



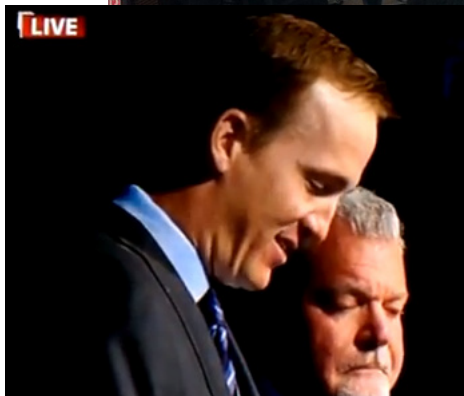
Lugar & Manning: Crisis courses

As Hoosier icons teetered with external threats & ‘circumstances,’ organizations had polar responses

By **BRIAN A. HOWEY**

NASHVILLE, Ind. - As the year 2012 dawned on Indiana, two Hoosier icons teetered on the brink.

U.S. Sen. Dick Lugar shot on to the political scene in 1964 as an unknown Indianapolis School Board member, upset the incumbent mayor three years later and forged the Unigov reforms that would transform Indiana into a Republican bastion. After losing to legendary U.S. Sen. Birch Bayh in the Watergate year of 1974, he defeated U.S. Sen. Vance Hartke two years hence, beginning a 36-year tenure in the U.S. Senate where he helped save Chrysler Corp., overturn apartheid in South Africa via U.S. sanctions and a stolen Philippines election, and forged



Sen. Lugar at his May 4 press conference in Broad Ripple when he succinctly summed up his message. At left, Peyton Manning and Colts owner Jim Irsay on March 7, in the ultimate house cleaning.

the historic Nunn-Lugar Cooperative Threat Reduction program that kept nukes and pathogens from the hands of terrorists like Osama bin Laden.

So popular, so powerful, Lugar didn't even have a major party opponent for his 2006 reelection. It appeared

Continued on page 3

Republicans could decide

By **JACK COLWELL**

SOUTH BEND - Republicans for Donnelly? They will decide the race for the U.S. Senate between Joe Donnelly and Richard Mourdock.



Now, I'm not suggesting that the "Republicans for Donnelly" group announced Thursday by the Donnelly campaign will have decisive impact. It won't. It was formed with only six "charter members" from around the state, none with prominence to sway a lot of voters. But forming the group and providing a Web site for others to sign on



“Well, it’s too early to tell. All this stuff is objective. All this is based on how well they perform as elected officials and how they vote.”

- Club For Growth’s Chris Chocola, to HPI when we asked, ‘Does Dan Coats have anything to worry about in four years?’”



Howey Politics Indiana

is a non-partisan newsletter based in Indianapolis. It was founded in 1994 in Fort Wayne.

Brian A. Howey, Publisher
Mark Schoeff Jr., Washington
Jack E. Howey, editor
Beverly K. Phillips, associate editor

Subscriptions

\$350 annually HPI Weekly
\$550 annually HPI Weekly and HPI Daily Wire.

☎ Call 317.627.6746

Contact HPI

Howey Politics Indiana
6255 Evanston Ave.

Indianapolis, IN 46220

www.howeypolitics.com

bhowey2@gmail.com

☎ Howey's Cabin: 812.988.6520

☎ Howey's cell: 317.506.0883

☎ Washington: 703.248.0909

☎ Business Office: 317.627.6746

© 2012, Howey Politics Indiana. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, whole or part, is a violation of federal law without permission from the publisher. ❖

was a no brainer in campaign strategy. It provides a way to get in some promotion of Donnelly as a moderate Democrat before the super PACs that helped to defeat Sen. Dick Lugar in the Republican primary launch their all-out effort to define Donnelly as at best a wild-eyed liberal.

The Republicans with decisive impact are ones who likely will never sign on to a campaign Web site. They are ones who would have voted for Lugar this fall but hesitate now to vote for Mourdock, the Tea Party backed candidate who says less not more bipartisanship is needed in the Senate. Some will never vote for Mourdock because they are moderate Republicans who find Mourdock too extreme or because they resent his primary campaign attacks on Lugar for reaching across the aisle.

Some who may not like Mourdock will vote for him anyway because they want a GOP win to enhance Republican chances of controlling the Senate.

What percentage of these Republicans who would have voted for Lugar will vote now for Donnelly?

If Mourdock ends up with solid Republican support in this Republican-leaning state and does reasonably well with independents as well, he will go to the Senate. If instead a significant number of Republicans find Donnelly to be a better choice - as many repeatedly found another moderate Democrat, Evan Bayh, to be the better choice - then Donnelly will win.

A third poll now finds the race a tossup, each candidate with exactly the same percentage of support. A Howey/DePauw poll during the primary found it 35-35. A professional poll for Donnelly right after the primary recorded 40-40. The more recent Rasmussen poll projected 42-42. Other races could have an effect, especially the presidential election, although Indiana voters have shown enthusiasm for ticket-splitting.

President Obama carried

Indiana last time, the first Democratic presidential nominee to do so since 1964. He just barely won and isn't likely to carry Indiana again. But, of course, he pulled an upset last time. Will Obama even target Indiana this time? Will Mitt Romney target the state or take it for granted? The extent of presidential campaigning in Indiana will help to determine voter turnout and could have impact on the Senate race.

The contest for governor also could be a factor. Mike Pence, the Republican nominee for governor, appears now to have a significant lead over John Gregg, the Democratic nominee. Mourdock hopes for a big Pence win and a big Romney margin over Obama in Indiana to help bring along voters for him on the Republican ticket.

The economy will be another factor. Donnelly supported the government rescue of the American auto industry. Mourdock opposed it.

Currently, the robust recovery of the auto industry, especially for Chrysler, such an important part of the Indiana economy, is a plus for Donnelly. Howard County, where Chrysler's Kokomo plants are located, suffered unemployment of over 20 percent as the auto industry neared collapse. Now the rate there is down to 8.3 percent, not boom times but dramatic improvement. There are similar statistics for Elkhart County, once with the worst unemployment in the nation.

The Bureau of Labor Statistics shows Indiana with some of the highest percentages of additional jobs in motor vehicle production and vehicle parts and trailer manufacturing.

This and its ripple effect have helped Indiana to reduce unemployment to 7.9 percent, lower than the national average. But what will the economy look like in Indiana as voters make up their minds this fall?

Most important of all for the outcome, how many Republicans will be for Donnelly? ❖



Lugar, from page 1

that he had truly ascended into the realm of statesmanship. It appeared he had the latitude to crisscross the planet, spending his final years in public service seeking relationships while attempting to stamp out hunger, energy blackmail and weapons of mass destruction.

Yet, Lugar stood as an endangered political species, a "moderate" even with a conservative voting record consistently in the 80th to 90th percentile, while his Indiana Republican Party veered sharply to the right. On May 8, Lugar would not only lose to Indiana Treasurer Richard Mourdock, he was trounced in an epic landslide that only pollsters for Howey Politics Indiana dared predict – 61-39%. The man who loved being a U.S. Senator was retired by his own political party even as polls showed him to be a likely victor in the fall.

And there was Indianapolis Colts quarterback Peyton Manning, an athlete who will join the Hoosier sports pantheon that includes names such as Rockne, Gipp, Bird, Robertson, Miller, Knight, Griese and Wooden. He would lead his team to a pair of Super Bowls, defeating the Chicago Bears for the state's first big league title in three decades. There would be 10 straight seasons of double digit victories, as many Pro Bowl appearances and a record four league MVPs. So revered, there is a hospital named after Manning. He was seen as a state asset, transforming Indiana from a hoops hotbed into a sizzling gridiron that became a collegiate and NFL feeder system. And up until March 6, 2012, Manning believed he would be a Colt for life.

Just weeks after signing a \$90 million contract that would have had Manning clad in the horseshoe for his entire career, it was revealed he had had four neck surgeries. He would miss the entire 2011 season, and watch as time bypassed the Colts' aging roster. Not only would the team finish a dismal 2-14, it meant the team had the first draft choice, and there stood the next QB prodigy, Andrew Luck of Stanford University. Just as no one could have fathomed Lugar losing in a landslide, it would have been impossible for anyone to predict what would happen next.

In an unprecedented and unparalleled move, the Colts waived Manning on March 7. Manning and Colts owner Jim Irsay landed at Indianapolis International Airport the night before and drove off into a disturbing darkness, both citing "circumstances" that brought about the first epic sad day in Indiana this year.

At a noon press conference the next day, a tear-

ful Manning would say, "Times change and circumstances change. Our circumstances make it best for us to take this next step. I have truly been blessed to play here. I go with just a few words to say. Thank you very much from the bottom of my heart. I have truly enjoyed being your quarterback."

Within two months, Manning and Lugar found their legendary careers ending here.

How could these changes have happened?

Fans, analysts and scholars will be dissecting both stunning developments for years. But in this first draft of history, the easiest answer could be how two organizations – the Indianapolis Colts and the Lugar political wing – acted very differently when faced with dire "circumstances" that few could have predicted.

Both the Colts and the Lugar team heading into 2011 could be characterized by what I call being an "overly mature organization." Both had management in place for more than a decade. For the Colts, it was General Manager Bill Polian who had been calling the shots since 1998. For Sen. Lugar, there was Chief of Staff Marty Morris, who had presided in that position since 1990. Both Polian and Morris had established contested performance legacies with few peers. For Polian, it was two Super Bowl appearances and a title, the 10 straight double digit winning seasons, and a knack for drafting great talent.

The same could be said for Morris's reign over the Lugar organization. The Lugar staff recruited and spun off an array of dazzling policy talent, from members of Congress to party chairs, to business and advocacy leaders and those ascending key positions at the Pentagon. It created a vast consortium of networks, such as the Lugar Series for Public Excellence, which was a pipeline for 140 women to serve in the Daniels administration as well as Mike Pence's lieutenant governor nominee, State Rep. Sue Ellspermann. Morris pioneered voter lists that campaigns would use to target turnout.

The Colts would win a Super Bowl. After losing to Sen. Bayh 51-46% in 1974, Lugar defeated Sen. Vance Hartke 59-40% in 1976, clipped U.S. Rep. Floyd Fithian 54-46% during the tough 1982 recession, before a series of landslides: 68% of the vote in 1988, 67% in 1994 and 2000, and without a Democratic opponent, 87% with 1.17 million votes in 2006 (including 81% in Democratic Lake County and 88% in St. Joseph). Lugar is the greatest voter-getter in Indiana history.

Yet, when faced with external threats, the Colts





and Lugar organizations acted in opposite ways. The Colts cleaned house, sending Polian, his son, much of Coach Jim Caldwell's staff, and then Manning and mainstay teammates such as Dallas Clark, Gary Brackett and Joseph Addai packing.

The Lugar organization stood pat, staying with an established campaign apparatus that had worked with vivid success for three decades.

But in a campaign run by that "overly mature" organization, there was no coherent message. Voters didn't hear how Nunn-Lugar kept nukes and pathogens out of Osama bin Laden's hands. While rural county Republican chairs defected to Mourdock, the campaign didn't tell farmers how Lugar's Freedom to Farm Act had resulted in increasing yields and ethanol production, and higher land values. Lost in the criticism of his votes for Obama Supreme Court Justices Kagan and Sotomayor were his introduction of Chief Justice John Roberts before his Senate confirmation and his support of Samuel Alito and Clarence Thomas.

It wasn't until the final Friday of the campaign - just hours after the Howey/DePauw Indiana Battleground Poll was published showing Lugar trailing Mourdock 48-38% - that the senator called a press conference at his Broad Ripple headquarters and succinctly made perhaps his most stirring case for reelection. Lugar appealed to farmers, veterans, Latinos, African-Americans, women, independents, Democrats to cross over and support him, citing a litany of achieved legislation and networks that had made powerful impacts on hundreds of thousands of lives.

Reporters - many of whom had attended a bizarre April 27 press conference at the Marrott Apartments - pushed by the National Republican Senatorial Committee which had intervened in the campaign - speculated that the Lugar speaking on May 4 had finally made a staccato case for his reelection that had evaded his advertising.

But with the bottom dropping out, it became clear the nimbleness of message had been lacking.

After his 61-39% defeat, Lugar said in a statement that he understood the changing dynamic. "Analysts will speculate about whether our campaign strategies were wise," Lugar said. "Much of this will be based on conjecture

by pundits who don't fully appreciate the choices we had to make based on resource limits, polling data, and other factors. They also will speculate whether we were guilty of overconfidence. The truth is that the headwinds in this race were abundantly apparent long before Richard Mourdock announced his candidacy."

The man behind the curtain

Morris, whom we often described in the annual HPI Power List as the "man behind the curtain" in Lugar World, had used a similar formula since Mitch Daniels had run the first two victorious Senate campaigns. He directed the campaigns out of Washington, all circuit funneled to him, and would place trusted operatives on the ground in Indiana as campaign mangers: Leslie Reser in 1994, Gayle Lowery in 2000, Nick Weber in 2006 and Emily Krueger this cycle. In the 1995-96 presidential run, strategist Mark Lubbers ran that national campaign. L. Keith Bulen had run Lugar's losing campaign to Bayh in 1974.

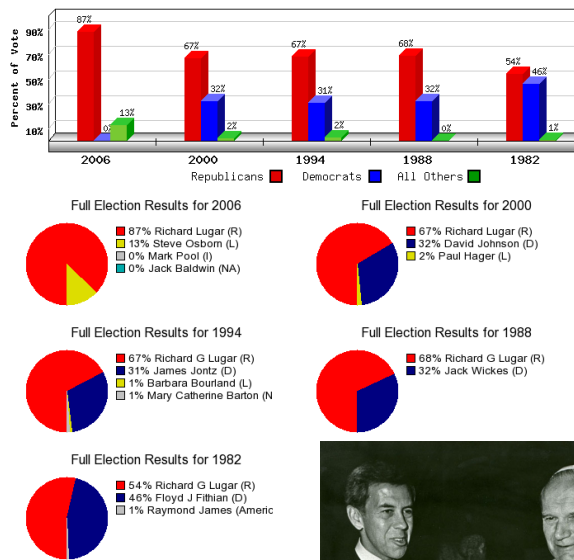
There were differences for both organizations. The 2011 Colts dilemma came - pun intended - out of the blue with Manning's injury, revealing the problems with an aging roster. The Lugar organization had a two-year head start on the Tea Party movement and its designs to take Lugar out. With the embers of the 2010 cycle still red, Lugar declared he would seek a seventh term in an effort to clear the field.

At a Carmel fundraiser in February 2011 in what amounted to the Lugar campaign kickoff, Lubbers sounded the alarm in his introductory speech. "Politics is rough and tumble. Not for the faint of heart. It is, at heart, civilized warfare," Lubbers began. "Or in the vernacular of modern culture, a full contact sport - and no one is being fined for helmet-to-helmet contact.

"We should understand why and how this fight has come to us. The short answer is that the combination of a bad economy and the giant, absurd over-reach of Obama-care awakened a sleeping giant inside the American body politic. It became known as The Tea Party movement.

"We welcomed these fellow citizens into the fray," Lubbers explained. "It seemed that what they believed was the essence of what we believe as Republicans. But as

Election Results - U.S. Senate seat in Indiana





this wave has moved through the politics of the country, its shape and form has shifted. A handful of people are intent on organizing that anger and frustration into a campaign. To do what? The answer ... to take Dick Lugar out."

The Hoosier ground shifts

When Indiana Treasurer Richard Mourdock won reelection in 2010 with a million votes – and led the ticket in Howard County, home to the largest Chrysler industrial complex in the nation – he found himself being approached by Republican county chairs and GOP Central Committee members about challenging Lugar. Prior to his first run for treasurer in 2006, Mourdock had been a non-stop presence on the Lincoln Day Dinner circuit, and wrote hundreds of letters and sent thousands of Christmas cards to GOP activists. It coincided with Lugar's emphasis on foreign travels.

Newton County Republican Chairman Kyle Conrad, in a May 10 column for HPI, noted, "As a county chairman and former district vice chairman, I never hosted our senior senator in my county until three months ago. He never popped in at a state committee meeting, rarely came to the GOP state convention other than to address the entire delegation, and there was never one of those Congressman Buyer moments when I'd pick up the phone and hear 'Hi Kyle, it's Steve.' Senator Lugar didn't know me, and I didn't know him. I've seen Evan Bayh more times in Newton County than I have Richard Lugar."

While the Lugar campaign made more than 1.1 million calls to voters prior to the primary, in retrospect the wiser phone strategy would have been to patch the senator into the 92 county chairs since his 2006 reelection and schedule him for Lincoln Day dinners. That is the first lesson in this defeat: A senator can never ignore the party. The defection of two-thirds of them in 2011 gave Mourdock the initial thrust toward credibility.

Chris Chocola, the former 2nd CD congressman who now heads the Club for Growth, sensed that Lugar was vulnerable more than a year ago. "What we saw throughout the process was when we asked people, 'Do you know Dick Lugar?' They'd say, 'Well, yeah.' Do you like Dick Lugar? 'Well, yeah, I love Dick Lugar.' Well, are you



Richard Mourdock is greeted by Tea Party backers at his campaign kickoff on Feb. 22, 2011. Below, Monica Boyer and Greg Fettig figured out the right formula: a single challenger.

going to vote for Dick Lugar? 'Oh, probably not. He's been there too long.' That was kind of the theme throughout, which is kind of unusual. You don't get incumbents with 100% name ID, high favorables and horrible reelections. That's something I don't think Sen. Lugar ever believed. There was this classic 'It was time for a change.' We just saw that story develop and gain strength throughout the process."

Fred Yang, the Democratic pollster from Garin-Hart-Yang Research Group and part of the Howey/DePauw Indiana Battleground Poll team, observed in the May 4 edition of HPI: "Back in January 2011, I conducted a statewide survey on behalf of Chairman Dan Parker for the Indiana Democratic Party, and I found a surprising result in one of our questions: Richard Lugar had a 28% reelection to another term score, and fully 56% wanted to make a change and elect someone else, and this result was among Republican voters. Thus, the findings of that poll made clear that Senator Lugar was vulnerable to a single challenger in a Republican primary. And that's exactly what has seemed to transpire."

It was a sudden transformation, coming in a state that President Obama visited 50 times in 2008 on his way to winning its 11 Electoral College votes, the first Democrat to do so in 44 years. Obama seemed invested in Indiana, making his first presidential visit outside of Washington in February 2009 to Elkhart. But he became not only an anathema to Republicans on the ground, but with Hoosier Members in Congress who moved lock-step against him. They denounced him as a "socialist" when he signed the Affordable Care Act, even though its roots came from the conservative Heritage Foundation two decades ago and Gov. Mitt Romney's Massachusetts health mandates. Lugar had gone to Washington in 1977 as one of the most conservative senators. He leaves the Senate as one of its most moderate. The tectonic political plates had shifted dramatically under his feet.

Chocola felt that Lugar was so vulnerable that he sought out Lugar allies to try and convince him to retire. "If you just observe the political environment nationwide, you could see how someone like Sen. Lugar could be vulnerable," Chocola said. "We did put a poll out in July that showed that he was vulnerable. That's something I'm not sure Sen. Lugar grasped at the time. It was fairly obvious, poll or no poll, but the poll in July confirmed he could be vulnerable to a viable challenger, which Richard Mourdock actually was. I talked to some folks very close to Sen.



Lugar and basically encouraged them to get Sen. Lugar to retire, out of basic respect. You would be doing the senator a favor and advise him of the situation. Retiring would be better than going through this kind of primary race. I don't believe they believed it."

When the Tea Party consortium "Hoosiers for a Conservative Senate" sprang up in late 2010, the emphasis was to keep the field to one challenger. They had seen former senator Dan Coats move back to the state from Virginia where he worked as a lobbyist and win a five-way GOP primary with 39% of the vote against three Tea Party candidates. The consortium gathered twice, with its endorsement of Mourdock in September 2011 in Greenfield.

Mourdock would issue what became his battle cry: "We do not need bipartisanship. We need principle. It is bipartisanship that is taking us to the brink of bankruptcy." It was a 180-degree departure from the Lugar service mode.

In the modern television age of Indiana politics, no sitting U.S. senator had seriously been challenged for the nomination, and the Bayhs, Hartkes, Lugars, Quayles and Coatses always maintained firm control of their parties. That was obviously unraveling for Lugar in 2011. Lugar would win landslide victories because he always commanded the air war. But in 2012, it was as if the Luftwaffe had reappeared before the R.A.F.

Greg Fettig told the Greenfield rally that "government goes to the people who show up."

Even the most seasoned Republicans didn't see the totality of Lugar's eroding support. Gov. Mitch Daniels was asked about the race by The Hill newspaper and he called Lugar a "mentor" and an "extraordinary public servant."

Daniels added, "I'm not sure he's in that much trouble. My sense is he's likely to win, he's working hard, and he's an icon in our state."

But it wouldn't be until December of that year and this past January that the one-challenger dynamic was in place. State Sen. Mike Delph was the first to rule out the race, followed by Bob Thomas, who in 2010 had unsuccessfully challenged then U.S. Rep. Mark Souder in the primary.

At least one Lugar ally - speaking on background - told HPI that without a third or fourth candidate, the race was essentially "unwinnable."

On Election Night, after Lugar's defeat - like Coats with 39% of the vote - Morris said he had pondered recruiting a third candidate, but that the Lugar organization would have had to conduct the ballot petition drive. That,

he indicated, would have been complicated and messy.

With Delph and Thomas on the shelf, the one-on-one matchup die had been cast.

No one realized it, but the challenge - and the new campaign dynamic prompted by the Speech Now U.S. Supreme Court ruling that brought new bundling concepts to national groups - would require different organizational emphasis on message, opposition research, resource allocation and strategy. A landslide loss only places the glare on how that transformation didn't occur. Perhaps it was impossible.

Mourdock struggles, but does enough

With all the bad polling data facing Lugar, what turned out to be a confusing cross signal was the conduct of the Mourdock campaign, which was mediocre at best. It had trouble raising money, with the candidate lending his campaign at least \$200,000. It did not seem to function like a well-oiled machine. It's hard to see how Mourdock could have won had the national groups not come to his aid.

From the earliest stages, Mourdock seemed overly reliant on third-party sources. He told WISH-TV in July 2011 that an upset victory would be predicated on national groups coming in and a low turnout. "This race won't be won by money," Mourdock said. "Primaries are not about money. They are about organization and enthusiasm. Odds are this will be a very low voter turnout primary. That's going to work to our advantage."

The Lugar organization knew what was at stake, but in the end, Mourdock's vision was on target. He was out-raised by Lugar by \$5 million to \$2 million, but more than \$4 million of outside money spilled in from groups like Chocola's Club for Growth, the National Rifle Association and FreedomWorks. As the two campaigns and their surrogates traded nasty ad assaults, the voters were unimpressed, and turnout was just a paltry 22%.

Indiana Democratic Chairman Dan Parker predicted that Mourdock would force Lugar to steer dramatically to the right. Once that happened, Parker predicted, Lugar would turn off independents and some Democrats who might have been inclined to help him.

Lugar spokesman Andy Fisher told HPI, "The campaign was always working to appeal to likely primary voters and to expand that universe and the Republican tent where possible. Our phone bank and micro-targeting did a particularly good job at this. There finally was not enough horsepower to overcome the extraordinary spending from multiple national groups organizing to take down Sen. Lugar. Ultimately the Club for Growth, FreedomWorks and NRA swamped the efforts of our campaign, which was supported fully by the NRSC."

Chocola saw the CFG role as essentially leveling





the playing field. "The reality is, it's hard to raise money in state against a six-term senator," he explained. "The Republican establishment was not going to help Mourdock. A lot of folks from the grassroots standpoint are not large financial donors. They contribute their time and efforts. He had a legitimate challenge to raise money, particularly in state. We would have liked to see him raise more, but we understood the environment he was operating in. We decided to get involved because with our help, we saw he could win. That's what we do, bring resources to the race so candidates can convey their message and voters can see there is a choice."

Residency plays into the narrative

While the United States faces huge economic and foreign policy challenges ranging from deficits to health care to terrorism, it was Lugar's residency that seemed to be the catalytic factor in the race. It found Indiana Democrats, eager to see Lugar defeated so that U.S. Rep. Joe Donnelly would have a more credible path to victory, tag-teaming in unprecedented fashion with Mourdock and the outside groups over Lugar's history of voting from an address he had moved from in 1977.

It had first surfaced in conservative blogs in the winter of 2011, but the Lugar campaign had cited Senate rules, the Indiana Constitution and two Indiana attorney general opinions to validate the arrangement.

Complaints before the Indiana Election Commission kept the issue in the headlines for more than a month. When the commission ruled 4-0 in Lugar's favor, Democrats on the Marion County Election Board decertified his voting status just days later, refueling the headlines even longer. The campaign was buffeted by headlines like: "Lugar Appeals Ruling That He Is Not Indiana Resident."

The residency issue had been an ankle-biter to other Hoosier politicians, dating back to 1986 when Republicans tried it against a young Evan Bayh. In 2010, Dan Coats had to move back to the state, buy property and brush off a 2008 video where he talked about retiring in North Carolina. That such an issue would resonate against someone like Lugar is one of the most significant subplots.

"Clearly the residency issue was pushed as the politics of personal destruction even though it had not been an issue in five previous campaigns, nor with other members of the Indiana delegation," Fisher said. "But it was again not as significant as targeting by Club for Growth, FreedomWorks and other Super PACs that objected to Lugar's stands on issues or style of leadership. We knew at least as early as 2010 that they would target the senator. As Sen. Lugar says in his statement, there were always headwinds but we continued to believe the race was win-

nable, and was so up until fairly near the end."

Lugar was not the only one to fall to the issue, with former congressman and 2000 gubernatorial nominee David McIntosh losing a 5th CD primary by 800 votes, undone by the same issue.

There were other nagging problems, suggesting a classic death by a thousand cuts. The Lugar campaign had to recompensate \$4,500 for past hotel bills when the senator was in the state for political purposes. The irony there was that Lugar's office had returned hundreds of thousands of dollars to the U.S. Treasury over the years as he kept his office operating expenses down.

On March 22, Roll Call's Shira Toeplitz captured the dynamic under the headline: "Dick Lugar's Horrible, No Good, Very Bad Week." And the campaign had to resort – too late as it turns out – negative ads against Mourdock. It was the first time that Lugar had gone negative. Some national strategists, commenting in retrospect, were surprised Lugar didn't move to define and "destroy" Mourdock much earlier.

"I think they floundered for an argument — or they never thought they'd need to make one," an Indiana GOP operative told Roll Call. It's "petty, negative stuff that's very common in our politics, but

he should be above that. Tactically, I think it's inconsistent with his brand."



The fitful homestretch

As the campaign reached the homestretch, Chocola and Greg Fettig of Hoosiers for a Conservative Senate, sensed the upset, as did Mourdock, who was predicting victory on the campaign trail over the final three weeks. Fettig told me on the set of WFYI-TV the day after the election he believed more than a month out that Mourdock would win just from the vibe "on the ground." The first Howey/DePauw Indiana Battleground Poll showed Lugar leading Mourdock 42-35%, but an incumbent that far below 50% is almost always poised for defeat. HPI moved the race from "Leans Lugar" to "Tossup" on April 5.

But two other Howey/DePauw numbers jumped out: 81% disapproved of Congress, and 61% saw the United States on the "wrong track." For any incumbent facing a credible challenger, those are sobering and dangerous numbers.

Lugar and Mourdock seemed to come to a draw in their only debate on April 11, though Mourdock established himself as credible. While columnists like myself, NWI Indiana Times' Doug Ross, the Indianapolis Star's Matthew Tully and the South Bend Tribune's Jack Colwell all ardently backed Lugar, the younger reporters didn't know Lugar. Few probed Mourdock's complicated tenure as treasurer.

"Bottom line, it's the economic crisis the country ...



the debt crisis that we face," Fettig told Gwen Ifill on PBS NewsHouse on May 9, for reasons why Lugar lost. "When Sen Lugar first was elected to office, the national debt was around \$700 billion, and now it's at \$16 trillion. So I really don't see, and most of my peers within the movement don't see, how the same thing is going to get different results. So it was really time for a change."

In that final month, two big twists occurred. First, the National Republican Senatorial Committee intervened. Lugar campaign sources told HPI that it prompted what is now the infamous Marrott press conference where the Lugar campaign seemed to dump the garbage can of complaints against Mourdock into one setting. The press conference lasted just 15 minutes, and reporters seemed to just blink at the array of information the Lugar campaign was trying to unload. The press began sensing blood in the water. The message seemed muddled, the Lugar brand violated.

Sources tell HPI that Lugar's internals showed the senator still in the lead, but not for long.

Coinciding with this sequence were the two TV ads written by Gov. Daniels, with he and Lugar walking a tree line on the Lugar farm. Daniels - with a 63% approval rating in the March Howey/DePauw Poll (and 86% among Republicans) was always seen as a trump card for Lugar. "The truth can take a beating in campaign time, and this year it's Dick Lugar on the receiving end," Daniels says in the ad. "It's funny in a way, these folks from elsewhere, here telling us who's a real Hoosier. The way he votes, the way he lives, I can't think of anyone so reflective of the thinking, principles, and ideals of our state. I'm not for Dick Lugar for what he's done, but for what he can do."

But campaign sources tell HPI that while the ads briefly pushed up Lugar's positives, Mourdock's positives also rose. Some speculate that Daniels and Lugar appearing together continued to emphasize Lugar's age. And the two didn't campaign together in the homestretch.

The bottom drops out

In the final week, the bottom dropped out for Lugar. On May 4, the second Howey/DePauw poll showed Mourdock leading 48-38%. Lugar's internals showed a similar position and sources say the campaign stopped tracking on May 3.

Howey/DePauw Pollster Yang predicted a potential landslide victory for Mourdock, citing Lugar's fav/unfavs had declined from 47/31% in our March survey to 43/43% in the final poll. The TV attacks were killing Lugar's chances. Mourdock had the "momentum."

Republican pollster Christine Matthews explained in the May 4 edition of HPI, "Close to three-fourths of voters supporting Richard Mourdock say it's because of Lugar's longevity or age or the fact that he lives in Virginia.

These voters think Indiana's senior senator has served too long. The comments relating to Lugar being too liberal, or Obama's favorite Republican, or voting for his Supreme Court justices account for just about 15% of the reasons given for supporting Mr. Mourdock."

Chocola saw the victory coming, but not at the magnitude it turned out. "We just saw that story develop and gain strength throughout the process," Chocola said. "So when you put your poll out and you had Mourdock up by 10, it was a foregone conclusion at that point. We felt comfortable a month out. We felt the momentum was strong enough in Mourdock's favor that we felt he would prevail. I don't believe we predicted it would be 61-39. It was a pretty shocking result when you think about it, and a pretty strong statement."

Lugar's post-defeat insights

Sen. Lugar offered his own insights into the defeat. "I would reiterate from my earlier statement that I have no regrets about choosing to run for office. I believed that vital national priorities, including job creation, deficit reduction, energy security, agriculture reform, and the Nunn-Lugar program, would benefit from my continued service as a senator. These goals were worth the risk of an electoral defeat and the costs of a hard campaign."



These themes, however, did not emerge in the Lugar ad campaign. Having not defined Mourdock early, the Lugar campaign had to do it in March and April, violating the brand. Lugar acknowledged, "One does not highlight such headwinds publically when one is waging a campaign.

But I knew that I would face an extremely strong anti-incumbent mood following a recession. I knew that my work with then-Senator Barack Obama would be used against me, even if our relationship were overhyped."

On that point, Obama had mentioned Lugar in his 2007 presidential campaign kickoff speech in Springfield, Ill., and in his 2008 Democratic convention acceptance speech in Denver - virtually the only Member of Congress he consistently cited. His 2008 campaign used images of him and Lugar working together in the Senate and during a diplomatic tug-of-war on an airstrip near Perm, Russia. Lugar only mildly objected, and those images by the President were used by the Tea Party, the Mourdock campaign and its surrogates to underscore a damning title: "President Obama's favorite Republican."

Lugar added, "I also knew from the races in 2010 that I was a likely target of Club for Growth, FreedomWorks



and other Super PACs dedicated to defeating at least one Republican as a purification exercise to enhance their influence over other Republican legislators. We undertook this campaign soberly and we worked very hard in 2010, 2011, and 2012 to overcome these challenges. There never was a moment when my campaign took anything for granted. This is why we put so much effort into our get-out-the-vote operations. Ultimately, the re-election of an incumbent to Congress usually comes down to whether voters agree with the positions the incumbent has taken. I knew that I had cast recent votes that would be unpopular with some Republicans and that would be targeted by outside groups. These included my votes for the TARP program, for government support of the auto industry, for the START Treaty, and for the confirmations of Justices Sotomayor and Kagan."

In the aftermath of his defeat, Lugar paints a troubling picture of life in Congress without him. "I don't remember a time when so many topics have become politically unmentionable in one party or the other," he said. "Republicans cannot admit to any nuance in policy on climate change. Republican members are now expected to take pledges against any tax increases. For two consecutive presidential nomination cycles, GOP candidates competed with one another to express the most strident anti-immigration view, even at the risk of alienating a huge voting bloc. Similarly, most Democrats are constrained when talking about such issues as entitlement cuts, tort reform, and trade agreements."

"Our political system is losing its ability to even explore alternatives," Lugar said. "If fealty to these pledges continues to expand, legislators may pledge their way into irrelevance. Voters will be electing a slate of inflexible positions rather than a leader."

On May 27, he told Bob Schieffer on CBS's "Face the Nation": "A large portion of the Republican Party of Indiana believed, apparently, in the idea of individualism as opposed to community – a sense of compromise or a sense of talking across the aisle." And he noted the national trident aimed at him from Club for Growth, NRA and FreedomWorks, explaining, "They are able to come in early on with hundreds of thousands and millions of dollars with negative ads, which turned around what usually was an approval that I had from 60 to 70 percent for all of these years, and it went down real fast in the last two or three weeks under that barrage."

The Club For Growth is evasive on whether it will seek an alternative to Sen. Coats in 2016, saying it will depend on how he votes.

A Mourdock victory over Donnelly in November will



Gov. Daniels TV ad for Lugar was seen as a potential trump card, but this time the governor couldn't write a better ending for his mentor.

only instill the ideological purity the movement seeks. A Mourdock loss will lead to epic finger pointing on the GOP loss of a Senate seat, just as it had in Delaware and Nevada two years ago.

Chocola believes that Donnelly's support for Obamacare will deliver Mourdock to the Senate in November, saying recent polling will be the Democrat's "high water mark."

Howey/DePauw pollster Yang sees a pure tossup.

"The surprise is that Mour-

dock did NOT get much more of a 'bump' from his impressive primary victory over Senator Lugar," Yang observed. "Mourdock arguably had probably the BEST free press week of the campaign the week after the primary, and the best he can achieve is a tie with the Democrat. Overall, Mourdock in the Donnelly poll was 36% favorable, 37% unfavorable - highly polarizing. But our April GOP primary poll did hint at Mourdock's difficulty in a general election, as he was getting a fairly high 57% unfavorable from Lugar voters. I am assuming Mourdock will consolidate Republicans as November approaches, but the Donnelly poll and even our late March poll both hint at the same thing - a Mourdock-Donnelly race will be a barn-burner until the end."

Epilogue

As we head deeper into 2012, Hoosiers find Peyton Manning in a Denver Bronco uniform, and Sen. Lugar weighing options in academia and think tanks, saying on "Face the Nation" that his next role will likely be "outside government." He has endorsed Mourdock, but on Election Night scolded him for his inflexible stances.

There is no guarantee that Irsay's organizational house cleaning would be any better decision than the Lugar organization adhering to a formula that made it the juggernaut that it was for three decades.

If Manning wins a couple of Super Bowls for the Broncos and Luck turns out to be a bust - like more than half of first round drafted quarterbacks turn out to be - Irsay's decisions will join other sporting busts such as the trades involving Babe Ruth and Frank Robinson (and at least the Red Sox and Reds received something in return). If Mourdock loses this fall, Lugar's defeat will become a historic Republican blunder.

The comparison here comes because when the Colts and Lugar organizations faced dilemmas, they responded in polar opposite ways. It will require future historical drafts to determine how they ultimately pan out. ❖



Chocola discusses Lugar challenge, Mourdock's chances, and Sen. Coats

By **BRIAN A. HOWEY**

INDIANAPOLIS - Club for Growth President Chris Chocola, the former Indiana congressman, played a crucial role in the stunning upset of U.S. Sen. Richard Lugar in the May 8 Republican primary.

After a stormy call to HPI prior to the primary, Chocola and HPI Publisher Brian A. Howey conducted this half hour phone conversation a week ago to discuss the primary race. They touched on whether Richard Mourdock could have won the race without the national groups, an effort to get Lugar to retire, and the "Speech Now" Supreme Court decision that allowed for bundled money to battle with a six-term

incumbent.

HPI: Could Mourdock have won without Club for Growth?

Chocola: I think we played a significant role in the outcome. What we do is try to help people understand what's at stake on Election Day. I think that choice was made clear in a combination of our efforts and Mourdock's efforts. When candidates thank us for our support, we say we couldn't have won if you hadn't run. Without the candidate, we can't do anything. I don't think you can say without us, he wouldn't have won. Without him we wouldn't have been involved.

HPI: When did you determine that Lugar was vulnerable? With your poll last summer?

Chocola: If you just observe the political environment nationwide, you could see how someone like Sen. Lugar could be vulnerable. We did put a poll out in July that showed that he was vulnerable. That's something I'm not sure Sen. Lugar grasped at the time. It was fairly obvious, poll or no poll, but the poll in July confirmed he could be vulnerable to a viable challenger, which Richard Mourdock actually was. I talked to some folks very close to Sen. Lugar and basically encouraged them to get Sen. Lugar to retire, out of basic respect. You would be doing the senator

a favor and advise him of the situation. Retiring would be better than going through this kind of primary race. I don't believe they believed it.

HPI: The Washington press reported that Mourdock came before your group and didn't make a very good impression and then came back for a second interview. Can you walk me through how those sequences played out?

Chocola: He did come in, I don't recall the exact date. He did come in relatively early – late summer, early fall in 2011. He wasn't prepared for the meeting. Maybe it was because we knew each other and he didn't expect the kind of objective interview and so he clearly wasn't ready for the conversation we have with candidates. But I knew him for the last 10 years. That was the first time I had actually met him. It wasn't my first impression. He came back and we had another conversation and we watched him grow as a candidate. He was unapologetically standing up for limited government, conservative principles and values. So we watched the race for a considerable period of time. We didn't take getting involved lightly. We always want to make sure we have a better alternative we can support. We don't get into a race just to be against somebody. We get involved in races because we want a better alternative. By early 2012, we were convinced he was ready to do that, he

was running a viable campaign and he was knowledgeable about the issues. It was a process we go through with a lot of candidates.

HPI: A key part of this race was keeping the challenger field to one. Did you have any conversations with Sen. Mike Delph or Bob Thomas about staying out of the race?

Chocola: Not really. I know Delph. I may have talked to him very casually a long time ago. I remember having a brief conversation with him before anybody was in the race. But with my Club for Growth hat on, I

didn't have any conversations with anybody encouraging or discouraging the race.

HPI: I thought the Mourdock fundraising had been weak in the first four quarters he reported. Did that worry you? And if so, how did you reconcile that if it was?

Chocola: We always like to see candidates raise money for themselves. We don't mind being a very large contributor, but we don't want to be their finance committee. And so we watched it very closely. The reality is, it's hard to raise money in state against a six-term senator. The Republican establishment was not going to help Mourdock. A lot of folks from the grassroots standpoint are not large financial donors. They contribute their time and efforts.





He had a legitimate challenge to raise money, particularly in state. We would have liked to see him raise more, but we understood the environment he was operating in. We decided to get involved because with our help, we saw he could win. That's what we do, bring resources to the race so candidates can convey their message and voters can see there is a choice.

HPI: Incumbents in the past have had a huge money advantage. Do you see this as a leveling of the playing field? With the Citizens United decision, can you put into context your perceptions on what my readers should know?

Chocola: No. 1, Citizens United didn't have anything to do with anything. It's inaccurately reported all the time that Citizens United created the Super PACs. It had nothing to do with the Super PACs. That was the case that was called Speech Now. The reality is, wealthy individuals could run ads, whenever, however, wherever they wanted to already. What Speech Now did was to give less than wealthy individuals a way to combine their money, to engage and express advocacy with independent expenditures. And, yeah, we think that's political free speech. That's a good thing. Incumbents enjoy a tremendous advantage. Sen. Lugar raised more money in this than anybody. I suspect a lot of his money came from PACs. I suspect over the years he's raised a lot of money from PACs outside of Indiana. So there is an irony for any incumbent to say, "This isn't fair. People can't talk about me" by pooling their resources when they have all the advantages. Political free speech is good for democracy. We don't think there's anything unfair about voters being better informed. And, ultimately, it's the voters who decide.

HPI: We had a two-poll sequence. The first Howey/DePauw Indiana Battleground Poll had Lugar leading Mourdock by 7%, but only with 42%. Our final poll showed the bottom dropped out. At what point were you pretty confident that Mourdock was going to pull this out? Walk me through the last five or six weeks from your perspective.

Chocola: We saw momentum building for Mourdock after our first poll there. Early in the year, Lugar had been up on the air and Mourdock was not and Lugar was kind of maintaining. There was this classic "it was time for a change." We just saw that story develop and gaining strength throughout the process. So when you put your poll out and you had Mourdock up by 10, it was a foregone conclusion at that point. We felt comfortable a month out. We felt the momentum was strong enough in Mourdock's favor that we felt he would prevail. I don't believe we predicted it would be 61-39. It was a pretty shocking result when you think about it, and a pretty strong statement.

HPI: Our Democratic pollster Fred Yang on that final poll said it looked like it could be a landslide.

Chocola: We thought Mourdock was going to win, but I don't think we would have predicted he would win by that much. From midsummer last year, we saw this momentum building for Mourdock and it gained a lot of speed at the end. He ran through the tape.

HPI: What kind of coordination was there between Club for Growth, the Mourdock campaign, and other groups like the NRA and FreedomWorks?

Chocola: We didn't do anything with Mourdock. Absolutely nothing. I may have talked to him in 2011 before we made the endorsement; he called me. But once we made the endorsement, there were no calls between our organization and his campaign. That's our practice. We obey the law. We don't talk to the campaigns once we make our endorsement. Once we talk to other groups, there was no coordination, I would say. I was aware the National Rifle Association was interested in the race, but I didn't know when they got in. I didn't coordinate. We acted pretty independently from all the other groups.

HPI: What will CFG's role be in the general election against Joe Donnelly?

Chocola: We'll continue to support Mourdock. We'll continue to bundle contributions for him. We expect him to be in a very strong position. I think there will be an attempt by some in the media and with Democrats that there will be a very competitive race. I don't think that's the case. We'll have a very competitive presidential election year where Obama won't even show up in Indiana. They aren't contesting it. You've got Mike Pence running for governor and he's going to run a very strong campaign. Governor candidates can have coattails. And Mitch Daniels is very popular, effective and embraced Mourdock the minute he won. Mourdock has got a lot of old friends, a lot of new friends and the national party will obviously be on his side. We're committed to help him win. We're certainly not alone in that.

HPI: In our first head-to-head in March we had Mourdock and Donnelly tied at 35%, Donnelly's Global Strategies Group had it tied at 40% after the primary and Rasmussen Reports had it tied at 42% just before Memorial Day. Why don't you believe this race is a "Tossup" as we have it?

Chocola: Nobody's told anybody about the votes that Donnelly has cast that are extremely unpopular in Indiana, starting with Obamacare. Nobody knows who Donnelly is at this point. The friendliest place in the state for him is the 2nd District. Other than that, nobody knows who he is. Just think (2010 Senate nominee Brad) Ellsworth and think how well he did. That's all you need to know. **(Note:** Karl Rove's Crossroads GPS PAC is beginning a \$475,000 statewide ad buy against Donnelly today.)

HPI: I always say it's dangerous to compare one election cycle to the next. They are all different. Does Sen.



Dan Coats have anything to worry about in four years?

Chocola: Well, it's too early to tell. All this stuff is objective. All this is based on how well they perform as elected officials and how they vote. So two things have to be in place. They have to support a pro-growth agenda. There has to be a better alternative. It's too early to tell with Dan Coats where he'll be in that run. I think you're right, comparing two election cycles is something you should do with caution. But every statewide Democrat runs the same campaign in Indiana. They all want to be Evan Bayh with a moderate voice. You had Dan Coats who had to answer questions about not living in Indiana for a long time, about being a lobbyist, in a very unfriendly environment to those kinds of stories, and you had Ellsworth trying to run the typical Indiana Democratic race. And what did he get? I think Donnelly is going to face a very tough challenge. Mourdock is going to have a lot of friends, and I think that poll is about as good as Donnelly is going to be this cycle. That's the high water mark with him.

HPI: Put into perspective your relationship with Sen. Lugar.

Chocola: My relationship with Sen. Lugar is irrelevant in this primary. It's not about me, it's not about him. It's about the future of our country. We played a role in Bob Bennett's defeat in Utah in 2010. I didn't know Bob Bennett from anybody. I didn't meet him once. The relationship is the same: It doesn't matter. I don't do this job for my friends and against my enemies. This is not personal in any event. It's all about policy, it's all the future of our country. The one thing I've learned is if you want better policy, a different policy, you have to help elect better and different people who will vote a certain way. I do this job because I care about the future of this country and the challenges we face and have created for ourselves. I never look at the relationship of someone we may engage. I look at how they vote and is there a better alternative. In this case, Sen. Lugar was not voting a pro-growth agenda, he was not changing the culture of the Senate, he was not changing the size and scope of government. And Mourdock clearly was committed to do that. So our relationship did not have any bearing on this race. We did say in the end, the outcome was significant. It was a statement by the voters. The message we were delivering was accepted by the voters. I think part of the negative for Sen. Lugar was he kind of lost the statesman status when he went purely negative against Mourdock. He didn't talk about or defend his record. I think that that was a problem.

HPI: Were you surprised by the Lugar campaign and what it did?

Chocola: I wasn't surprised. Look at Orrin Hatch and look at Dick Lugar. Orrin Hatch clearly saw the threat, worked to avoid the threat for the past two years. Sen. Lugar I don't think still understands what led to his defeat.

I think that would be an interesting case study, to look at two longstanding senators and one of them recognized what was going on and the other didn't recognize what was going on. And I don't think changing principles and/or changing anything they've done like understanding the change in earmarks. I just don't think Sen. Lugar ran a campaign that responded not only to the political realities, but to the reality of the challenges we face. ❖

Coats takes Lugar lessons to heart

By MARK SCHOEFF JR.

WASHINGTON — It may not have been a direct reaction to Indiana Treasurer Richard Mourdock's upset win over Sen. Richard Lugar in the May primary, but Sen. Dan Coats schedule in the weeks following the vote suggests he's trying to inoculate himself against a similar fate.

One of the keys to Mourdock's win was his success in portraying Lugar as out of touch with Hoosiers despite the senior senator's 36 years of work and relationship-building throughout the state. Coats, it seems, is determined not to be cast in the same light.

During the most recent Senate recess, Coats hosted a job fair at the Tippecanoe County Fairgrounds, met with business leaders in Noblesville and hosted two "Coffee with Coats" sessions – one in Crawfordsville and one in Logansport. The coffee get togethers with local residents were described as an opportunity for Coats to "hear from Hoosiers and discuss jobs and the economy."

The events usually were followed by encomiums for local political leaders on Coats' Twitter feed.

In addition to this kind of community outreach, Coats held his first joint media availability with Mourdock on June 1. They met with reporters following a tour of C&A Tool in Churubusco, a 530-employee company that provides parts for the medical device, automotive, defense and aerospace industries.

Coats' outreach to Mourdock contrasts with the way that Lugar is keeping the Senate candidate at arm's length. Coats survived his own Tea Party challenge in 2010 because the movement split among many candidates in the primary rather than coalescing around one, as it did for Mourdock this year.

A spokeswoman for Coats said that coffee klatches and business roundtables are business-as-usual for Coats.

"Senator Coats believes the most important function of public service is listening to the people he represents so he can take their concerns and ideas back to Washington," Coats communications director Tara DiJulio wrote in an email statement. "This has been his model for serving during his previous term, on the campaign trail and again in his current Senate term." ❖



Pence, Gregg campaigns talking about Pence, but with different budgets

By **BRIAN A. HOWEY**

INDIANAPOLIS - With the Indiana political convention season opening this week, the gubernatorial campaigns of Republican Mike Pence and Democrat John Gregg are both projecting imagery of Pence, but the way it's being executed comes in a way that is emblematic of how far apart these campaigns are in resources.

Gregg's campaign has introduced a video - running only on the Internet - that depicts U.S. Rep. Pence as a radical Republican using a 1992 Indiana Policy Review Foundation book "The Indiana Mandate" as one exhibit on Pence's "radicalism." The campaign has put out "The Pence Plan" video that shows the congressman seeking to "pick a fight" over defunding of Planned Parenthood and seeking to "shut the government down."

Appearing at a press conference with Indiana Planned Parenthood's Betty Cockrum, Gregg said Monday morning, "Throughout his career he has advocated an extreme agenda, focused on pursuing divisive social issues and supporting policies that have been bad for Hoosiers across the board. If he's not ready to roll out his agenda, we're happy to do it for him."

Gregg charged that Pence's record includes voting against the Lilly Ledbetter law guaranteeing equal pay for equal work, sponsoring bills that attempted to redefine rape, force invasive ultrasounds on women, and leading the charge to defund Planned Parenthood, which would limit women's access to critical health services, including cancer screenings. "If that isn't an extreme, out-of-touch agenda, I don't know what is,"

said Gregg.

On Tuesday in Terre Haute, Gregg runningmate Vi Simpson also took aim, calling the book "shocking."

"This document was produced when he was president of the Indiana Policy Review Foundation," Simpson said. Simpson said Pence has repeatedly taken stands that oppose women's access to birth control and health care and promote a moral agenda that many women find offensive. Her comments, made outside the Planned Parenthood office on Third Street across from the Vigo County Courthouse, also emphasized that Pence has repeatedly sponsored legislation to defund Planned Parenthood. "It's about women's access to health care," she said. "Money he fought goes to clinics like this one, that do not provide abortions, but critical access to health care."

In fact, the book was a compendium of essays written by 22 different contributors. Pence authored a single essay that focused on term limits. "We want to set the record straight. The 'Indiana Mandate' was not written or edited by Mike Pence," said Christy Denault, spokeswoman for the Pence campaign. "It is a collection of essays written by a number of different authors. It is inappropriate and inaccurate to attribute the writings of other authors to Mike Pence." Other authors included Bill Styring, George Witwer Jr., Deborah Daniels, Craig Ladwig, Pat Rooney, Peter Rusthoven, Prof. Charlie Rice and Prof. Doug Kmiec.

Gregg's problem is that he doesn't have the funds to take the message with enough gross rating points to make an impact in the race. The Democrat is relying at this point on web videos and earned media.

Pence, whose campaign has out-raised Gregg's

\$6 million to \$2 million according to the last known finance figures, began airing his second TV ad in another large media buy on Monday. The ad is a second biography piece, describing Pence as the son of Irish immigrants, whose grandfather drove a bus and father ran a Columbus gas station. The ad shows pictures of a young Pence who worked at his father's filling station and in a Columbus restaurant. And the ad says that Pence always "worked hard" while "serving others."

"Every Hoosier's son and daughter can find the American dream, right here in Indiana," the ad says as pictures of Monument Circle in Indianapolis



The John Gregg campaign posted a web video (top photo) depicting Republican Mike Pence as a "radical." In the lower photos, more biography scenes from a new Pence TV ad running statewide.



lis and the Pence family at the Indianapolis 500 flash on the screen.

Pence will officially accept the Republican gubernatorial nomination on Saturday at the GOP convention in Indianapolis. Democrats will gather a week later on June 16 in Fort Wayne.

A March 26-27 Howey/DePauw Indiana Battleground Poll showed Pence leading Gregg 44-31% in the only independent survey of the race published to date.

Gregg only recently added a full-time finance director, Stacy Hartmann. There are reports that key campaign officials are leaving his team and he faces a crucial June 30 second quarter fundraising deadline after reporting only \$584,000 in the first quarter and had \$1.5 million cash on hand, just a fraction of the \$1.8 million Pence raised in the quarter while posting \$4.929 million cash on hand, which comes on top of the record \$5 million haul he made in 2012. **HPI Horse Race Status:** Likely Pence

Senate: Rubio stumps for Mourdock

U.S. Sen. Marco Rubio stumped Indiana with Republican Senate nominee Richard Mourdock on Monday, fueling more speculation of a Romney-Rubio ticket even here in the Land O' Mitch. Rubio and Mourdock appeared in Merrillville and then a rally in Carmel. It was the first high-profile Republican to come to Indiana after Mourdock had won a stunning landslide victory over U.S. Sen. Dick Lugar on May 8.

While much emphasis was placed on the pair's Tea Party cred - Rubio ascended to the Senate as part of the initial 2010 Tea Party wave - both acknowledged the affiliation but pointed out there is much more to their Republicanism than that. Mourdock described himself as a "broad-stream Republican."

"I have never been an enemy of Sen. Lugar," Mourdock said at the Radisson Hotel in Merrillville (Dolan, NWI Times). He asked the crowd to reject efforts to paint him as a candidate of the extreme right and instead see him as a mainline Republican who only wants Washington, D.C., run like Indiana state government. In Carmel, Treasurer Mourdock explained, "When I was elected in 2006 there was no Tea Party, I was elected statewide. When I was elected in 2010 statewide no one called me the Tea Party candidate. So we're continuing to build on a very broad base that we have of Republicans and I think in the general election population as a whole."

In Carmel, Rubio said of Mourdock, "We face some

real critical issues as a country, and if we don't solve these issues, they're not going to solve themselves. They're only going to get worse and harder to fix. That's why I'm excited and hopeful to bring someone up there like Richard Mourdock."

Indiana Democrats tried to paint a different picture. "Marco Rubio and Richard Mourdock are two peas in one Tea Party pod. These two men have so much in common," said Indiana Democratic Party Chairman Dan Parker. "They're pushing an extreme agenda that is bad for Indiana and refusing to compromise."

In a March 26-27 Howey/DePauw Indiana Battleground Poll, the Tea Party polled well in the 505 person Republican sample, with a 51/20% fav/unfav. But in the general election sample of the same size that included Democrats and independents, the Tea Party had a 32% favorable and 42% unfavorable rating. In that part of the survey, 35% identified themselves as Republican, 27% Democrat and 23% independent. After Mourdock's primary victory, his campaign removed much of the Tea Party affiliation from the his website. On Election Night, the campaign told a Tea Party activist wearing Revolutionary War garb to change into a red Mourdock campaign T-shirt.

Rubio and Mourdock are not reading from the exact same script. Mourdock has been an ardent opponent of the DREAM Act, which would allow the children of illegal immigrants attain citizenship once they obtain college degrees or serve in the U.S. military. Rubio has tried to broker a compromise on the issue, fearing that Latinos will continue their flight from GOP candidates.

In the April 30/May 1 Howey/DePauw Poll of mostly Republican primary voters, 54% supported the DREAM Act concept and 32% opposed. Investor's Business Daily/Christian Science Monitor/TIPP poll has President Obama

leading Republican nominee Mitt Romney among Hispanic voters by a 68 point margin, beating the former Massachusetts governor 80 percent to 12 percent. A second PPP poll, commissioned by the liberal blog Daily Kos and the SEIU union, shows Obama beating Romney 72 percent to 22 percent — a 50 point margin.

Rubio, the son of Cuban immigrants, was asked in Merrillville about what it would take for the GOP to win more support. "There is no such thing as a national Hispanic vote," he said. "It's very geographic oriented. What we're really talking about are young Hispanic voters that live in key states. That's where I think the political opportunity is."

"We have these very talented young people in





America who find themselves in limbo through no fault of their own," Rubio said of children who illegally entered the United States with their parents earlier this year. In Rubio's worldview, there is the "compassion" element that Mourdock acknowledges, and the political one. "We have to get Hispanic voters to vote for our party," Rubio said, warning that recent polling "spells doom for us." Latinos backed President Obama over John McCain 67-31 percent in 2008 (Gov. Daniels received 37 percent in that election) after President George W. Bush won 44 percent of their vote in 2004. A recent Pew Research Center poll showed Obama leading Romney 67-27 percent.

But Mourdock told the Evansville Courier & Press in April, "If you reward bad behavior, are you going to get more or less of it in the future?"

Mourdock's campaign website noted, "Richard Mourdock will oppose legislation such as the DREAM Act that provides amnesty to illegal aliens."

Chrysler & Obamacare

While Indiana Democrats are preparing to engage Mourdock on the Chrysler rescue and jobs, the Republican will attack Donnelly on the Affordable Care Act, or "Obamacare." Mourdock took aim at Donnelly in an email to supporters on Thursday, saying, "Last week, Notre Dame and 42 other Catholic institutions sued the Obama Administration over ObamaCare's blatant violation of religious freedom. I unequivocally stand behind Notre Dame's Obamacare lawsuit."

Mourdock asked, "Joe Donnelly? He was one of the deciding votes on Obamacare. Not only that, even after seeing healthcare costs skyrocket after its passage, the Northwest Indiana Times reports that 'Donnelly not running from Obamacare vote,'" Mourdock said. He added, "We must elect someone who will repeal ObamaCare and replace it with common sense free-market reforms – not someone who proudly supports it. We need to allow employees to deduct 100% of their healthcare expenses from their taxes, improve Health Savings Accounts, and let groups create association health plans."

At a May 24 press conference in South Bend, Mourdock told the South Bend Tribune, "It's ironic that a graduate of Ball State should be here defending Notre Dame when a Notre Dame graduate, my opponent Joe Donnelly, refuses to do so. He refuses to separate himself from the policies of Obamacare, from the policies of stimulus, from the policies of bailout."

In the May 20 Times article, Rep. Donnelly took on his Republican critics, pointing to presumed Republican presidential nominee Mitt Romney, who as governor of Massachusetts, pushed and signed universal health care. "First, they ought to talk to Mitt Romney because he basically laid out so many of the premises in it," Donnelly said.

"If they want an argument, they ought to start with him."

"My daughter and millions of other Americans who may have diabetes or a heart condition or cancer can get health coverage for the first time because of the health care bill," Donnelly said of his daughter, Molly, who suffers from rheumatoid arthritis.

Donnelly was one of the last Democrats to announce support for the health care reforms. In a statement on March 21, 2010, Donnelly explained, "From the beginning of this debate, I've remained consistent in fighting for the principles I believe should be a part of health insurance reform. We need to prohibit insurance companies from denying coverage to folks who suffer from serious illnesses and we need to extend the life of Medicare. We need to lower the costs of health insurance that are squeezing families and small businesses and we must allow people to keep the insurance they have—if that's what they want to do. The legislation I will vote for today would put an end to these practices.

A Dec. 11-13 Public Opinion Strategies Poll conducted on behalf of the Indiana Association of Realtors revealed that 57% oppose the health reforms while 35% favor. On the question of repeal, 55% supported and 35% opposed. The POS poll did not break out the various issues that make up the ACA and what levels of support they have. The wild card in the mix is a U.S. Supreme Court ruling on the constitutionality of the Affordable Care Act. If the law is struck down, it is anyone's guess as to how that will shift the political dynamic.

Rothenberg Political Report and Sabato's Crystal Ball rate this race "Leans R." **HPI Horse Race Status:** Tossup

Stoops seeks to replace Vi

Monroe County Commission Mark Stoops will seek the Senate seat being vacated by State Sen. Vi Simpson. During a 15-minute speech a week ago, Stoops listed a wide range of issues he'd defend, from school funding to union rights to gay marriage. It was unclear if that last point was a shot at Bloomington State Rep. Peggy Welch, who many legislative analysts see as another possible entrant into the race. After the speech, Stoops began to talk about Welch's time and votes in the state House before cutting himself off and saying he'd decided he didn't want to talk about Welch, who is not officially in the race and hasn't said whether she'll run. "I also feel that Peggy and the districts that Peggy has represented in the past, both her old one and the new redistricted district that Peggy is running for now are probably more closely aligned with Peggy's views and philosophy." Stoops says he has already begun fundraising and attempting to tie up votes from Monroe County Democrats who will vote in the caucus. ❖



What campaigns do during summer doldrums

By **MARK SOUDER**

FORT WAYNE - For a candidate for political office, the post-primary early summer period is usually the hardest. In the post-primary period, few people care about politics (not that most do even at pre-primary peak, except as they might track sports scores). Those who do are relatively exhausted, and want to rest up for the fall campaign. Advertising sounds stale, and after hyper-ventilating negative ads suggesting the end of the world,



it is comforting to get back to normal life, realizing it has not ended. School is about to finish, summer to begin. So what does a candidate do to sustain a campaign?

1. State Conventions: Once meaningful to all, now maybe to Greg Zoeller, they have become coronation events for the gubernatorial candidates' desires. They serve as a chance to meet political friends from around

the state but with almost no electoral positives. Even the risk of an exciting negative is damped down by candidates who would rather bore people than have something occur outside their control.

2. Parades: Nearly every candidate I ever met, at least in private, says parades are a waste of time and money. Going to parades likely wins few votes, and any you gain can easily be lost. (Somebody who voted for you because they saw you at a parade probably isn't a lock to remain a committed fan.) Not going to parades can be indicative, however, of a number of things: not working hard enough to win thinking you can win with just TV ads and no people contact, not caring about small towns, or even big ones, and arrogance.

Richard Ben Cramer in his landmark book "What It Takes" basically spends a thousand pages to say this: people want to know that you remember that you work for them. I always felt that nothing showed that quite as much as a sweat-drenched shirt on a 90-degree day among miniature twirling girls, fire trucks and some llamas. People say that it keeps volunteers active: they obviously have never tried prying volunteers to walk parade routes. But show me a candidate who doesn't do it, and I will show you a probable losing candidate.

3. Fund-raising: This is a prime time to be fund-raising but not a prime time to fund raise. You've already sent out mailers with all sorts of dramatic messages. If you

can leave people alone for three to four months they may forget that you said roughly the same thing in mailings the first four months of the year. That leaves smaller, more intimate fund-raisers and some one-on-one soliciting. Picnics are popular, and usually don't work well in raising net dollars. But they let your campaign workers know you are still interested in them, and can build mailing lists. Golf outings are a must, but much more complicated for federal campaigns since at least historically corporations were severely restricted. For those who "max out" in a federal campaign (your "gold" team), they can't even bid for auction items or pay to play for cash prizes like "closest to the hole" unless you guarantee they will win (otherwise the money would exceed the max contribution level). In northeastern Indiana, where we have lots of natural lakes, you usually have some lake fund-raisers with modest success. Truthfully, when you hear of a "big lake fund-raiser" it is more a candidate cashing in than any new money. Still, cold cash in the summer is far harder to come by than once October arrives

4. Outside Money: Campaign finance restrictions led to what actually has happened: self-funded campaigns and outside groups that are not under traditional guidelines dominate. Of course the Supreme Court, as it watched all governments further intrude on our freedoms, was going to rule that you could not restrict "freedom of speech" – in this case, the right of individuals or collections of individuals (such as a corporation or a union) – to defend oneself. When a decision by Congress, or even states and local governments, can force a business to close or severely depress its profits, how could it rule otherwise? I, like every other candidate, hated the outside interference (from the other side) and the power of PAC funds (from the other side). But I feel compelled to say this, and sorry if I offend anyone: this incessant whining about outside money defeating Senator Lugar is absurd and beneath the intelligence of many experienced commentators.

Club for Growth and Freedom Works are just logical outgrowths of poorly conceived campaign finance policies. Furthermore, Senator Lugar stuffed his campaign with business PAC money (I received plenty as well and was not ashamed; they are the job creators and have a right to defend their interests) and Joe Donnelly is getting lots of labor money (who desire to defend their interests). How dare anyone say Club for Growth or other groups are trying to buy a Senate seat any more than the labor groups are trying to buy a Senate seat? The fact is this: policies of the United States Senate will impact every company and every union in America. Even state decisions will do so. Please stop the whining.

For all the rhetoric, Indiana's Senate and gubernatorial races – like Obama/Romney – will basically be classic conservative/liberal showdowns. John Gregg wants to claim



otherwise, but by selecting Vi Simpson, he has declared which flag he will fly under.

Joe Donnelly is more moderate than most Democrats, but his vote for health care and with Nancy Pelosi most of the time as well as dependence upon labor money planted his flag to the left. Mike Pence and Richard Mourdock are well-tested conservative veterans. Those who claim this is not a classic liberal-conservative showdown are really just demonstrating that they are not "neutral"

observers but serving to advocate the Democrat line in Indiana that somehow our liberal Democrats are not liberal. If you want to claim not to be partisan, than don't be partisan.❖

Souder is a former Republican Member of Congress.

Housing data and the Ryan budget

By **MORTON J. MARCUS**

INDIANAPOLIS - The American home had been on a diet, but the latest evidence is homes are getting bigger once again. Back in 2007, the average new home completed was 2,571 square feet. By 2010, it had trimmed down to 2,392 sq. ft., but last year the trend was reversed and our new homes are now being completed at 2,480 sq. ft. That means the 2011 new home is just a good-sized closet short of its 2007 cousin.



In the Midwest, we get by with less space per house (2,287 sq. ft.) than do folks in the other regions of the country. In the Northeast, the average new house has 2,559 sq. ft.

Now, 2,500 square feet figure sounds like a nice tidy number with plenty of room for the 2.6 persons per household reported by the Census Bureau. But it hides some interesting facts:

In 2011, 26 percent of the new homes completed had 3,000 or more sq. ft. In 1999, just 17 percent of new homes achieved that size.

We don't live in sq. ft., we live in rooms. Our most common way of describing a house is to talk about its number of bedrooms. Of the new homes coming on the market in 2011, 39 percent had four or more bedrooms. That the highest percentage recorded by the Census Bureau going back to 1973.

Three-bedroom homes last year accounted for fewer than 50 percent of all new homes; this is only the third time since '73 that the majority of new homes were not of the three bedroom variety.

Since 1997, half of the new homes built in the nation have had more than two bathrooms. In 2011, that figure

was just shy of 60 percent.

By now you are saying, "Who cares?" and "Congress is right to attempt cutting the budget of an agency that gives us such data."

If you manufacture or install carpeting, you care.

If you sell tub and shower fixtures, you care about the number of bathrooms.

If you make or service furnaces, you care whether the houses are heated with gas or electricity.

"Who cares?" Tens of thousands of businesses across America need to know about the size and features of new housing. Where would they get reliable data if the Ryan budget passed by Republicans in the House of Representatives were successful in the Senate?

Capitalism requires information for the successful operation of business. And the GOP is the party of private enterprise?

That budget bill would have trimmed the data collection and dissemination services of the Census Bureau, the Bureau of Economic Analysis, and Bureau of Labor Statistics (to name a few agencies). It would have been a calamity for private enterprise since no private sector organization provides enough comparable data for reliable analysis over time.

One of America's great competitive advantages over other nations is our statistical infrastructure. The Republican budget, which we can accept only as a gag put forth by some ignorant pranksters, would have been a crippling blow to our business community. ❖

Mr. Marcus is an independent economist, writer and speaker formerly with the IU Kelley School of Business.



When the buses stop rolling, casinos lose biz

By **RICH JAMES**

MERRILLVILLE - There's so much stuff going on. Or is there?

As the June 30 deadline approaches to determine whether there will be bus service in Northwest Indiana thereafter, all that remains is a hope and a prayer. Just a handful of Lake County elected officials are still talking about extending the life of bus service when the funding runs out at the end of the month.



Most elected officials could care less. Their only concern is making sure they do what's right to ensure their re-election. While they think that voting for a tax for public transportation will lead to their political demise, there is a tax with virtually no political risk.

It is the food and beverage tax that has been talked about for years as the salvation for bus service. But it hasn't been talked about much of late. Those who go out to eat would have to pay

a 1 percent tax on what they eat and drink. Let's say a couple goes out to a fairly nice restaurant for dinner and drinks and the bill comes to \$100. With the 1 percent food and beverage tax, that bill becomes \$101. Golly, gee, is that going to break anyone's budget?

When former Calumet College of St. Joseph President Dennis Rittenmeyer began his quest for long-term funding for bus service more than a decade ago, he proposed the food and beverage tax.

John Livengood, the head of the state's food and beverage industry, has fought the tax for years, saying it is unfair to his clients to have to collect the tax. And there are those who contend such a tax would have a negative impact on the tips received by servers in the industry.

Yet, the biggest voice in opposition to the tax is Speros Batistatos, the president of the South Shore Convention and Visitors Authority.

Batistatos wants a food and beverage tax to build a convention center in Lake County, preferably Merrillville.

The reality of it is that Batistatos is speaking for Dean White, a billionaire who became Indiana's richest man through the hospitality and outdoor advertising industries. White, who lives in Crown Point but has his corporate offices in Merrillville, never has sought the limelight and gets little recognition for his community benevolence.

Despite the yearning for a convention center, Batistatos and company haven't yet pushed for the food and beverage tax to help build the facility.

I believe they have been waiting for the local economy to get better and for the bus people to fade away.

If a convention center is so vital, one has to wonder why a guy like White, who is worth a fortune, hasn't built the facility himself? I guess that's why he is a billionaire.

And speaking of local politics, one has to wonder whether Mike Repay would have won the Democratic primary for 3rd District county commissioner in Lake County if people knew where he stood on the Lake County sheriff's marine and aviation units.

Repay, currently is a county councilman, won the primary by a scant 74 votes over Richard Novak, who is seeking a recount. At the first county council meeting after the primary, Repay and Sheriff John Buncich had a bit of a tiff. Buncich was seeking additional money to meet federal requirements for the operation of the jail.

Repay told Buncich that if he didn't have the marine unit and helicopter service he would have enough money for the jail. Buncich rightly pointed out that the marine and helicopter units were about saving lives. I can't help but wonder if the public had known about Repay's stand Novak would have been the nominee. Or perhaps that 74-vote margin would have been larger?

Regardless, people know where Repay stands as he heads to the commissioner's office after the November election.

Repay, if his margin holds up, will face Republican Mark Leyva in the fall. Leyva is a perennial candidate who showed his true colors two years ago when he embraced the Tea Party. He has no chance against Repay.

And on the gambling front, Lake County is closely watching what Illinois Gov. Pat Quinn does with the gambling expansion bill that hit his desk last week. One of the five new casinos would be at Navy Pier in Chicago. While that wouldn't impact the casinos in Hammond, Gary and East Chicago, a proposed casino for Chicago's south suburbs could be devastating.

Almost 80% of the patrons at the Gary, Hammond and East Chicago casinos come from Chicago's south and southwest sides.

And a south suburban Illinois casino could put the damper on Gary's ongoing quest for a land-based casino.



Rich James is the former editorial page editor and columnist for the Post-Tribune in Merrillville.



Eric Bradner, Evansville Courier & Press: A dispute over the new health care law's tax hike on medical device-makers became a proxy last week for the larger philosophical differences between Indiana's two U.S. Senate hopefuls. It started when the Republican candidate, state Treasurer Richard Mourdock, said at a stop in Churubusco, Ind., that the tax increase is a "terrible thing that threatens jobs" and linked it to the Democratic candidate, U.S. Rep. Joe Donnelly. Donnelly's camp then responded by accusing Mourdock of distorting the three-term congressman's record. He supported the health care law, but opposed the medical device tax hike and has worked to repeal that portion. If you're grading the truthfulness of their arguments, both Mourdock and Donnelly get partial credit. Had Donnelly and some of his conservative Democratic colleagues such as former U.S. Rep. Brad Ellsworth, who was hammered over this issue in his failed 2010 U.S. Senate campaign, not voted for the health care law in the first place, the medical device tax would not exist. The 2.3 percent excise tax on sales above \$5 million for medical device-makers was expected to raise about \$30 billion over a decade — an important step toward footing the law's price tag for a major Medicaid expansion and more. However, Donnelly's been a vocal critic of the tax, which would put the pinch on areas like Warsaw, Ind., that are known as industry hubs. He cites it as the top example of how the health care law needs "fixing." And he's done something about it. Donnelly co-sponsored a measure approved by the House Ways and Means Committee on Thursday that would repeal the tax. Thus, Indiana Democratic Party spokesman Ben Ray hit Mourdock on Friday over his criticism of Donnelly. "This attack is dishonest, and it's exactly what's wrong with Richard Mourdock's 'my way or the highway' mentality. Joe Donnelly is working with both Republicans and Democrats to repeal the medical device tax, something that wouldn't be possible if he played by Mourdock's rules," Ray said.



E.J. Dionne, Washington Post: The left will make a big mistake if it ignores the lessons of the failed recall in Wisconsin of Gov. Scott Walker (R). The right will make an even bigger error if it allows the Wisconsin results to feed its inclination toward winner-take-all politics. The danger on the right is greater because winning an epic fight is a heady experience and conservatives can claim a real victory here. Walker didn't just win. He won decisively. And it turns out that a majority of Wisconsin voters — including many who voted against Walker — simply didn't like the idea of a recall. Perhaps the most significant exit poll finding was this one: Only about a quarter of those who went to the polls Tuesday said that a recall was appropriate for any reason. Roughly six in 10 said a recall should be used only in the

case of official misconduct. And another tenth thought a recall was never appropriate. Most voters, in other words, rejected the very premise of the election in which they were casting ballots..

Reid Wilson, National Journal: Every four years, the race for the White House is defined by a turning point, a period when the contest breaks toward one side and the other can never recover. In the winter and spring of 1996, a rebounding economy gave Bill Clinton a lead over Bob Dole that he never relinquished. In 2008, the growing economic crisis in early September shut down any hope that Sen. John McCain's presidential campaign had left. If Republican Mitt Romney is inaugurated as president in January, history may look to June as the month in which President Obama's fate was sealed. This may be the month, seen in retrospect, in which it became clear the economic winds that propelled Clinton to a second term won't be at Obama's back. Administration officials barely tried to spin last week's dismal jobs report, an acknowledgment that there was nothing to brag about. The economic turmoil that ushered Obama into office, and dramatically shaped his first-term agenda, is an existential threat to the prospect of a second term. Republicans would love nothing more than to convince voters that the president is at fault, but the fact is, there's little the president can do to alter the course of the world economy.

Mark Kiesling, NWI Times: The south suburbs need casinos like a fish needs a bicycle. Northwest Indiana beat them to the punch and has casinos in Hammond, East Chicago, Gary and Michigan City. Sorry. But that has saturated the local market. Not to mention the two casinos half an hour away in Joliet. The Calumet City Council voted last week 5-0 in favor of a law that would make video poker machines that make financial payouts legal within the city. That's OK with me. I'm not much of a gambler, but if that's your thing, go for it. And it allows mom-and-pop taverns a ledge to hold onto in this economy. But the action also would allow for a riverboat casino within city limits, which is only going to dilute the already saturated market. Then, later this week, the Illinois Senate on a 30-26 vote took a cue from the House and forwarded a bill to Gov. Pat Quinn that would approve casino gambling in five cities statewide. The plan includes Chicago, Rockford, Lake County, Danville — and yes, the south suburbs. Chicago, I can kind of see. If there is a casino on Navy Pier — which has been proposed — it would draw a lot of conventioners who couldn't find Northwest Indiana with a map and a GPS. Most of the gamblers who come to Northwest Indiana are from Illinois. ❖



Rove PAC begins assault on Donnelly

INDIANAPOLIS - A conservative advocacy group will unleash a television ad assault on the Democratic nominee for Senate, U.S. Rep. Joe Donnelly, beginning Wednesday (Indianapolis Star). Democrats familiar with the ad buy say the group, Crossroads GPS, is putting at least \$475,000 into the ads attacking Donnelly, and perhaps as much as \$600,000. Tim Warner, director of sales for WTHR-13, one of the Indiana stations where the ads have been purchased, said they are expected to air for a couple of weeks. Crossroads GPS is the advocacy arm of the Super PAC American Crossroads, which was founded by GOP strategist Karl Rove and is not required to disclose its donors. A spokesman for the group did not return a call seeking comment. Donnelly's communications director, Elizabeth Shappell, said the ad buy shows that "Karl Rove and his shady billionaire backers are trying to buy Indiana's U.S. Senate seat."



Mourdock heads to Chicago

FORT WAYNE – Richard Mourdock would seem to have the proper credentials for a conference whose theme is "Conservatives Take Back the Midwest" (Francisco, Fort Wayne Journal Gazette). Mourdock, the tea party-backed state treasurer who defeated Sen. Richard Lugar, R-Ind., in the May primary election, is among the scheduled speakers at the Conservative Political Action Conference in suburban Chicago on Friday. Sponsored by the American Conservative Union, CPAC

Chicago will be at the Donald E. Stephens Convention Center in Rosemont, Ill. Mourdock will speak at 10:55 a.m. "I'm sure he will talk about the importance of the Indiana Senate race in creating a conservative majority in the U.S. Senate," Jim Holden, Mourdock's campaign manager, said in an email.

Romney outraises Obama in May

NEW YORK- Republican presidential candidate Mitt Romney and Republican groups raised more than \$76.8 million in May, his campaign said on Thursday, topping the \$60 million President Barack Obama and his Democratic allies hauled in (Reuters). The campaign and Republican National Committee have \$107 million cash on hand, the campaign said.

GOP in talks with Ron Paul delegates

INDIANAPOLIS - Supporters of Ron Paul are telling the Indiana Republican Party that while they may not plan to make trouble at the upcoming Indiana Republican State Convention this weekend, they do expect the GOP to play by the rules and treat them fairly (IndyPolitics). Although the Republican-Libertarian leaning Congressman has suspended his political primary campaign, there have still been flare ups between Paul supporters and the GOP in other states, such as Missouri. And Paul has marked up wins in Nevada and Louisiana at the delegate level. Indy Politics obtained an e-mail correspondence between Paul supporters recapping a meeting with the state GOP. The State Party expressed its concerns about what the Paul supporters would disrupt the convention. And the Paul supporters expressed concerns over whether they

can tape the convention from the floor as well as make nominations. The State Party official told them he would recommend they be able to record. The Paul supporters were also told there would be ballots on hand for nominations from the floor, however the rules could change to prevent that from happening. A final decision is expected later today.

Indiana unions say little left to take

INDIANAPOLIS - Indiana's public labor unions say they have little left to lose, even if the results of Wisconsin's recall election inspire state lawmakers to push anti-union legislation further. The dissipation of union power has been a reality in Indiana for some time, as Gov. Mitch Daniels, another Republican, stripped state employees of their collective bargaining rights on his first day in office in 2005. And this year, he signed a bill restricting teachers' contracts to salaries and wages. Unions in Indiana were also stung this year by a new right-to-work law. Indiana State Teachers Association spokesman Mark Shoup said there's not much left for the Republican-controlled Legislature to take away from the unions. "There's so little left," he told The Indianapolis Star in a Wednesday report. "They just decimated collective bargaining for Indiana teachers. They had their way with unions. My God! Maybe they'll do more, but they've done so much damage I can't imagine that there's anything else to do." Central Indiana Labor Council president Brett Voorhies said he's afraid lawmakers may take bargaining rights away from other public employees, such as local police and firefighters. "That's one of our fears going into this next session," he said.