened now. So, having that fight with her didn't make a lot of sense. What I needed to try and do as one of her key lieutenants was make sure at least that that bad things didn't happen and at the same time preserve her ability to say, "I really tried, I really did," you know, keeping her promises to the people that she had made all during the campaign from her early days. And this would be one of the things that we would do in Kansas.

Question: Were you surprised she didn't run for reelection?

Kathleen Sebelius: No.

Question: She passed away before we could interview her so we couldn't ask her.

Kathleen Sebelius: I think that things were not going terribly well. I'm not sure she loved the job the way that she loved being treasurer. She had one of the most uncanny abilities. The only two individuals I ever saw do this and do it extremely well were Keith Sebelius and Joan Finney, who could identify somebody in a crowd, remember that 15 years ago they had met you, remember exactly where they had met you and then talk about your wife and kids by name. And she could do that all over the state. She would pick people out. It was unbelievable how much interest she had in people and their stories. People loved her.

She was also an incredibly courageous woman who started out as a Republican. And Republicans wouldn't give her the time of day. They didn't want her to be a congressional candidate. They didn't want her to represent the party. They basically shunned her, driving her into the Democratic Party, and she became this wildly popular office-holder. And, you know, the vote totals were just staggering with this very personal connection with people all over the state.

But I think it was a lot about the office of Governor that she just didn't like. It was very policy-oriented. It was very driven by numbers and budgets and by the time she got there, I would watch her in those meetings and realized that this wasn't her thing. I mean, she wasn't a policy nerd. I was the real policy nerd. I could have sat in those rooms forever and, you know, talked about nuances and all the meanings of budget bills. She wanted to go out and talk to people. She wanted to really have a lot more personal contact. So, I'm not sure the job was one that she loved.

I also think her health was not in tiptop shape. And the poll numbers were not great. So I think the combination of things was such that people around her who cared a lot about her, who loved her, said to her, you know, you don't have to do this. You don't have to put yourself through this. And the last thing you want after this wildly successful career is to run and lose; that shouldn't be your legacy. And I think, eventually, that was very compelling.

Question: So, with your four terms in legislature, what would you want people to know about your time at the legislature? Was there something specifically you helped get passed or you're proudest of in your four terms? I guess, that's the best way to put it. What do you look back and say, that was pretty cool, I did that.

Kathleen Sebelius: Well, we certainly had a lot of different legislative pieces that I feel good about. I mean, some of the children and family's issues. We did some early health pieces. I was involved in the discussion about tribes having the right to open casinos, which I felt was really a moral issue. We had a very clear constitution that basically said, if gaming is allowed in the state, by national law, the tribes have a right to game on their reservations and yet, we had people who just denied them that right, which was really an economic lifeline. And I was part of the group that sat in this small room and negotiated the original tribal compacts, which I just thought was the right thing to do. It was important to move through that. We had also started working on some criminal justice issues.

I would say, more than one specific issue or one specific initiative, it was really an experience. First of all running for that office, which is like nothing else, it's really the best poll anybody will ever take, which is to knock on somebody's door and figure out what they're thinking about. But then in a body that has 125 house members and 40 senators and always, except for a two brief years, had a majority in the other party, just getting things done. To end up in the end of the day with legislation that actually passed and got signed and became law, not that it was mine alone, but it was really a team sport. That was so helpful to me running a statewide agency and then certainly as governor. Knowing what legislators had to do to get there, and knowing what they were saying to their constituents in terms of newsletters, and knowing what the pressure points might be. You know, my two predecessors as governors weren't legislators. And I think it was enormously helpful to me. Joan Finney never was in the legislature. Bill Graves was never in the legislature. That experience was incredibly helpful experience to move legislation forward as governor.

QUESTION: So, the big question is, fascinating question is, you run for statewide office in what ends up being in a year where it seems like no Democrat won anywhere?

Kathleen Sebelius: Well, that was the craziest election, definitely I've ever done in my life. I mean, that's much more unusual than my legislator run, I want to say.

Question: So, do you remember, is it a series of conversations or do you remember specifically, I'm going to run for insurance commissioner? Tell us about that.

Kathleen Sebelius: Paul Feliciano was a state senator who had run for insurance commissioner in 1990. And he actually did pretty well. I had served on the insurance committee in the legislature and began to learn about the issues around insurance products. And then, there was the Clinton health plan which was proposed in congress and collapsed and didn't go forward. And I was also really interested in health issues. The problem was that nobody, no Democrat that I knew, knew anything about the office of insurance commissioner, including me. There had been only two commissioners in the 50 years before Ron Todd, the incumbent in 1994, had become commissioner. And that was Frank Sullivan and Fletcher Bell. And then, Ron Todd was Fletcher Bell's assistant. So really, 54 years of three guys, one of whom had only been there for four years. And I knew that the Kansas Insurance Commissioner had never been a woman and had never been a Democrat

in the history of the state. So, it wasn't a real likely office to pick out. But, I thought it might have something to do with health. And maybe, there were some things you could do in that office that gave some financial credentials.

Question: I did notice that you had studied and passed an insurance test. My presumption is then you were thinking that at some point, you were going to run and that was a reason, or were you actually wanting to sell insurance, so that's the big question there.

Kathleen Sebelius: I decided in 1994 that the insurance commissioner's office was a statewide office that I was interested in. I had worked on the health care committee and the insurance committee in the state legislature. I was interested, particularly in health care, but I figured the insurance commissioner's office must have something to do with health care, since health insurance was a critical piece of the puzzle. And in 1990, a Democratic state legislator Paul Feleciano had run for insurance commissioner. And while he didn't win, he actually did pretty well and I thought may have laid some groundwork that could be helpful. And it was the first time I had really thought about the insurance commissioner's race.

What I learned very quickly in having some preliminary conversations with people is that nobody knew anything about the Insurance Commissioner's Office. It had been Republican for the entire history of the state. Nobody knew anybody who worked in the office, very few people knew what the office did. And so it was a bit of a puzzle with interesting possibilities, a statewide office, that had a financial platform, but a little bit of a mystery. So, I actually did a couple of things to get ready for this race. And I will tell you that most people thought I was totally crazy, most of my friends said why would you ever do this, you can be in the legislature as long as you want, then run for governor or run for something else. What would you do in the office, how does the office work, why would you want to be in this office? And I couldn't really answer any of those questions pretty well. But I just had this feeling that this was likely a good place to be and that there was a possibility to run as an outsider, to run as a consumer advocate as opposed to a company advocate.

So we in the state legislature, we had tried to get a bill passed which would have prohibited the commissioner from accepting money from companies that were licensed by the office, or anybody regulated by the office. That didn't pass, but it was an issue that Paul Feleciano had raised in his campaign and I thought, you know, there may be an angle here that people really don't know much about it, but if they really knew that the companies gave the money to the commissioner and that the commissioner really didn't work for them, that might prove to be helpful.

I decided I needed some kind of credential and that I would take the test to be an insurance agent. I knew I would never be an agent if I was elected, but I wanted to be able to say I have the credentials because the insurance industry had a lot of employees and at least that would give me some level of credibility. That was a pretty terrifying experience because I studied for the test, went to take the exam, and at this point, I was already involved in the race. I was a declared candidate in fact. And it was one of the first computerized tests I had ever taken. And at bottom of the screen, the text indicated that the results of the test would be sent to me and to the Kansas Insurance Department. And I thought, well, this could be a very short campaign because in spite of the fact that this was supposed to be very private, I knew since I was running against the incumbent that if I flunked the insurance test - which was not a requirement to run for the office - it would take about 26 seconds for the incumbent to actually get that news and potentially to end my campaign. So I saw this as a real test of whether I was going to get a sign from on high: should I continue this race or not? I took a deep breath, I thought, you know, I need to do this. I hit send when I finished the test results and luckily, I passed with flying colors, so that was hurdle number one.

Hurdle number two was trying to find some people who knew something about the office. And there were three people who were incredibly helpful to me: a guy named Bob Kennedy, who had actually been a volunteer when

I ran for the legislature. I knew him and I knew his wife. And what I learned was that he had worked in the office at one point. I think when he was going to law school, he had a part-time job. So he actually had some background in the office and he came forward and said, you know, "If you're going to run, I'll help you in any way I can." And I said, "OK. That would be terrific, as you know something about this is done, a bunch of insurance law." And he ended up not only helping me but coming to work with me when I got into the office.

The second person was Howard Fricke, a businessman in Topeka who ran a very successful large insurance company. I knew Howard and his wife. He had been a supporter when I was in the legislature. I knew he was a very savvy guy and I thought, if he was willing to be supportive, it would be a very strong signal sent to a lot of the heads of insurance companies that this was going to be OK. They wouldn't be punished by the incumbent, you know, one way or the other. So I went to see Howard to see if he indeed would help me if I decided to make this run, and he said that he very much was interested in doing that because he didn't like the way the office was run. He had some dealings with them that he did not think were highly professional. So he was in.

The third person was a very well-known long-time insurance agent, had run a very successful company here in Topeka, and was a hugely respected community leader. He represented a different aspect. Howard had sort of the business community, been head of the Topeka Chamber and head of the Kansas Chamber, I think. He sort of had the agent side of the puzzle. And this friend of mine again came forward and said, "Yup, if you're in, I'm in. I'm all in." So, those became my trio of validators. Bob Kennedy traveled with me and worked with me. The other two hosted fundraisers, signed letters of support, wrote letters to the editor, reached out to their own communities. And it turned out that 1994 was not a great year for Democrats, not only in Kansas, but anywhere in the country. But, I ended up being successful in the statewide race that a Democrat had never won in spite of that fact that. Yeah, as Democrats, we lost the governor's office, we lost two seats in Congress, we lost the number of seats in the state legislature, we lost every other statewide office, and I ended up being the only successful Kansas Democrat that night, and one of only two in the country who actually beat an incumbent Republican in the 1994 election. So, it was quite an interesting experience.

Question: Obviously, this is politics and talked about you've never lost a race. So it doesn't look like you want, you know, to go after foolish ventures. Were you thinking this is quite an opportunity? We've got the former insurance commissioner who's putting in a Workers' Comp Claim from pulling a suitcase out of the back of his car, I believe it was, which was later thrown out. And then the current commissioner was double-dipping on a pension. Were you thinking, you know, politically, this is a chance to win an office because they're essentially very vulnerable?

Kathleen Sebelius: Well, certainly, there were some issues that had started really in 1990. Fletcher Bell filing a work comp claim as he played golf and his handicap continued to go down was one of the big issues that Paul Feleciano put out in the 1990 election and while I think it had some resonance, it wasn't enough to defeat Ron Todd at that point. Ron Todd had been Fletcher Bell's assistant. Bell's claim was a problem but Bell wasn't on the ballot. So, Paul Feleciano was running against the successor to Fletcher Bell.

I was then up for the first reelection of Ron Todd, who had been a long-time assistant of Fletcher Bell and had been in the office for a very long time. His issue, where he decided to take his full pension and his full salary, happened during his first term in office. The legislature decided to pass a law and I was part of that legislature that essentially looked at the situation where we had a number of full-time state employees who were pension eligible, who decided that they would take their pensions and their salaries, and double-dip, if you will. So we passed the law saying you could come back to work if you retired for a limited number of hours, but you could not work full-time and draw down a pension full-time. The day before that law went into effect, Insurance Commissioner Ron Todd decided because he was eligible by age to retire, that he would take advantages of the old rules. That became an issue then that he actually took on himself. So you had the scandal of the past but

you had also a situation where we could say this man knew that the rules were changing, but in spite of that he still did it, and he is now one of the highest paid employees of the State of Kansas and he doesn't work for you. I really felt from the outset that the consumer issues could be the strongest claim, but you needed some demonstration that there were things gone awry in the office and this certainly helped to build that case.

Question: The press coverage really picked up on you saying you wouldn't take donations from the insurance industry, article after article. And that leads to my second part: you've shown an ability to raise money. And so, it's going to continue when you're governor, your ability to fundraise which I think drove the Republicans crazy. In this first race, how did you figure out how to fundraise? We're talking enough to run a statewide race which is hundreds of thousands of dollars. And in this case, without asking the people that always donated for this office.

Kathleen Sebelius: One of the things that I knew about the Insurance Commissioner's Office is that I didn't know anything about it and neither did the public. Nobody had any idea what in the world this office did. That was a problem for them because they were supposed to be representing consumers. They were supposed to be the regulator who looked out for the consumer interest. And if nobody knew who they were and what they did, clearly they were not doing a very good consumer-facing job.

I also knew since I was running against the incumbent that the likelihood that many companies regulated by this office would write a big check to the challenger was not good. If you had a multimillion dollar business before a regulatory office, the last thing you want to do is go slap the regulator who's very likely to be there long-term. So, I did make a pledge. I said I'll try to get a bill passed in the legislature that would have changed the practices. The bill didn't pass so I decided to take a pledge, make it a public pledge, in large part to give information to the Kansas public that this was going on, that this is the way insurance commissioners always raise their money. Get a couple hundred thousand dollars from the people whose business you regulate and go on your merry way, and then represent the companies and not the consumers. I didn't think it was really likely they were going to give me much money anyway, so in some ways the pledge was easier to make than if I had been staring at a huge possible contribution. I thought it was the right thing to do, but I also really felt strongly, that it was a way to demonstrate that I was different, that I was going to be a consumer representative, not a company rep. Every time I said that, I could drive it home saying, "I'm not taking any money. I won't take any money. I think it's wrong to take money." And it was a way to begin to let the public understand what had been the long-time practice.

When I was in the House, I did served four terms in the House, part of that in the leadership. And I used to do the fundraising for the House Democrats. I ran the House Democratic PAC. I helped to recruit candidates and I raised money. So I had begun to develop a statewide network of funders who were interested in progressive policies, who were interested in at least having Democrats in the legislature. I got to know as well a lot the union folks and a lot of the teachers, you know, the groups who always supported Democrats. But I also begin to identify in places other than Topeka, which I already knew from living here, who was in the business community who may be a supportive person because I had been raising money for Democrats for a couple of years. That was enormously helpful when I ran for insurance commissioner because I went back to those folks, most of whom had never been asked to give a contribution for insurance commissioner, because none of them knew what it was.

The other group that was very, very helpful were the trial lawyers, who I had represented for eight years, and who often fought with insurance companies. They represented plaintiffs who were trying to get settlements from insurance companies, who were suing insurance companies. They were very interested in having a different voice in that office and having more of a level playing field in the office, having the insurance industry play with the same set of rules. So I had a base of statewide potential funders who I had known in my eight

years as a trial lawyer executive. So the combination of both doing political fundraising and having the trial lawyer background was enormously helpful.

Question: Do you remember a debate, it wasn't televised, of course, its insurance commissioner. I think it was September 8th or 9th, in Wichita. Do you remember that debate?

Kathleen Sebelius: Probably not. It was a very long time ago.

Question: You seemed to be waiting, I mean not as dramatic as Lloyd Bentsen and Dan Quayle, but you seemed to be waiting for some comments from Ron Todd and he made the comments involving trial lawyers, and then you pulled out a letter, fundraising letter, and then you said, "I'm not for sale." And, of course, it's quite dramatic. And then you said in the fundraising letter, you were called Kathy. And you said, "I've asked the commissioner to call me Kathleen and for future references, it's Kathleen." I think you surprised not only Ron Todd, but probably a lot in the audience but in a good way, you were really ready for that. So, a couple of things: one is I think this showed people that you understood how to run a race, win a race and you are ready. The second is later when you're in the governor's office and later in your career, you probably can't do that because now you were trying to not look as partisan maybe. I saw that as a dramatic moment. And I thought when I was reading it, it's like you're sort of coming out politically. But the second quick question is the commercial where, "Your Cheatin' Heart," plays. Was that your idea or how does that come about?

Kathleen Sebelius: Well, we knew that both in terms of a debate issue or commercials, one of the trickiest issues being a woman candidate is how to go negative without losing a large part of the audience, how to be tough enough, but not too tough. A lot of men don't have to deal with this at all, but it's an issue that comes up constantly in polling around women candidates. So, if you are too strident, if you are too tough, it turns off voters. So, you have to find a balance that allows you to go right to the line. Running against the incumbent is always a race about whether that incumbent should be hired or fired. It's really never about the challengers. The challenger has to establish a credibility level. Are you a reasonable alternative? If you can't establish that credibility level, then you're really sunk from the outside. But for me, taking the insurance exam, me having some validators from the industry, established a lot. Having had years of experience on the legislative committee, dealing with insurance issues and insurance law gave me a level of credibility. People could say, "Oh, you know, she knows enough about this that that's reasonable, she didn't just walk out of her kitchen and thought this was a good idea." Then the whole race is about the incumbent, not just this race but any race about a challenger coming at an incumbent.

So it's then a situation of how to demonstrate that the incumbent should be fired. And how do you do that without losing enough credibility with the general public that they say, "Oh my gosh, she's a witch, I'll never vote for her." And it's not an easy balance. So we had a media person who was great, Deno Seeder. And the challenge from the very start was we need one killer negative ad. And we need to be able to play it five weeks out and have it be an end of the race ad that just makes the difference. And we knew what we wanted to say, which was basically by that point there were a series of headlines about the scandals in the office and what had gone on and what in the world was happening. So that could be the lead. It wasn't me talking about the incumbent, it was, you know, The Wichita Eagle, the Topeka Capital Journal and the Kansas City Star and quotes from editorials. But Dino came up with the idea that you play in the background "Your Cheatin' Heart." And he actually had a son who recorded the song specifically for this ad.

And I knew when we had exactly what we needed: a friend said he was actually in his house at the end of the day, reading the newspaper, the TV was on but he was paying no attention. The ad came on. He heard the sound. He put the paper down and thought, "Oh my god, this race is over." And he called me up and said, that's an amazing ad. And so I was like, OK! But we knew all along that that had to be the part of the package.

And the less I did of that and the more it could come sort of from other voices, other people, the better off I was going to be.

Question: I'm a real nerd and I watched all these ads. It's actually rare. Most candidates only will run interesting ads if they're behind, maybe in the end. You consistently, through your career, had very I think good ads. But even when you didn't necessarily have to, a lot of candidates are very super cautious. But in this realm, even that ad, a lot of candidates would say, "No, I don't want to do that." What was your philosophy? Because every cycle, you'd have one or two ads that were interesting. I'm jumping ahead, but the school bus ad, which is a classic, but I guess politically, you deciding you had to pull it. I mean, that one was-- I really liked it. But what was your philosophy toward ads? I think you also seem to have some fun of them.

Kathleen Sebelius: Well, I believe ads actually are the way most people meet a candidate and know anything about the race. Unfortunately, very few people ever get in a room or hear a speech in person or do anything else. So I think ads tell a story and they have to be consistent with the narrative that people can believe. You can't, you know, invent a persona. You can't do things that are inconsistent, and hopefully, the ads will again reinforce the message that's going on on the ground.

For insurance commissioner, it was a real challenge to think about how to get people to focus on a down ballot race. And particularly, as the fall approached, looking at the poll numbers, it was pretty clear that the Democratic gubernatorial candidate was in trouble. It was pretty clear that some of the congressional races were in trouble and in trouble across the country and that the Democratic administration nationally was in trouble. The health care reform imploded and there were things going on that were not popular. So, how to disassociate from what may be brewing as a really bad year and also get people to pay attention to an office that they didn't know anything about was pretty complicated.

And I think the only way to do that was to make it more interesting. You know, to tell a story really about that office, about scandals and about cleanup and about what was happening. And our national folks would tell me over and over again, "You have to stay out of the national jet stream. You have to stay on the ground and try to make this very Kansas and very localized. If you get swept up, if you become part of the national story, you could get swept out." So this element of advertising was very different than any of the other campaigns that I ran because being governor, you are at the top of the ticket. I was not at the top of the ticket in 1994. And the goal was to essentially be a very small island moving along with a very packaged race that only dealt with Ron Todd, only dealt with this office, only dealt with real cleanup.

Question: Well you obviously win the race. And there's a quote when you-- after you take office that it was a bit overwhelming and there's certainly been a culture shock a short time later that you fire essentially a couple attorneys. Did you find that you needed to overhaul this office? What did you find when you did get in there and see this is an office that had been run by essentially the same people forever?

Kathleen Sebelius: Well, the first six months were as terrifying as any experience I've ever had! Not only did I not know exactly what went on in the office, no one else did either. And every other Democrat had lost, so we had a refrigerator box full of resumes for people who needed jobs. All the governor's staff was without a job, all of the local congressmen's staff was without a job, a number of legislators had no jobs and their staff had no jobs. So they were all eager to have me hire them, and they figured that would be the fix. We could just, you know, sweep out everyone and sweep in everyone new. I really determined pretty quickly that would not be terribly helpful because until we knew what skill sets were in the office, what we were missing and then try to match those with live human beings, I needed a core of people to come in with me and help me. But beyond that, I didn't want to make any massive shifts until I really knew more.

So I did a number of interviews with all the key division heads prior to going into the office. And I physically went into the insurance department to do those interviews because I wanted people to see me and to actually have some experience just saying hello to people because I was as mysterious to them as they were to me. And that turned out to be an interesting experience. But the interviews were about meeting people, introducing myself, getting their names and then basically saying, "What do you do and do you do it very well?" and then, listening to them as they talked. So I made some gut level reactions.

I also talked to a number of commissioners around the country, who were in similar positions in elected office. There are only 13 states that elect the insurance commissioner and it is a different role than people who are in an appointed office or part of the governor's cabinet. So I sought out colleagues and friends who were Democrats in elected office who then became mentors and helpers in terms of what I was going to do. And I had a core of people, brought in a new general counsel from the get go, had a press person, had Bob Kennedy who had been helpful in the race, who became the deputy commissioner and came in with me. So there were four or five of us who literally at 5 o'clock every day when people would stream out the door, we would sit in a small room and hold up pieces of paper and say, "Has anybody ever seen this before and does anybody know what this is or what it means?"

The other thing that happened which was also pretty terrifying was the former commissioner, the incumbent who I had beaten, did not take well to the loss. And when I got into the office, every single piece of paper related to the commissioner's office was gone. There wasn't a single letter waiting to be answered, there wasn't a file, there wasn't a document of any kind. I initially thought they had been misplaced or moved somewhere, only to find out that no one had any idea of where they were, or if they did, they weren't telling me. So we were literally without any paperwork. And what terrified me was the thought of decisions pending and deadlines that we might miss because we don't really know they are out there, court cases that have been filed, or any other number of things.

Carla Stovall had just been elected as the attorney general. And I called Carla, who I knew, and I said, you're going to get a letter from me and I just want to tell you, it's going to be a very strange letter. It will be a letter indicating that there are no files in this office that have made formal requests to the former commissioner and two of his chief of staffs to give us back the files to indicate where they are. But in the meantime, I want an official document with the attorney general's office saying, "If we miss deadlines, through no faults of our own, if we miss filings through no faults of our own, you are on notice." And indeed, the second week I was in office, I did date and sign that letter and sent it to Carla and I said, "I'm looking for the - I don't even know what I'm looking for - but I just need an official document that you will now have and make it very clear to the commissioner, I'm serious about this." And so that was a rocky way to start, I would say.

Question: And you never got those documents?

Kathleen Sebelius: Periodically, there were some things that appeared, but no, there was never any box of files that was brought back in.

Question: And you were not happy with some of the lawyers that had worked there, it sounded like there was some over-billing possibly going on.

Kathleen Sebelius: Well, one of the funds that was run by the insurance commissioner's office was the Worker's Compensation Fund, and claims were filed on a regular basis. I knew about that fund a lot because there were trial lawyers involved in it. And also it had come up in the legislature a number of times and there was always some issue about a couple of attorneys, three or four attorneys who worked for the insurance department who basically were the representatives on every case of the fund. It was a very lucrative spot to be if you were picked as one of those two or three attorneys. And in fact, it became apparent to me as my race

went on in the fall how popular it was because I had lots of people standing in line saying, "Pick me, pick me, I'm ready, you know, we've never had a chance at this and this is great." Because the job was showing up at all the hearings representing the state, if you will, on all the claims.

And as I began to look at the filings, because of the popularity of this fund, I realized that the amount of money that particularly a lawyer named Chris Miller was charging - but there were two or three others - seemed extraordinary. Several \$100,000 a year at a state rated billing, which would require extraordinary 24/7 case work and practices. And I knew enough about Mr. Miller, who also had been a bit involved in the campaign, that he was clearly not in court all the time, that he had plenty of other time to do lots of other things. So, I really began a bit of an audit on this file that looked odd; I mean, it was hundreds of thousands of dollars.

The fund itself was company money from large employers who were paying out claims and so it was not something that went through the legislature, it was not part of a budgeted item, it was like a revolving fund. But it just didn't look quite right to me. And as we did the forensic audit, we realized that chiefly Mr. Miller, but a couple of the other attorneys, were literally double and triple billing for cases. They would go to court to represent three plaintiffs simultaneously and then bill hours for each of those three cases. It was also not at all uncommon to have more than 24 hours of billing in a day and more than seven days of billing a week. And once I could document that very thoroughly, we did a very public firing as part of the cleanup demonstration as I had pledged to go into the office and clean things up. And there was a huge outcry. People suggested that this was very partisan; Mr. Miller certainly suggested it was very partisan. He said, "Because I've been involved in the incumbent's campaign, I'm being singled out, I've done excellent work." A number of his colleagues immediately stood by his side and said, "This is outrageous, he is a well-known, well-liked attorney, this is part of a witch hunt." And I knew that there was going to be the likely pushback, which is why we had done through two different very independent firms and five years of audits of his files and we were able to put those in a very transparent way out to the public and say, "You know, maybe the Kansas taxpayers think this is a good idea but I sure don't." He later lost his license.

Question: I'm forced to move on the governorship, although I'm enthralled by the insurance commissioner. Do you remember when you decided to run for governor and what you were thinking? And earlier, when you talked about the legislature, you mentioned your husband was a little trepidatious. So, was that a conversation that you have to have with your entire family? So tell us about the decision to run.

Kathleen Sebelius: Each of the campaigns involved a family conversation, whether it was reelection to the legislature or a statewide race. And personally, they were timed according to not only opportunities that might be there politically and the timing of offices, but also they managed to sink in pretty well with our sons' school schedule. I ran statewide once they were out of grade school and they were both in high school and that was manageable. The Kansas Insurance Department was a block away from Topeka High School, where they both attended school, and our house was less than a mile away. So even though it was a statewide office, I controlled the travel and I could very well manage being home and available when I was needed, not being on the road.

The Governor's race decision was more complicated in that it was clearly going to be more work, more effort, more out and about. Our older son was already in college and our younger son was a senior in high school, the year I ran, and headed off to college. And what I really wanted to avoid was them having to go through high school if I was successful as the governor's kid. I had actually had long talks with Tom Docking about that experience and he said it was pretty miserable that you were always in the spotlight, that you're always the governor's kid. It was fun to bring people back to the house but you always were put in a little box. And I didn't think that was a great place for the boys to be and didn't really want that. And I was fortunate enough that there was going to be an open seat for governor in the year that I could run. If I won, they would be gone and not have to have that experience.

I worked a lot with Bill Graves who I knew as a legislator because he had come in as secretary of state and I'd actually done some voter reform issues with him in his office. When I became insurance commissioner he became governor and he actually asked me to head up the Children's Health Insurance Program when that passed at the federal level and to set up the apparatus in Kansas and to lead the task force. So we had a great working relationship already, a Republican governor and a Democratic insurance commissioner, we had worked on a number of issues. We did some anti-fraud issues together. We worked in a number of venues. So, I knew that as he was leaving office that may create an opportunity to run, although Democrats had not elected a governor in an open seat, in, I think it was 34 years or something. So it wasn't a great history, but having just won an office where they had never elected a Democrat, I figured, "Well what's three decades, you know, give or take a few."

The trickiest thing about thinking about the race was Carla Stovall, my friend who was the Republican attorney general, also was running. She made it very clear that she wanted to be governor and that she was going to make that race and there were a lot of helpers and supporters and friends of mine who said, "Look, you're a successful insurance commissioner. It's a great statewide base, you can be reelected here in a heartbeat. Why don't you wait because we're not at all sure you can beat Carla Stovall. You know, a pro-choice, progressive woman, Republican, trumps a Democrat anytime, and this probably doesn't look very good for you."

One of the things that my father taught me early on and that I do believe is, first of all, you have to have some reason for running and something that you feel you can contribute, but also that you never have the luxury of picking your opponent, and that you have to believe it's the time for you to run and focus on your own race. And then the chips sort of fall where they might. So I entered the race at a time where Carla and a number of other Republicans were in the primary and Carla ended up within four months dropping out. So it changed dramatically.

The other barrier I had was we had a huge Blue Cross Blue Shield decision pending. I was insurance commissioner and - the company at that point was known as WellPoint, it's now Anthem - had made a bid to take over the Kansas Blue Cross Blue Shield Company and have Kansas become part of their portfolio of the National Blue Cross companies. The Board of Directors of Kansas Blue Cross Blue Shield had overwhelmingly approved the merger. There was a notice sent to shareholders all over the state and the shareholder vote came back overwhelmingly approving the merger. WellPoint had already taken over eight Blue Cross Blue Shield plans, so nowhere in the country has this been challenged. And what I knew is that the last step in the puzzle was the ability of the Kansas insurance commissioner to either approve or deny. And everyone assumed that this was a done deal, shareholder vote with the director vote, and I felt in my gut that this was not a great decision for Kansas, that of all the issues that were being discussed, this would have long-term negative ramifications on the state, to not have a Kansas-based Board of Directors, to not have those relationships with providers.

I've worked closely with Blue Cross as the insurance commissioner. 60% of the Kansas public had policies with Blue Cross Blue Shield. So what happened to Blue Cross affected the majority of the state. I was troubled by both the information put out by the company, who was suggesting that they could have great efficiencies of scale and then in fact it would be beneficial to Kansas policy holders. And I was troubled by the fact that people across the state, again, knew very little about this and seemed to be happily going along. So, I was interested in running for governor, but really didn't want to do anything prior to making the Blue Cross Blue Shield decision. And I knew that that would have a determination on whether I ran or not, but I didn't want to do it as a candidate, I certainly didn't want to get out ahead of it.

So we put together a very diligent process of fact-gathering, first of all, looking at the numbers. We put up a sort of Chinese wall on the office where I appointed an individual to represent consumers and providers and really to have no contact with me, so that at the hearing, which I would eventually chair, she would be the voice

of individuals who weren't there, knowing that the company would have plenty of representatives. Then I began to look and digest the information.

The other thing that we did, which nobody really had ever done before, was I thought it would be helpful to have a series of hearings across the state as a way to educate the public, to talk about this, and actually ask people to come forward - health care providers, hospital executives, consumer advocates - and give them an opportunity to weigh in before we got into the company versus consumer public hearing. So we started in Garden City and had a hearing, wintery weather, snowy days, this is 2001 and had really no idea how many people would come. If I had had to guess, I would have thought 50 was a good crowd; there were 700 people who showed up and people had been in line when we got there for two hours in the snow. And I thought, OK we have touched a nerve here and we proceeded from west to east across the state and I think our last hearing prior to the hearing in Topeka, we had over a thousand people who showed up.

What became very clear was that health care providers thought this was a terrible idea. Doctors and hospital leaders were really not at all enthusiastic about losing this relationship. A number of the business owners who began to think about what it might do to their policies didn't like it and then loads and loads of consumers actually came forward and said very positive things about the company. They said, "We don't want to be taken over by somebody else. We don't want to be part of some big conglomerate. We don't want this to happen." But again, it was a way of sort of educating folks what this decision could possibly mean.

We had a trial, a four-day hearing, where all of the big shots from WellPoint came in and sat on folding chairs in the Ramada Inn and I used to laugh and say, "I'm sure they thought they died and gone to hell because they couldn't figure out what in the world they were doing in Topeka, Kansas for four days trying to defend what had been a pretty slam dunk business decision across the country." And the real issue pivoted on their assertion that there would be efficiencies of scale, there would be economies of scale based on being part of a bigger group and that their administrative cost would indeed go down if Kansas became part of this operation. Because absent that, you would either cut rates on providers, docs and hospitals, which they clearly didn't want to happen, or you would cut benefits for individuals, which consumers didn't want to happen. That's the third piece of the puzzle, that's the way insurance companies make money is to cut out the administrative cost. The difficulty that WellPoint had is that the Kansas Blue Cross Blue Shield administrative rate was four points lower than the national company's administrative rate. So it became one of those difficult math issues of how bringing this company, which actually operated far more efficiently in terms of overhead cost than the national company did, how did bringing them into the fold actually improve the look for Kansas? How does that work?

That became a very impossible question for them to answer and I said, "OK, you promised your shareholders you will make money on this deal - because they had gone out to their shareholders as a publicly traded company and said, 'this will be good for us,'- how do you make money for shareholders without hurting the beneficiaries in Kansas? How does that work? Show me the math. Show me what that looks like." And I felt they were not able to demonstrate that in any kind of effective way. So I turned down the merger and two days later, declared for governor. And then I was sued. We won in the Supreme Court ultimately, but made the decision and pivoted to the governor's race.

Question: You entered the race and as you said "I'm going to run for governor after this decision and we'll see who my opponent is." However, you're a human being, so when Tim Shallenberger was elected and this is after Bill Graves had various meetings trying to find a moderate or trying to figure out how we can get a moderate to win or even to run and –

Kathleen Sebelius: Well, there were moderates in the primary race. They just were not successful.

Question: Yeah, Gary Sherrer did not run.

Kathleen Sebelius: Right, and Carla was in and then out.

Question: Carla did not run. Moran, thought about it and didn't run. So, I guess my question is, were you pleased when Shallenberger wins, because now, you have a pretty clear conservative challenger in a state that had been willing or eager in some cases to elect moderates from both parties?

Kathleen Sebelius: Well, Tim Shallenberger and I were elected to the legislature together in 1986. We actually sat next to each other. Tim, I knew well. He came out of a very Democratic district in Southeast Kansas and he had a very interesting legislative record, where he voted pro-union 90% of the time, he voted for school finance most of the time. I mean, his legislative record and mine don't look very different. So I knew Tim had embraced a lot of conservative ideas as he became the state treasurer and ran statewide, but he also came out of a very interesting background and in a district that was heavily Democratic and managed to win four times. When I became insurance commissioner, Tim ran successfully as the state treasurer.

I think having an opportunity in Kansas to have the most conservative candidate win the Republican primary always opened up a middle ground for Democrats and that's how Democrats who are very underrepresented in voter registration can actually be successful if you get all the Democrats and then a big slice of independents and some more moderate Republicans, you can then put together a winning coalition. Bill Graves was not a fan of Tim Shallenberger's, and in his years in the legislature one of the things that Shallenberger had done as a representative was sort of torture Bill Graves. He began the kind of right social wing of the Republican Party. He started a lot of that animosity about the Country Club Republicans and he definitely saw Graves in that camp. By the time the governor's race came around in 2002 there was a real split in the Kansas Republican Party that had started in 1996 when Bill Graves appointed his lieutenant governor to take Nancy Kassebaum's seat in the US Senate. Phill Kline and others immediately rose up and Sam Brownback, who was a first term congressman, immediately challenged that. Tim Shallenberger was part of the challenge group. So there had been a lot of difficulty within the Republican ranks.

Governor Graves and I had worked well together and one of the things that happened shortly after the primary was not only did Tim Shallenberger win, but he went in three different times to try and get the sitting governor, Graves, to endorse him. Each meeting ended without an endorsement. And that sent a very powerful message. Governor Graves called me, close to Labor Day, and said, "You know, Kathleen, I have to do this. I'm going to endorse him." And I said, "I understand, but every day has been an amazing gift." Any time delayed was good, because by his silence, he sent a very, very strong message across his voter base - who were people who I really needed - that this was not his favorite choice. So that was quite helpful.

Question: It's funny because there's an article saying Graves still deciding and then Shallenberger says, "What's he waiting for? You know I've given him, you know, all the stuff."

Kathleen Sebelius: Well, then having watched Paul Ryan do the same thing at the national level, this stuff was kind of interesting, like I've seen that play before.

Question: In your race, you are up in the SurveyUSA poll, by, at some point, like 17 points at various times. Was your internal polling showing that? Eventually it was a seven-point victory.

Kathleen Sebelius: We saw it a lot closer, and I mean 17 points is a ridiculous margin for a governor's race. But I think the final result was very close to where we thought it was going to be. I can't remember exactly when it happened, but there was a pivotal point in the election campaign when finally Tim Shallenberger said at one point in a public forum that he would be willing to cut schools as part of a cost-saving measure and that's the sentence that we needed to come out of his mouth because I knew that for the constituents I needed to move, it was all about schools. So, for moderate Republican women, for a lot of the independents, the school issue

was paramount. The school finance issue was absolutely the number one, two and three issue in Johnson County and I needed him to say that. And God bless him, he certainly did. And it was, I think, in early September. I think it was an interview about how the economy doesn't look great, what kinds of things would you do? And he did put schools on the list of areas that he might be willing to cut. And at that point that was my only message from then until November: Whatever else happens, we will never cut schools.

Question: And you mentioned, as insurance commissioner, you got a lot of resumes from Democrats. There's not as many Democrats in Kansas. Governor Carlin said he had to battle this when he became governor and picked some independents and Republicans for various things, he got in a lot of trouble from the party. I would assume a lot of Democrats, some might have enjoyed being lieutenant governor, but you picked a former Republican and that fits into what you thought what best works as a Democrat in Kansas. But it is unusual to not pick someone from your own party and you did it twice. So, we know this, but for the record, what's the thinking to having a former Republican as lieutenant governor?

Kathleen Sebelius: What I knew, based on my eight years in the legislature and then eight years as insurance commissioner, is that nothing happens in Kansas unless it happens on a bipartisan basis. And it was particularly true as the Republican Party began to fray that there was a coalition in the legislature of Democrats and then sort of moderate Republicans who often were the governing coalition. I knew that to pass a school finance bill or to pass a budget that I needed, I needed to work closely with the legislature and that Kansans really were not overly partisan folks and that there were more people who self-identified as Republicans than Democrats, and almost as many independents as Democrats. So having an all-Democratic all the time 24/7 message was not going to be helpful to get things done. So everything I did reflected that. And I started it in the legislature, going to Bob Miller and saying let's cosponsor bills, knowing that that's the only way to get a bill on the floor of the House. I still believe that strongly.

John Moore was somebody I knew from the business community. I had worked with John, because Boeing actually was one of the big entities that was very involved in the Workers Compensation Funds. So Boeing was very interested in what was happening when we, in the insurance office, changed the leadership at the Workers Compensation Fund, they were one of the business interests that was really helped by a lot of the insurance plans. There were some big companies in Wichita. So John had been somebody I had known on the business side. He had retired from Boeing. And it was one of those conversations where we had a conversation about support and what he was thinking about doing and where he was going with his life. And then I came out of that discussion back to our team and said, you know, he would be very interesting. Wichita is a good balance with Topeka, a former Republican, but he is clearly very progressive. He'd been president of the Kansas Chamber, he comes out one of the big industries in the state. The aircraft industry was one that was one of the big planks of our economy and was very interested in what economic development was going to look like in Kansas. So when I called him back and said, "I know you think you're retiring and I know you think you're going to have time. What about a statewide run? How would you like to see Kansas from a different point of view?" And he was immediately all in, which was also kind of surprising. Having never run for office, having never been involved, he said, "Yeah, I think this is something I'd like to do."

Question: But you said something there that you approached politics in Kansas with bipartisanship. And at one point, SurveyUSA, had an approval rating in Kansas for you of 69%, which for anybody in politics is impressive.

Kathleen Sebelius: If you're not dead, it's really impressive.

Question: That is very impressive. And so, it seemed like that approach was very popular. And yet - and I'd ask the same question if it was another state and if it's the Democrats - in 2010 that approach was completely thrown out the window and it was the approach was we will not work with the other party and we don't even

want to work with people on our own party that don't do exactly what we want to say. So it's-- And the approval rating of the governor leading that approach is the complete opposite of your approval rate. It's like it's less than the opposite. It's about 25%. So the people don't seem to agree with that. So, were you surprised to see something that politically you thought this works and its how we get things done here? Surprised, shocked, and chagrined to see that that sort of almost tradition and how things get done, was just completely thrown out the window? The other question is that you probably weren't surprised to see people approve of the way you approached it?

Kathleen Sebelius: Well, I would say, what has happened in Kansas since 2010 is more heartbreaking than anything. I really don't think the people have changed a lot. I think their choices changed. And if given some different choices, we may have a different governing theory, but there's no question that Sam Brownback was probably the single most conservative candidate to win a primary and then successfully be elected in decades in Kansas, so far more conservative than any of the previous Republican governors in my lifetime.

I came to Kansas the year Bob Bennett started serving as governor. And I frankly was very confused about who the Democrats were and who the Republicans were because Bob Bennett, to me, sounded like a Democrat. He talked about mental health reform. He talked about more money in schools. He talked about criminal justice. I knew enough about the Bob Docking era that he had actually been the austere but adequate governor and had cut budgets. To me, coming out of Ohio politics, Bob Bennett sounded like a Democrat, Bob Docking sounded like a Republican. So I knew that there were some real mix and match here from the outset about party labels and whether it was Bob Bennett or Mike Hayden or Bill Graves, my three experiences with Republican governors had been very moderate.

Also there was always a debate about how big government got and what was better done by the private sector. But there was never a debate about government doing positive things, about building roads or funding schools, which was sort of the hallmark of Kansas, of supporting a business platform that allowed us to move forward. And that was both Democratic and Republican.

I will always consider myself a pro-business Democrat, because I really did strongly believe that you needed a strong economy, which meant supporting workers with good salaries and negotiating power. I mean, I was a union supporter. But it wasn't an either/or. I was also a business supporter. I knew that we needed to grow small businesses. We needed to grow big businesses. So watching what has happened since 2010 in Kansas is really an embracing of what I see going on in Washington by many, which is government does no good at all. Anything that can be done to cut or curtail government is positive. I never thought I would live to see the day where the kind of slashing of both higher education and K through 12 education occurred on a regular basis, where the legislature was willing to cut basically a third of the revenue out of the funding stream and then seems to be quite surprised by the results, although to me it's a pretty straightforward math issue. So I've been really dismayed at what has been the result of having a very, very conservative member of the Republican Party be elected. And I'm hopeful that we're seeing a bit of a change going forward where people are beginning to say, this really doesn't work for us and we want to move back in a much more bipartisan direction and in a much more balanced direction than we've had.

Question: One of the issues does hit in 2003 and then is going to continue to this very day, so I'll just ask your approach to it, you're thinking about it, is the school funding issue and its court case. Courts want the legislature to put more money in. What was your thinking about it and what was your approach in dealing with this issue and what did you want to see done.

Kathleen Sebelius: I do believe that people live in Kansas for the quality of life and that includes the excellence of public schools throughout the state. I'm the daughter of two teachers and was an early proponent of education as a doorway to opportunity. I would say that my father was never a financial snob. He was an

education snob. He really felt that that is where a focus should be. So I was raised in a family valuing education. I found it really welcoming that in Kansas, voters, regardless of their party affiliation, felt public school funding was fundamental. And I knew that it was one of the key issues that allowed me to be elected governor. And it's a commitment I made and a promise I made about what we would do in the future.

There was a school finance court case that had been filed in the late 1990s that frankly had been just lying dormant during the Graves' years and had not been dealt with. The legislature didn't deal with it. And it began to have rumbles again as soon as I was elected. And in actually talking to some of the attorneys, I was like, well, where has this been? And they said, we really didn't feel anything would be done in a dramatic fashion until we had a governor who is willing to act, and your election gave us the opportunity. So, the court became active once again and the decision was pending. And what I had really hoped to do was get out ahead of a court decision. Try and convince the legislature that this issue had been dormant but it was definitely pending, and that we needed to look at whether we were adequately and equitably funding education in Kansas, which was in our constitution and our responsibility. And then have a school finance plan which could be passed and hopefully get rid of the court case. That isn't quite what happened.

We actually had an economic downturn as I came into office. In 2003 the economy was not looking good. We were losing jobs and we didn't have any additional tax revenue. In fact, we were looking at kind of shrinking the budget around the commitment that we would not cut schools. So we had a big chunk of money as far I was concerned that was off the table. And we really needed to look at other ways to get budget money. At the same time we began conversations with the new legislators about school finance and what we would need to do and what kind of additional revenue we would need in order to support some funding.

In 2003 it was mostly conversations and budget cuts that didn't touch schools. We left school funding flat knowing we were digging an even deeper hole but feeling that was the way to go. In 2004 we tried to put forward some proposals around additional funding. We put into the legislature a big economic development proposal with the bioscience authority, a new tax incentive. I mean we were trying to really stimulate the economy on one hand but knew that school funding was important and it would take some new revenue. That was not successful to get through the legislature in 2004. Then we had a decision by a Topeka judge, Terry Bullock, in 2005, where he found the funding formula unconstitutional and urged that the legislature take it very seriously and look at funding and ask for an expedited review at the Supreme Court level. So he kicked the case up pretty quickly. But he also threatened that if the legislature didn't act fairly promptly, schools may not open in the fall of 2005. And that was a pretty significant wakeup call for a lot of legislators.

So we again tried in the regular session in 2005 to get a bill through; not successfully but a lot of a lot of coalitions were building, a lot of conversations were happening. The court decision was working its way through. And I decided that we needed a special session in 2005 to actually resolve this issue once and for all. I brought legislators back in the summertime before school was due to open and we had again laid a lot of groundwork around the state and managed to do it. We had a coalition in the Senate that passed a bill and we needed a bill that could get through the House. And it was a successful.

We did a two steps school finance bill. Part of the funding was 2005 to get us through so schools could open in September and we threw in a commitment that in the 2006 session - which was prior to my reelection, the last year of my first term - we would deal with the multiyear funding. So we did a short-term funding fix in the special session in 2005 that was successful and then a longer term funding fix.

In the meantime, the legislature had sent a bill to the governor. They had passed a bill which I felt was not adequate to fund the schools. I also felt that this should be a conversation between the Supreme Court and the legislature, not the Supreme Court and me. So I decided not to veto the bill, not to stop it and cut off the conversation. I just sent it to the court and said, you know, what do you think about this? This was prior to the

special session. And they immediately responded that it was not adequate. It was not going to meet court muster and the case would still be pending. And I think that also provided additional pressure for the special session.

Question: Was difficult to get the coalition to get the money? Was the opposition from Republicans who just we're saying we don't have the money or we don't want to spend more in schools? Or is it both?

Kathleen Sebelius: A little of both. We were going to have to raise new revenue. So it wasn't like we were digging into a trust fund sitting there and could just finance it. There would have to be new streams of revenue in order to do this. And so, there was an objection to that. There was also, I think, a lot of controversy around what the funding mix would be. Traditionally in Kansas it was always a portion that was income tax, a portion was property tax, and a portion was sales tax. And there were lots of Republicans who said, "Well, let's just raise the sales tax dramatically and not touch the other two funding mechanisms." That would have been a very regressive way to fund schools.

So, there were lots of pieces of the puzzle: how to make sure that if you raise property taxes that the wealthier counties that had a much higher middle of tax evaluation also shared those resources that you wouldn't have to raise the property tax in an exorbitant way in rural Kansas and Southeast Kansas. So we had sort of a power equity formula. The conversation was not undifficult. It was which kind of tax, who appropriately should share the burden and the theory that we operated under is everybody should pay a bit of a fair share but it should be progressive, not regressive.

Also, how to make sure that the rural areas and that the less populated areas were not penalized as the funding was redistributed, you know, what the balance should look like involving poorer kids. How to make sure that if you were in a school district that had a lot of disadvantaged kids who came from homes with fewer resources, how you made sure that they weren't handicapped from the start of school.

So, there was no shortage of funding issues. And what I knew from being in the legislature was school finance was always the most difficult vote and it's kind of the most parochial vote that anybody made. You would like to say that legislators were statesmen and stateswomen, but really what everybody would do with this massive school finance printout when it would hit the floor of the legislature was go immediately to your school districts in your area, look at how they survive, and that determines the up or down vote, pure and simple. So, getting legislators a bit out of their comfort zone where this was not only about their individual districts but it really was about how in a statewide equitable fashion we provided multiyear funding to schools that positioned us well for the future.

It was difficult and I was really not only proud that we were able to do it but really proud of the individual legislators who stood up and became their own heroes. Bill Kassebaum, Nancy's son, was part of the coalition leadership on the House side. And he ended up suffering for that in future elections. There were others who defied their party leadership and said no, we really need to do this and it's the right thing to do, it's the right thing for Kansas. They kind of put their careers on the line saying, you know, this is about the kids and the future of the state.

Question: Would you get in the trenches if there was a legislator they're open to talk about this. Would you call them in or did you work through the leadership? As governor, how close to that did you get?

Kathleen Sebelius: I was very up close and personal. There were a lot of discussions. Again, we needed to get a bill through the House. That was really the key, because that was a more diverse body than the Senate. And we had enough votes in the Senate if we could get a House bill that was going to work. So the House became the focus and we had to put together a coalition of House members. And I spent most of the time in the special

session with House Republicans, in my office, potential House Republican votes, much to the dismay of Democrats. They were furious and said, "We need to be in on those meetings. You never have us. You never call us. You don't love us anymore. You don't!" And I said, "Look, I don't need to spend time with you. I need to spend time with these folks." I need to figure out how many votes. It was really a person by person conversation, a vote by vote. If this tradeoff occurs, how to do it. There were pockets of rural legislators who needed something, Johnson County legislators who needed other things, and how to make a bill work for all the constituencies in very diverse parts of Kansas was complicated. But I did anything it took. I called them on the phone. I would have mowed their lawns, you know, driven them around. We had a terrific legislative team who lived and breathed that vote. As I say, we paid very little attention to the Democrats and lots of attention to the Republicans.

Question: In your first term in 2004, according to reports, you were under VP consideration for John Kerry. Is that true?

Kathleen Sebelius: No.

Question: So you were never vetted?

Kathleen Sebelius: No, not in 2004. I did, you know, do some work with Kerry and my son was actually on that campaign. But if there were any thoughts of that, nobody every shared them with me.

Question: But one quick question about casino gambling. In the special session it was mentioned that the casino gambling could have raised at that point close to \$150 million. Was the opposition to that at that time just moral? They just didn't want the state involved because it seems like a good way to get some money for the state.

Kathleen Sebelius: Right. I supported expanding casino gaming pretty consistently throughout my career. What became clear is some of the legislators who were very eager and willing to vote for a new school bill, to find other sources of revenue were never going to be casino votes. And the more we mixed and matched, the more we lost. You pick up one person and then lose three others. So, it became clear we had to separate the issues, that step one was getting a school finance plan and that any of the new revenue streams, whether they were a form of taxation or one time fees or whatever else, if casino gaming could pass later on, you could go roll back revenue that was coming from another source. But what we couldn't do, we couldn't make the numbers work, is have them both presented together. There were just too many people who found it objectionable to think about casinos supporting what they saw as the future of our children.

Question: Is there anything about that first term that you wanted to add?

Kathleen Sebelius: There were also a couple of things pending nationally. The federal government announced that they were going to do a big base realigning effort. And one of the things frankly that I learned about and didn't really know a lot about until we got into this in a very up close and personal way was not only I was aware of the military assets that we had here in Kansas, but I wasn't aware of the economic impact of those military assets in such a dramatic way. So putting together an effort nationally, getting everybody from Senator Dole involved to the delegation, having some very strategic help at the federal level, that turned out to be a very successful effort because at the end of the day Kansas was one of only four states that got additional assets from the military bases. The Big Red one came back. We had a big increased economic boom. So that was very helpful.

And a lot of the 2003 and 2004 sessions was also this big economic development bill with the bioscience authority, a number of tax credits, a small business tax credit, things that actually worked very well to stimulate both the existing economy and the future economy, most of which are gone right now because the current

administration has ended up either cancelling or taking all the funds that were dedicated to various kinds of business growth in order to just try to fund the fundamentals of government. But I think they were good ideas. That was a great platform and it really did help to expedite the restoration of the Kansas economy and diversify it in a way that we just hadn't had in the past.

Question: And I found a quote or some quotes here, some insinuations from Derek Schmidt, Shallenberger, Doug Mays, from your first term. And they actually said you acted above the fray on school funding when you just said you were actually in there very close. Are they saying that because they weren't in the office?

Kathleen Sebelius: Correct. They were not the moderate legislators who sat around the table in the governor's office and wrote the bill. Yes, I would say that's quite accurate. I was above their fray. I did not go to the Republican caucus, which they invited me to do a couple of times. They were active wars going on within the Republican caucus. People were being threatened. People were being told they were being disloyal. They couldn't support this bill. The chamber folks were going to come after them. We had an attorney general, Phill Kline who was giving advice to the House Republicans that they didn't really have to follow anything that the court said, that the court had no authority, that they should just pay no attention to it. So there was no shortage of advice for traditional Republicans. And I did try to stay a bit out of that fray. But I knew the potential 20 people who could come up with the 10, 11, 12 votes we needed. And that's why I spent my time with them.

Question: I got the sense of it at the time and now in looking at it, that what they wanted you to do is propose something so they could destroy it and then say she's a failure.

Kathleen Sebelius: That's correct.

Question: So, I mean you can tell me differently. I assume the decision to run for reelection was not too difficult.

Kathleen Sebelius: It was not a difficult decision to run for reelection. There were a lot of things we still needed to get done.

Question: The one aspect of that is you do change. You have a different lieutenant governor. And then it came out that Bill Snyder was thought about. So tell me about the process of that. John Moore is not going to serve in the second term. Who you thought about and how Mark Parkinson ended up accepting the job and then being your lieutenant governor?

Kathleen Sebelius: I didn't ever think I would not run again for governor. Being governor I still believe is the best political job in America because you actually can do things. And you can watch what you do happen in real time. It's being the CEO of the state. And I thought that was a great opportunity. So I had no interest in giving up my service early and not running again. And I was hopeful that I could win, particularly since we were able to accomplish the school finance battle and that I had delivered on what I had said I would do. That put me in pretty good shape to be reelected.

It was clear John Moore wanted now to really retire. He had tried that once and I had a couple of conversations with him. And he said no, this time it's real. I'm ready to play more golf and go and enjoy life a bit with Marty. And so, I began to think about and look around for who might be an interesting choice. Again, I wanted something a little bit different, you know, not the typical, let's have a Democratic legislator who would like to do this. I was just open to all kinds of ideas.

There was a brief conversation with Bill Snyder, who I liked a lot and who I had convinced to run a mentoring program statewide. He had become a very good friend. Gary is a K-State graduate so we had gone to a lot of

K-State games. And being governor actually gets you to be the sports leader of the college circuit and I love that. I mean I'm a KU grad so we spent a lot of time at KU activities, but we also did Wildcat activities. I had been at the Washburn game when the Washburn women won the national championship, we were there for that. We flew down to Washburn's NCAA tournaments. We went to Shocker games. I'm a jock and a sports addict. So, Bill Snyder had become a close friend and he's just a wonderful human being. He had had the experience actually of having one of his good friends, a former coach in Oklahoma, run for office unsuccessfully. And, well, it turned out to be a pretty nasty campaign. And Bill did not have a very enthusiastic view of running for office himself. He had been willing to support me. He actually cut some ads for me. In the conversation it was never to the point that I asked him really to, you know, make this leap. I really explored, did he have any appetite for it? And he pretty much indicated that no, that he did not. This was between his stints at K-State. He had retired as coach and it was before he went back to coaching. But we did have that preliminary conversation, because I thought there's almost no more beloved person in Kansas than Bill Snyder, except Bill Self, of course. But that was pre-Bill Self when I was looking around.

I was actually recruiting a candidate to run against Phill Kline, the attorney general who I felt was not very good. I still find it very interesting that Kansans elected me and elected Phill Kline the same year to statewide office. Carla Stovall and I would have been logical; yes, you could vote for both. But I'm not quite sure how the same people voted for both of us. But clearly some of the same people voted both of us, and I had not had a great experience with Phill Kline as attorney general. Huge fights about school finance. Huge fights about lots of other things. And I really felt that was an office if I was going to be successful that we might be able to help get that office back. So I was looking for somebody who could run for attorney general and kind of clean up the office, restore its professional look.

I had done a bunch of work with Paul Morrison. When he was the Johnson County DA and I was in the insurance office, we had a number of really bad actors who were scanning people with insurance policies, selling insurance without a license, ripping off seniors, and Paul had been incredibly helpful in putting some bad guys away and in making it very clear that there was just zero tolerance police for insurance fraud and that we were going to work very closely together. So I knew him from that aspect and I thought, you know, if you had to design a candidate for AG, it should be Paul Morrison. He had this great background. But he was a Republican. So I asked him, Paul Morrison, to come and meet with me. We did a very kind of secret meeting in the basement of a hotel. And my friend Larry Gates, who owned the hotel, and was also chairman of the Kansas Democratic Party was with me and he knew Paul.

And we just said, "Come and talk to us." You know who the elected DA is, come and have this conversation. And he came into the room and with him was Mark Parkinson, who I knew because I had served with Mark in the legislature. Mark had been a state senator when I'd been in the House. And so we went through this meeting and I was pitching Paul, I said, "You need to become a Democrat if you're going to do this. But I can help raise money. I think I am in good shape to win, that means we can help carry a down ballot race. Also my people would become your people. We can do this together. Would you think about this?" And he seemed to be kind of intrigued and interested. And then I turned to Mark and said, "What are you doing here?" You know, just out of curiosity. "Why are you in this room?" And he explained to me that he was—one of Paul's best friends. He said, "I'm going to do anything I can to help him. If he's in, I'm in," you know? He said, Stacy and I have been looking at the possibility of changing parties for a while. The Republican Party is moving too far right and that isn't us anymore. So, actually, we would change our parties right away and I said, "Don't change your party yet. Don't do anything. Just stay where you are because we need some Republicans right now."

So, we left the meeting and I said to Larry Gates, "What about Mark?" Because Mark had been also the chairman of the Kansas Republican Party as well as a successful state senator and he left voluntarily. He had not been defeated for reelection. He just went back into business. And Johnson County was clearly a fertile

territory for votes. I had known him. I worked with him. I liked him. And I felt, "Whoa. Now, that's an interesting person." So we ended up with Paul Morrison saying he would, indeed, make a race for AG. And Mark, I went back to and said, "Would you ever think about being Lieutenant Governor?" And he said, "You know, I might just do that." So, we ended up with a "twofer" out of that meeting in Kansas City. And that was a shock to a lot of people. That really sent a very strong signal.

Question: So, in your second term before you left, one of the big decisions was the power plant. How did that fit into how you saw your legacy and also your philosophy? How did that decision fit in?

Kathleen Sebelius: I would say that the energy issue for Kansas started early in my administration. There was an initial debate going on in the state in 2003 and 2004 about the possible expansion of wind farms in Kansas, and the expansion of wind farms particularly in the Flint Hills. And what quickly began to happen in communities around the state was a dynamic where a number of the local residents of the Flint Hills area, particularly people who had farms and ranches as second homes and who bought land in that area because of the pristine beauty of the Flint Hills, were very to violently opposed to wind farms marring the landscape and becoming a production area and not a ranching area that celebrated the tallgrass prairie.

On the other hand, there was a local community involvement where they really felt like this is a potential economic boom. I used to always say, whether the legislature was in town or not, we're the third windiest state in the country. And this was a natural resource that was beginning to appear as an alternative to carbon nationally. And why not in Kansas? Why shouldn't we step up and take advantage of it? So we started in 2004. I worked with Nancy Kassebaum to secure the land that had been a national park. We put together the Kansas Park Trust and gave that land to the National Conservancy to make sure that that would never be tampered with. I tried to get a bill through the legislature, which would actually have had a resource portfolio that would have included alternative energy sources. The legislature was really not interested. But the power companies were actually open to conversation and they made it clear that they were potentially interested in investing particularly in wind power. Solar didn't seem to have as much appetite here in the state, but wind power was something that KCP&L and Westar said they would definitely include in their portfolio.

So we began to have conversations about trying to have a boundary area around the most pristine part of the Flint Hills, a voluntary area, but drew it on a map and had town meetings, and mostly the boundaries were created by roads that were already in place. It wasn't arbitrary as land had already been plowed and there was already construction, there were already power lines. But we were saying OK to the energy companies, if you buy wind power, would you agree not to purchase that power within the heart of the Flint Hills but look to the outward areas?

And then I had lots of meetings with local leaders saying economic development can be very real. The last thing you want is for us to be tied up in court for years with landowners who try to block any kind of development. If we all could agree that this is important, we could do wind farms in Kansas but do it outside this area, it may be a good idea. So we actually had that pretty well in place at the end of my first term.

There was a plant permit that Sunflower Electric had actually gotten in the Department of Health and Environment in the Graves Administration that they'd never acted on, which was the opportunity to build new coal plants. It was renewed once during my term but was never going to be acted on. So it expired. Sunflower then came back in 2007 with a major proposal to build three new coal fired plants in the state. By that point I had spent enough time looking at wind energy and looking at what was happening nationally. The debate was already underway about carbon and carbon footprints to know that this could be a real battle, and a couple of things became clear. First, Kansas didn't need the extra power. We had plenty of power. These plants were not being built to provide Kansans with electric power that was needed. They were actually being built for others.

The proposal was to ship the power to Colorado. We would get the carbon. Colorado would get the electricity generated. That did not seem to be a great tradeoff.

I also learned along the way that we had the 10th highest carbon footprint per capita in the country. So we were already in a state where we were heavily contributing to greenhouse gases. We were polluting. The Kansas City area particularly often came under EPA watch as a cityscape that had too much carbon in the air. I knew how much of that carbon footprint was power plants and particularly coal-fired power plant. So, I really felt this was bad. It went directly against what seemed to be a logical place for Kansas to be in terms of power generation. Let's generate wind power. Let's build wind turbines here. Let's figure out a way that we could be out ahead of this curve. Why in the world would we open new coal fired plants?

So I asked our Secretary of Health and Environment to look at the permits. The permits were his to approve or not approve, it was in the state agency. We asked the attorney general to look at the authority that KDHE had, the state agency had in terms of permitting one way or the other. And the AG came back and confirmed that, indeed, the authority rested squarely with the Secretary of Health and Environment in terms of a yes or no. The opportunity was there to look at the entire federal law, to look at the whole Clean Air Act, to look at what was happening. And at this point, nationally, there wasn't a lot of conversation about EPA regulations or EPA regulating carbon. But the law had some pretty clear boundaries about impacts on human health.

And so Secretary Rod Bremby began a process to look at a factual gathering of what indeed these three power plants would do. And I think, eventually, they were withdrawn and two were put back in place. And what a huge influx of new carbon would mean to the health of Kansans and ultimately he decided that it would be very harmful and contribute to the deterioration of health of not only this generation but our future generation for power that we didn't need. So he became the first secretary in the country to actually turn down a coal permit based on using health as a criteria for the basis of the decision.

And then all hell breaks loose! The plant was planned to be in the senate president's district in rural western Kansas. Lots of jobs were promised as part of the construction of the plant and economic development in a part of the state that no question needed economic development. So the legislature determined that they would do everything possible to override the decision made by the secretary. And that battle continued in the '07 and into the '08 session where a series of bills were passed stripping the secretary from the authority to make decisions. I vetoed that bill. I think the most outrageous bill was, you can't consider health as part of what the Secretary of Health and Environment could consider when looking at permit; that I vetoed.

Another one which I did not sign stripping me of my executive authority from having a determination about vetoing future bills. So, a number of angles, but we had, again, a pretty supportive legislature in the House. We were able to sustain the vetoes along the way and to really block at that point additional coal-fired power. And in the election of 2008 with the election of President Obama and then the pending appointment of a new EPA, the opportunity was there to then have a different federal look at carbon and the carbon footprint. So the timing was such that we basically knew we had to get through the end of 2008, the end of the legislative session in 2008, without causing a permit to be issued in hopes that a new federal agency would be much tougher about these regulations going forward.

And it's ironic in that instance that what we did here in Kansas in 2007 finally the EPA did in their rules issued in 2013. So we were a little bit ahead of the curve, but it was clearly coming where people were reevaluating how much carbon we should have in this country, what coal fired plants should have. And, you know, the terminology of "clean coal" was interesting, but it didn't really exist and it became clear that there was no filtering mechanism for a new coal plant that would keep that carbon out of the atmosphere.

Question: Westboro Baptist Church. They were very prominent when you are governor. I'm curious as to what your thought process on how to approach them because a lot of people that aren't happy with their message. Do you engage them? Do you ignore them? So what was your thought process with them?

Kathleen Sebelius: I guess I didn't really have a thought process as governor. I had dealt with the Westboro Baptist Church and Fred Phelps for probably 20 years. I'd been a legislator, I'd been the insurance commissioner, and I was active in the community. So, as a source of, I think, embarrassment, harassment, hate speech, they had been very visible and around. And my theory for a long time was ignoring them was best. What they really wanted was attention. What they really wanted was some kind of publicity. So, showing up at basically every major social event in Topeka, showing up at any kind of concert, any kind of performance was all about getting attention and attracting attention. And so, years before I became governor, it seemed like the best approach was just paying no attention, bringing no more spotlight to what they were doing. And so I didn't rethink that process. When I became governor, I just figured they were worth ignoring.

Question: When you're running for reelection, you express publicly some frustration with the State Board of Education and you say that when you're outside of Kansas it's frustrating to you to hear comments about the state board and the Westboro Baptist Church. And that actually leads to a real policy discussion that you have some ideas about changing the state board. Tell us about why you thought it might be a good idea to change the State Board of Education in Kansas?

Kathleen Sebelius: Well, there was a point at which that was a serious discussion among particular people who were interested in education and educational progress, that the State Board of Education was basically unknown. And so with a relatively small amount of resources in a very targeted campaign, what I had witnessed was some very dedicated and I think hardworking board members fired and some people taking their positions who really didn't seem to share the view of the majority of legislators and the majority of office holders about the role of education in the state and how our schools could move forward. They certainly were clashing with the commissioner of education. And so it seemed like it was at least a worthwhile discussion.

Not whether we should have a State Board, but is the current way of constituting that board serving the people of Kansas well? And I think the more we look at it and the more I talk to people about it, the amount of time, effort, education and resources it would have taken to try and change that governance structure seemed like it would detract from so many of the other issues that needed attention and that perhaps the best thing to do was find better candidates and actually help mobilize the education community and others behind new candidates for the board. And that's exactly what happened. So the board members who were elected were fired on the next round of elections.

Question: So that's the case where in politics you're only going to do so much?

Kathleen Sebelius: We can only do so much. And I think what became clear is so few people knew about or thought about the state board that the level of educational effort to just get that on people's radar screens and then changing the whole governance mechanism probably was a bridge too far, that maybe it was just better to get some new board members.

Question: Your role as governor would have been very different in another state if you had democratic majorities. I think one of the things that the reason you had high approval ratings, was the voters consciously put you in a role that they understood that you were a check, maybe on the legislature or on policies that they didn't necessarily want to see. But on the other hand, was that frustrating to you?

Kathleen Sebelius: Well, three of my four legislative sessions, I was in the minority. One, the House had a majority of Democrats and I was in the House, but the Senate was Republican. So I've never been in a situation

- and I heard about situations where the Democrats had majorities in the House and the Senate and had the governor's office - but that was so far from where Kansas was, that by the time I got elected governor I just knew more about how to work across the aisle, how to find some coalitions. And I think that work is very valuable, not just assuming that because people have the same party registration, they're automatically with you. And, in fact, some of my colleagues as governors had a much harder time with the majority of legislators of their own party than I seem to have, because there was no willingness to give and take. They were always sort of pushing things that were really implausible or impractical. The governor was trying to be a check and balance up against his or her own party and that was sometimes a huge tension.

Question: You were asked to give the national response to the State of the Union. Tell us about that. No Kansas governor has done that. Personally, it sounds very nerve-racking to me considering its live and a number of other people who've done it, you know, big time politicians, like, oh my goodness. Tell us about the process, how were you asked or communicated, and then how do you prepare for something like that?

Kathleen Sebelius: Well, it is a pretty excruciating process micromanaged by way, way, way too many people, at way too many levels. I don't know who the invitation came from originally. I think the leaders of the House and Senate kind of agree that they would extend an invitation. And I got a call and they said, "Would you be willing to do this?" And, you know, on first blush it's like, "Well, yeah, that's pretty cool." And then the more I thought about it, I thought, "Oh my Lord." And, you know, the process of what do you say and how you say it gets reviewed in a number of places and a number of times; trying to be respectful to the president of the other party and yet call out some issue areas and some things that, you know, may be different is a tricky balance.

And I had an even I'd say more complicated situation because I had already told Barack Obama I would endorse him. I was chairman of the Democratic Governors Association through the end of 2007. And part of the commitment taking that role was I would not make an endorsement during my term as president just because there were lots of Democrats running for office and we didn't want to weigh in. And then when I got this call, it extended my period of non-endorsement, which they made it clear was an important part of this puzzle until after the State of the Union, and the Obama campaign was not thrilled about this. And so we had an even additional pressure.

In fact, the president, then senator, flew to Kansas the morning after the State of the Union, the morning after I delivered this response so that I could, indeed, appear with him outside of Eldorado and endorse him. So that kind of was rolling at the same time as this whole response. But it's a pretty nerve-racking speech. I guess I didn't faint or throw up or do a variety of things, but I'm not sure how you have a home-run in that kind of situation.

Question: I mean, we're talking the entire nation. Do you have a trick or you've just used to a lot of appearances?

Kathleen Sebelius: Well, you tell yourself, it's just like everything else, but of course it isn't and there are tons of lights and tons of cameras and cameras taking pictures of cameras. And I think I probably would have been more at ease if it had been halfway through my tenure as secretary of HHS and not at the end of the governor's office. This was a far higher profile than I was used to in Kansas and a far more intense situation with lots riding on it. And so, I don't think I was ever at ease or very comfortable with the situation. But I got through it and I went out the next day and made an endorsement.

Question: So let's talk about the presidential race. What can you tell us about it, when did you first meet President Obama and why is it you decided to endorse him in that election?

Kathleen Sebelius: I met Barack Obama when he was running for the United States Senate in 2004. I had some good friends in Chicago who were around his campaign, supporters of his, and they said to me, "You know, there's this very interesting guy. You really got to keep an eye on him." And at that point there were lots of candidates in the Senate race in the primary in Illinois and he looked like an unlikely winner of that primary contest, much less of the United States Senate. Some were self-funded millionaires and there was a statewide officeholder and some other people, but he was doing these town hall meetings and community meetings and clearly getting some real buzz. So I met him along the way. I actually knew Valerie Jarrett, she was a friend of mine. And I met the state senator Obama during that time.

We quickly established a Kansas connection. He told me about his mother and his grandmother being Kansans and about his grandfather. We had sort of a running joke when I would see him. When I saw I would tell him that I needed a United States senator because I didn't feel like either of the Kansas senators necessarily spoke for me. And he said, "Well, I don't like our governor much, so you can be my governor and I'll be your senator." So we sort of had that pact.

I would say he actually became a dazzling superstar with the speech he gave at the 2004 Democratic convention, where a lot of people then were introduced to him and said, Oh! Then he was elected to the Senate. He was inundated with fundraising requests and did a limited number, outside of Illinois because he wanted to really kind of focus on being a senator. But he was helpful to me in my reelection in 2006. He asked if he could do something and I said I'd be delighted, and that was a bit unusual.

When he started thinking about running, we had a couple of conversations about it. Now, by this point I had already pretty well-determined within my own mind that if he was going to run, I would be with him. I just liked him. I thought he was a unique candidate for what I saw might be a very unique time. Meanwhile, my two sons were widely enthusiastic about him and were very much lobbying me, "Mom, you really got to do this. If you have any sort of political clout, if you have anything to add, you really need to get out there." I kind of knew I would support him but I was being faithful to the commitment I had made, first to the Democratic governors and then to the party leaders that I would not endorse. So I was kind of taking a lot of incoming!

I remember a conversation I had with then Senator Obama and he said "So what do I do? Do I run? Do I not run?" And I said, "I think you run." He said, "Just like that?" I said, yeah, pretty much just like that, because you're in one of two positions. Either this is a very different year and you can put together a coalition unlike anything that we have seen and you can sort of run as an outsider and be successful. Or you get in line. But I don't know how long the line is. And if you don't run in 2008 I don't think you have the opportunity to say in 2012 it's my turn or 2016, it's my turn. You get in line and I think that line is pretty long. So, I think those are your options. You can't pick a time down the road. It's either your time or it's not. And he said to me at that point - and that was somewhere in 2006 - if I go, are you with me? And I said yeah, I'll be with you. So, we sort of knew that.

He got very impatient with me about endorsing. "It's time. You're going to miss this! I kept saying, 'I'm not going to miss this. I promise you, I will be there.'" And actually at that time that we ended up negotiating the endorsement there were three women officeholders who departed from our sisters and endorsed Barack Obama. It was Claire McCaskill, senator from Missouri, Janet Napolitano who was then the governor of Arizona, and me. And the three of us really talked to each other and coordinated exactly when we would do this. We kind of did it not all together, but within a couple of weeks within one another because we wanted to make a statement at that point. Younger people, a lot of women under 50, were very much with I would say Senator Obama, but every elected woman officeholder, every woman Democrat who'd been involved in the process over 50 was very much committed to Hillary Clinton. So, we wanted to make a statement that he had supporters who might be a little bit different than a coalition that seemed to be very obvious.

Question: And then he came for the big doo dah thing in Eldorado, right?

Kathleen Sebelius: That's right. That's right. That was-- It was Kansas Day. Actually, it happened to be Kansas Day, but it was day after the State of the Union. He flew in and we meet in Eldorado.

Question: In 2004, you said you really you weren't considered for vice president? What about 2008?

Kathleen Sebelius: I did go through the vetting process for vice president in 2008. It is something that no one wants to live through. And certainly my children would tell you they did not want to live through it. I got a call in the winter from Senator Obama saying, "Would you be willing to be vetted?" And I tried to disabuse him of the notion at that point saying, I don't really think I'm what you need, but yes, if you want me to, I will do this. Whereupon he said, well, there's someone downstairs! I was at a meeting in Virginia and he said there's someone downstairs who's waiting to meet you. Literally, I'm on a cell phone. I thought, "OK, this is a little weird."

And the most intense oversight and scrutiny process started that I've seen in my life. It involved all of my family, my kids, my husband, and my friends. Every sort of financial file, tax information, all of Gary's clients, websites that my kids had put up, any kind of issue that they'd ever been involved. They were a team of five lawyers who came in and sort of scoured everything. They did tons of independent interviews with everybody from college roommates to people we dated. I mean, it was extraordinarily extensive. I think the point is that if there's anything there, if there's anything anybody is going to say down the road, assuming you are nominated, they want to be out ahead of it and they want to know what it is. And so, even if it doesn't appear to be problematic to you and if you say, really, there's nothing and I can't think of anything, they want to look at all the people who knew you 20, 25 years ago or may have shared an apartment with you or dated you or whatever and say is there anything you know about, what is this person like? So, it is a very deep dive in a very personal way. And to say it felt intrusive is just scratching the surface. It's excruciating.

Question: Did you know what it would be this way when you said sure?

Kathleen Sebelius: I had no idea it would be this way. From the time I first ran for office we did wisely opposition research on me, had somebody go out and say, OK, find things, you know? Find the worst votes. You can think about issues, talk to people, but nothing that even mildly compares to this. It is a very, very extensive and understandably extensive in this day and age. You don't want surprises at that point and they want to make sure that they know everything, and if there's something to explain, that it can be explained.

Question: And as far as you know, obviously you didn't get the VP...my understanding is you didn't get it because of a political reason. It wasn't because they found some terrible thing. You don't have to tell me...

[Laughter]

Kathleen Sebelius: No, they didn't find some terrible thing. I think the president was very wise. And he said to me, you now, at the end the process, this is not about your strengths and weaknesses. It's about my strengths and witnesses. He said I have some real gaps. It's actually the conversation that I had with him when he first called and talked to me about this. I said I have no foreign policy experience and neither did he. So, I mean, there were real gaps in resumes that would not have made us at all a good fit. And I knew him well enough that I could talk to him about that. And he said, no, I really want and need you to go through this process. But I felt very good about at the end of the day where he ended up, I thought it was a very smart, good choice. They became the best friends and partners. And I think it actually was a great match for their skill sets.

Question: And how does that work when you're on that list and the president calls you and say I'm actually going with somebody else but thank you...

Kathleen Sebelius: He did. I have no idea since I had not done it before, and I can't imagine ever doing that again. I mean, he handled the front end and he handled the back end. And up until then it's just a mystery.

Question: And as a quick aside, were you then surprised after your experience seeing McCain picking Palin? Based on a meeting, from what I've read, a very short one-time meeting, no real relationship, and then all these revelations coming out and McCain campaign sort of looking pretty surprised. Were you surprised and said, "Wow, that's not my experience?"

Kathleen Sebelius: Yes. I think it actually validated the - as excruciating as it was - the process that I went through. I got it real inside about why people do that. I can tell you that I think my college-age son got more scrutiny than Sarah Palin did, which is a bit terrifying. But I know the level to which they looked at him and, you know, went through his issues and questioned his friends. Just given the time table, there was no time to do that with Governor Palin, and that's fairly scary when you're talking about somebody who is a heartbeat away from the presidency.

Question: So, continuing with this theme of Kansas governors who probably haven't had to go through all these things that you did, with President Obama, there's obviously a lot talk about a possible cabinet position and then I have here in December of 2008, you said you've taken your name out of consideration. So, what's going on its December, so that's after the election?

Kathleen Sebelius: It was actually right around Thanksgiving.

Question: So what's going on after the victory by President Obama with a possible cabinet job? What are you thinking, how are you surveying everything?

Kathleen Sebelius: Well, I know a lot more about the cabinet now than I knew then. And I was always ambivalent. I loved being governor. And so the notion that I would leave the governor's office to do anything was always difficult for me to get my hands around.

I knew that the two issue areas that I was pretty excited about and thought that this president was likely to focus on, were energy and health care. He talked about them a lot. He seemed to have a different vision. He made it clear along the way that he really felt the energy office should be headed by somebody with a nuclear science background, because just given his interest in that area and given the assets that the United States have, which are all under the energy department, the nuclear labs that were run. And so that clearly was one that I was not going to qualify for.

Senator Daschle had been kind of the titular nominee and then it was clear pretty soon after the election victory that he would be asked to be the HHS secretary. So part of it was, although we'd had a number of conversations about cabinet positions, I wasn't really wildly excited about anything else. He basically said, "You can do anything, you know? I really want you to come. I want you to be part of this team." And I finally decided not to. At that point the Kansas economy was beginning to really take a downward turn and we were just at the very beginning of what turned out to be really one of the worst recessions since the Great Depression and we were staring to see the edges of that, and that seemed very uncertain and very shaky.

So, I just said to him, I think it's better to just take my name out of the mix. I'll finish my term. I can catch up later. You know, you're going to be, I think, president for two terms. You'll be there for a long time. This is a

long stretch. And you're going to need some people on the ground to help carry out and implement policies. I should stay here to focus on Kansas and then we'll see what the scene looks like in 2011 and 2012, that's reelection year. So, that did not seem like at all an implausible scenario.

Question: And then, Senator Daschle does not end up being HHS secretary?

Kathleen Sebelius: Correct.

Question: And at what point do you realize, wait a second, I think I be might asked? Tell me about the process of how that happened.

Kathleen Sebelius: Well, I got two calls, fairly quickly. The day of the withdrawal, the first call came from Senator Dole who actually was in the law firm with Tom Daschle. And Dole called me and said, "Kathleen, did you hear the news?" And I said yes, I did. I knew now that Senator Daschle withdrew. He said, I won't do anything unless you tell me, but at least I can make some inquiries; I'd like to help you be the next choice. But I need to know if you're offered this job, would you take this job? And I said, oh, I don't think I will be offered the job. He said, "That's not what I'm asking you. I am asking you, would you take a look at this job?" And I said, "Yeah, I probably would." This is one that I just think is it would be hard with this president to turn down this opportunity. And then in a relatively short period of time, probably the next day or two, I got a call from the President who said, "I'm not offering you the job. But if I offered you this job, would you take this job?" And I said, "Yeah, I think I would. I think I would take a look at that." And he said, well, you know, there's going to be a process and it may be a long process, but I just needed to know if you want to be in that mix. And so, it started. And luckily I'd already been vetted like a thousand times.

Question: So before we get to the congressional hearings, did you have any self-reflective moments and say, oh my gosh, I'm going to be the HHS secretary, and you think back to the first moment you decided to run for the state legislature.

Kathleen Sebelius: Well, there were certainly a few. First of all, everything that happens from the time that Senator Daschle stepped down until the time the President nominated me is all totally secret. Nobody can be told, nobody can be talked to. You can't confide in anybody. It's the same with the vice presidency vetting, that has an additional painful layer where you're not to talk to anyone beyond the people who are also being tortured along with you. So that was a complicated process.

I was doing a couple things simultaneously. I was still very much focused on trying to be a governor and at that point, we were really in the midst of this economic downturn and we were looking at revenue shortfalls and trying to figure out what was going on, and the unemployment numbers were going up. So I was doing that. And I was flying to Washington on a fairly regular basis to begin to get briefings in case this were to go forward and all of that was under secrecy.

I think I was nominated on Saint Patrick's Day and that sort of stands out in my mind as a Kathleen Mary Gilligan. So then it could at least be public and you can begin. But from that point until April when the hearings were held, I was doing at least two or three things. You're getting briefed on this major department, knowing that the HHS secretary goes through two Senate committees, not one Senate committee which most cabinet secretaries do. You actually have two Senate committees, the finance and the health committee. And they could ask anything under the sun and it's a department with 11 operating agencies. So I had to a crash course on HHS and was being prepared for any number of questions and issues as well as being governor, as well as trying to figure out what was next. So, there wasn't a lot of time for reflecting much about anything.

I often think about was very symbolic of the way I started it all. We finally had a plan and we knew that the Senate was going to take up my nomination on the 28th of April, at least start the debate. And we had talked to the chief of the Kansas Supreme Court about coming over to the capital. I would resign, he would get Mark sworn in and then I would leave with my husband and go to Washington and start my new job and it all seemed, you know, very lovely. But that morning, I got a call from Washington saying, "There's a plane in the air, the President is sending a plane, it will be at Forbes Airport at noon, we need you on that plane." And I said, well, you know, I haven't been confirmed, I have a job here, not sure about that, that isn't really the plan. Whereupon the person at the White House said, "There's a plane in the air, you're to be on that plane." And so literally, I left a note on my desk, in the governor's office that said, in the event I am confirmed, I hereby resign and signed it and had it notarized because I was hopeful I would be confirmed but not certain. So I didn't want to give up one job before I actually had another one. And I went to the White House, got sworn in by the President in the evening of April the 28th, went directly to the situation room and never really looked back. So there wasn't a lot of reflective time.

Question: I think that explains the picture of you leaving. You look stressed out I think.

Kathleen Sebelius: Oh I'm sure.

Question: I always remember seeing that picture and thinking it looks stressful.

Kathleen Sebelius: I had no idea, I didn't know where I was going. I literally got up in the plane and then I have no idea where we're going, nobody told me. I mean luckily I wasn't in my pajamas. But, you know, nobody said, here's what going to happen. I literally went home, stuffed some clothes in a bag and got on the plane and ended up taking over an agency at 5 o'clock at night and then spending four hours in the situation room. I had gone to college in Washington. One of my best friends was still there from my college days. I called her at 11 o'clock that night and said, "Are you up? Will I be disturbing you or Michael?" And she said, "No, where are you?" I said, "Well, I'm in Washington and I just became a cabinet secretary and I would sort like to go "Woo-Hoo!" with somebody, so, could I come over?" And that's how I began.

Question: It shows a remarkable amount of faith and confidence in the President in you?

Kathleen Sebelius: I got to reflecting on it a little bit later and it was enormously overwhelming at some point. I think it didn't really hit me until the following week. The President called, I was the last member of the cabinet to be appointed, and he called a cabinet meeting and at the table, luckily, were three good friends of mine, including Janet Napolitano, who had served as a governor with me. And she had been appointed Secretary of Homeland Security and she'd been there from day one. Having her right there was really terrific. The other one was Tom Vilsack, the former governor of Iowa who had also served with me as governor. He had been a mentor, had been a friend and he was Secretary of Agriculture. So I kind of came in to this room very overwhelmed but knowing that there were some allies and friends who would help me. And the President said, "You know, we're in the midst of this pandemic. We haven't seen a pandemic in 70 years and I'm going to turn over the cabinet meeting to my two lieutenants who are going to take care of this, Janet Napolitano and Kathleen Sebelius," and there we went.

Question: Obviously, we're not going into your cabinet years. But as you're governor with the congressional hearings we will. It seems like obviously, you have to put up with speeches and points that are made by representatives within the hearings that may not have anything to do with you and you're not supposed to react. So, tell us about going through that when you're still governor and what worked, in terms of preparation, what's your mind set?

Kathleen Sebelius: Well, there were teams from HSS, from the transition team, from other places. First of all, I would say, it was a very difficult time for a lot of the staff people. Many of them had worked with Senator Daschle, had been part of his staff in the Senate, had come to the transition to work for him and to be involved in his healthcare leadership, and so I was a totally new entity. They didn't know me at all and they were really heartbroken about their leader being kind of sidelined and having to withdraw. So, there was that sort of emotional level.

Probably eight or nine people of my briefing team took time to pull me aside during this back and forth when I was flying back to Kansas and coming in for briefings and flying back, pulled me aside to saying we're happy to meet you. We're here to do anything we can to get you confirmed, we have no intention of working for you in the agency, since, you know, the intention was to have been with Senator Daschle. I'm happy to say, all of them came in and all of them become part of my staff and good friends.

They were interviewing me as I was being taught and trained. I was trained to absorb these huge amounts of material and I tend to be a bit of a workaholic so I was reading copious amounts of information about these agencies. And I knew that there would not be an expectation that I had to have the kind of budget details that were necessary, but I had to understand the top line and also understand where the President wanted to go with some of these issues, because I was really speaking for him. So there was a lot to absorb in 11 operating agencies, everything from the NIH to the Food and Drug Administration, to the Centers for Disease Control and Prevention, any one of which would have been a huge entity unto itself.

I think they gave me a little bit of deference as a member of the cabinet. You know, there is an expectation that the President actually can appoint his cabinet, at least at the beginning of his tenure. So there was a little bit of deference. But there were senators who had long time arguments and grudges. Senator Grassley showed up at the hearing with giant binders full of unanswered letters for the last 20 years with HHS leaders and said, "Are you going to deal with these?" So I think there were lots of things that had little to do with me but had a lot to do with the department and how they handled things in the past. But I think it was as cordial a Senate hearing as I had.

Teddy Kennedy was still there at that point, he had not stepped down as chairman, and the last hearing he chaired was my confirmation hearing, which was lovely because he was a friend of my dad's and so that felt very good. Bob Dole came with me to both hearings, sat with me, introduced me to the committees since he had been in the Senate, he'd been on the finance committee, he'd been chair of the finance committee, giving it kind of bipartisan look. In his introduction, he said, I don't agree with her on everything but she's been a great governor, she'll be a great secretary. And he said to me, I'm here to answer your questions, which I felt was very genial of him.

Question: Amazing. Amazing process. So, couple of more minutes and I'm sorry to do these, I'm going to switch you back to pre-national politics. I want to ask you a couple of things about reelection. Your approval ratings were very good. I think most governors would be happy with them. It's a two-part question. What were you basically thinking about for the 2006 reelection and was part of your thinking that things look pretty good but I'm a Democrat in a Republican state, I shouldn't take anything for granted.

Kathleen Sebelius: Well, running as a Democrat in Kansas, it's always part of the equation that you don't take anything for granted and you don't ever assume that anything is done until it's done. I think the most challenging possibility in 2006 - and one that the Republicans worked really hard to try and have materialized - was that Jerry Moran would run against me. And there were lots of conversations and lots of rumors that he was in, he was out, he was in, he was out. Once that decision was finally made and he made it very clear that he was not going to run for governor, I think it settled into a more positive operation for our team where I could focus a lot on some of the other office holders, not that I ever took for granted the fact that I would be

automatically elected, but knowing that the Republicans could not field a top tier candidate, somebody who'd already run statewide and had statewide recognition, was in part a recognition that the poll numbers look good and that people seemed to be genuinely pleased with what was I doing. That all was sort of a validation that there was going to be a real opportunity to be successful.

Question: From looking at your campaigns one thing that set you apart, not just in Kansas but nationally, is your TV ads. Such as the ad "Forward." I think it was very effective but it was very different. There's no narrator. You are seen maybe I think for two seconds at the very end. There's also ads with you driving a school bus. There's ads with you in a classroom and some people are critical of these ads because that's what happens when you're doing edgy ads. So your campaigns have all different types of ads. Were you part of that or they suggested these to you or is that your personality?

Kathleen Sebelius: I was certainly involved in making sure that I signed off on the ad at the end of the day. Probably the most important signoff though is who you hired to do the ads. And we had used a team of Rich Davis and his partner who screened a lot of people, looked at lot of ideas. And part of what you do is look at their material, listen to them talk, listen to them figure it out. And this was sort of a mutual admiration society where I was the first statewide candidate woman that Rich had ever taken on. And he's ended up doing a lot of women candidates based on the success in Kansas.

I was really looking at a way to differentiate myself from the, you know, typical wear the flag lapel pin, do whatever, and he clearly had a whole range of ideas. And they cut a lot of different ads along the way. And part of the ad buy and the ad placement is driven by what the poll numbers show and who you're trying to get to, who is moved by what. So, part of it is just getting people's attention. So if it's a race that's a little bit more ho-hum, if they say, "Oh well, she's going to win," then you need to kind of catch people's attention by doing something a little bit different or you have the possibility of just kind of falling off the radar screen a little bit. It's hard to work up that enthusiasm and we did get that. So having provocative ads that actually send a message but also get people's attention, get young people's attention, you know, have folks pay attention, was part of the mix. The team was great, but we had we had an array of ads ready that could have been run if things began to look differently.

Question: I'd love to see those.

[Laughter]

Kathleen Sebelius: I think they're all gone.

Question: Going back to our early conversation, they seemed to reflect the personality, a side of you that you told us about in college, in high school and maybe in private and it interestingly enough, it comes out in your political life through your TV ads. A little bit cheeky. Like the classroom one, which is a really good ad, there was actually a newspaper article, some legislators don't have the...

Kathleen Sebelius: Well, yeah, because they look like morons.

[Laughter]

Kathleen Sebelius: I would say I was in a more comfortable position in 2006 than some candidates might be and I think as you get into a tighter and tighter race you see people, maybe they should loosen up but I think people tend to tighten down and that's maybe the wrong reaction.

We had some latitude to actually, you know, have fun and give a message, but at the same time have them paid attention to. I don't know if you remember the insurance commissioner ad, but it was with a different team. But what we knew is I needed one really good negative ad and that's tough as a woman candidate. Because if you go over the edge, you have crossed the line. People will let men say horrible things and they are not so forgiving about women. So how to be as negative as possible, accurate, negative but, you know, not cross the line. And part of the message in that ad was delivered with the music. And that became a real lesson to me that that can be as important, you know, setting the right stage, having the right message but delivering it in the right way. So, I guess I was from the outset, open to more creativity than some might be.

Question: I want to finish with self-reflection, if you can, and I will start with the bad. Well, you're in office for a number of years as governor. Can you tell us about a moment that you just sat there and said, "This is so frustrating." Just tell us about a moment that was very frustrating as governor. But the good news is I'm going to ask you for the moment that you felt, well, I'm so happy to be here.

Kathleen Sebelius: I would say probably in the legislative arena was the gun legislation that finally got overridden. And I feel so strongly that more guns are not the answer to anything and felt very proud of the fact that Kansas did not have a Conceal and Carry Law and that we were more restrained even though we had this great background with hunters. So when the legislature finally mobilized a super majority that override my veto, I really felt pretty deflated. I just thought, not only is it a loss in terms of just the legislative loss, but I thought it was a real loss in terms of where the state was going to go and potentially a loss of lives with more violence, more people having access to guns, more opportunities in a domestic violence situation or anything else to have really bad things occur. So that felt pretty awful and there was nothing I could do about it. I'd given it my best shot. I'd tried the education. I used my veto and then it just happened anyway. I felt pretty helpless.

Question: And what about the opposite. An issue or a day wherein you're like, it's great to be here and wow, I'm and happy about this.

Kathleen Sebelius: Actually, there were lots of those days. I would say again, in the legislative arena, the resolution of the school finance issue which had been pending for nine years felt terrific when we finally brought together this coalition, when we finally got the bills passed so I could sign it in to law. And the court said, this is good. That felt great because that had been something that had been part of my entire first term. And there were times I thought, we're never going to get this done. I mean this is just not going to happen.

Being on the floor at the Memphis game when KU got to cut the nets down as the national champions, felt pretty damn good. I'm a huge college basketball fan and a KU grad and that combination, its like, "These are my boys. This is fabulous." That was pretty terrific.

And I would say being in Greensburg, the day that school opened. Having been there right after the tornado, seeing this incredible devastation and having some very charismatic and optimistic leaders, the head at that point of the chamber. The school superintendents say we're going to make this happen. School will open. I remember saying to the superintendent in May, I have no idea how that will happen, but we'll help with any kind of resources we've got, I'll be there at every step along the way, but I have no idea how that's going to happen. And in September to watch them reopen schools for those kids and families who were still scattered all over the place. But knowing that was just sort of classic Kansas resilience, you know. We will rebuild. It's going to be OK. We're going to help each other out. And having school open was a declaration that we are back to normal, which was just extraordinary.