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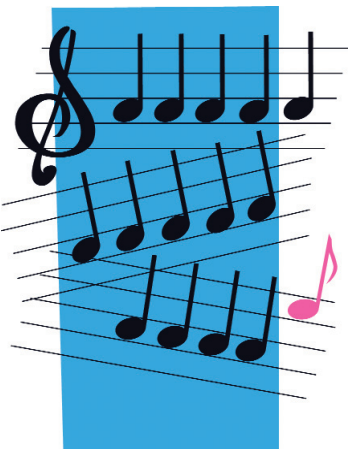


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RIVER CITY



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INSIDE TODAY



USA Weekend

Growth Needed

Thune Says Stimulating Economy Is Best Solution For Debt

BY RANDY DOCKENDORF
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Growing the economy offers the best way for the federal government to crawl out of its \$16 trillion debt, U.S. Sen. John Thune (R-S.D.) said Thursday in Yankton.

Thune spoke to about 80 people during a town hall meeting at the Minerva's conference center. The meeting focused on the nation's debt and taxes.

"We can't solve the debt and deficit problem strictly by austerity. You also need economic growth," he said.

The nation's economy currently has an

annual growth rate of 2.2 percent, which holds down tax collections, he said.

"If we get it to the 3-4 percent rate of annual growth, we could add \$5 trillion (in tax revenues) over a 12-year period," he said. "It makes the rest of the problem look solvable in comparison."

Tax reform will play a key role in building economic growth, Thune said.

"The last real reform came in 1986. We need to push really, really hard to reform the tax code," he said.

The tax rates could be lowered "significantly" with a simplified system, Thune said. However, he questioned if the Ameri-

can taxpayer was willing to eliminate a number of current provisions.

"When you take on the tax code, it's going to be messy," he said. "The more deductions that you do away with, the lower the rates and there is more economic growth. Can we do it? I hope so."

THE NEED FOR CHANGE

The federal government must cut its spending by a massive amount, Thune said. Of the 2012 budget, 59 percent went



KELLY HERTZ/P&D
U.S. Sen. John Thune (R-S.D.) outlines the massive federal debt and the tough choices facing the nation during Thursday's town hall meeting in Yankton.

THUNE | PAGE 5A

ADDING ON



KELLY HERTZ/P&D
Work continues to progress on the \$11.7 million Northern Lights addition at Avera Sacred Heart Hospital. It was by far the largest project to get a building permit from the City of Yankton in 2012.

City Sees 5th Year Of Increased Building Permit Valuations

BY NATHAN JOHNSON
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Strong commercial addition and residential remodeling activity in 2012 led the City of Yankton to its fifth straight year of climbing building permit valuations.

The total estimated value of the 876 permits issued came in at just more than \$30 million. In 2011, the estimated value was approximately \$29.2 million.

The record for Yankton still stands from 2006, when the estimated valuation was \$41.5 million.

Of the 2012 total, commercial additions and remodel-

els accounted for more than \$15 million. New commercial activity racked up another \$1.96 million. It was a reversal from 2011, when new commercial activity made up \$14.5 million of the total, and commercial remodels and additions came in at \$4.3 million.

"The big thing this year is commercial additions and remodels," said Joe Morrow, Yankton's building official. "There were a couple large projects."

Among those large projects were the \$11.7 million expansion at Avera Sacred Heart Hospital, the \$1.8

BUILDING | PAGE 2A

Daugaard Against Quick Medicaid Expansion

BY CHET BROKAW
Associated Press

PIERRE — Gov. Dennis Daugaard decided against expanding Medicaid to cover thousands of additional low-income South Dakotans because he's uncertain the federal government can afford to pay the bulk of the cost, a state official told lawmakers Thursday.

Deb Bowman, a senior adviser to the Republican governor, said Daugaard has decided against recommending an expansion of Medicaid for now, but the governor and lawmakers could decide to make that move later.

Bowman and other state officials briefed state lawmakers on the Medicaid expansion, a part of the federal health care overhaul, in an hourlong meeting attended by about half the members of the House and Senate.

Some lawmakers, particularly members of the Democratic minority, said South Dakota should take advantage of generous federal funding to cover an additional 48,000 people in the state-federal program that covers health care for the poor and disabled. Others urged caution, saying they want more information or oppose increasing federal spending for the program.

The state's Medicaid program covers about 116,000 children, adults and disabled people, or about one in every seven South Dakotans. If the state decided to expand eligibility, an estimated 48,000, mostly adults without children, would be added to the program.

People with lower incomes — up to 138 percent of the federal poverty line — would be covered by a Medicaid expansion. The federal government would pay all expansion costs through 2016. The state's contribution to actual medical care would rise in stages to 10 percent in 2020, but South Dakota would also face some additional costs in administering a larger program.

Bowman said Daugaard is recommending against the expansion for now because there's no guarantee the federal government will continue to cover 90 percent of the costs after 2020.

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Biden, NRA Clash Over Gun Control

BY JULIE PACE AND ERICA WERNER
Associated Press

WASHINGTON — Despite fresh opposition from the National Rifle Association, the Obama administration is assembling proposals to curb gun violence that would include a ban on sales of assault weapons, limits on high-capacity ammunition magazines and universal background checks for gun buyers.

Sketching out details of the plan Thursday, Vice President Joe Biden said he would give President Barack Obama a set of recommendations by next Tuesday. The NRA, one of the pro-gun groups that met with Biden during the day, rejected the effort to limit ammunition and dug in on its opposition to an assault weapons ban, which Obama has previ-

also

■ Student Shot At California High School.
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ously said he will propose to Congress.

"The vice president made it clear, made it explicitly clear, that the president had already made up his mind on those issues," NRA president David Keene said following the meeting. "We made it clear that we disagree with them."

Opposition from the well-funded and politically powerful NRA underscores the challenges that await the White House if it seeks congressional approval for limiting guns and ammunition. Obama can use his executive powers to act alone on

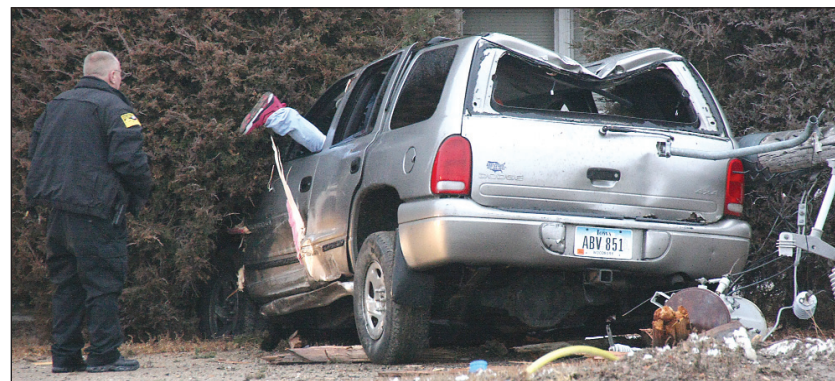
some gun measures, but his options on the proposals opposed by the NRA are limited without Congress' cooperation.

Obama has pushed reducing gun violence to the top of his domestic agenda following last month's massacre of 20 children and six adults at a Connecticut elementary school. The president put Biden in charge of an administration-wide task force and set a late January deadline for proposals.

"I committed to him I'd have these recommendations to him by Tuesday," Biden said Thursday, during a separate White House meeting with sportsmen and wildlife groups. "It doesn't mean it's the end of the discussion, but the public wants us to act."

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GETTING A LEG UP



KELLY HERTZ/P&D
A Yankton County sheriff's deputy watches as an individual crawls inside the cab of an SUV that ran off the road on Highway 314 northwest of Yankton at approximately 3:45 p.m. Thursday. According to reports at the scene, the vehicle was attempting to pass another vehicle that was attempting to turn at a nearby intersection. The SUV went off the road and clipped a power pole before stopping. The airbag deployed in the incident. The driver sustained unknown injuries. No other information was available at press time.

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