



Gregg, McDermott gearing up for '16

Former speaker, Hammond mayor researching bids to challenge Gov. Pence

By **BRIAN A. HOWEY**

INDIANAPOLIS – Hammond Mayor Thomas McDermott Jr. was strategizing with a fundraising consultant on Monument Circle

Wednesday, preparing a 2016 Democratic gubernatorial bid. And 2012 nominee John Gregg wasn't quite ready to unsuspend his actively suspended campaign. But it appears he's headed in that direction.

Thus, Indiana Democrats may end up with a contested primary for a bicentennial challenge to a governor they believe is vulnerable, even as he flirts with a presidential run.

"I'm definitely openminded," McDermott said Wednesday morning of a 2016 gubernatorial run, less than a week after resigning as Lake County Democratic chair-



Hammond Mayor Tom McDermott (left) and former House Speaker John Gregg (center) are assessing potential 2016 challenges to Gov. Mike Pence.

man. "We've got a governor who is not focused on being governor. He's focused on being president. He's got one of the best jobs in the country and he's not taking it seriously. There are only three out of nine positions on the Little Cal River Basin Authority filled and three are gubernatorial appointments. I'm painfully aware of Indiana's history of

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Pence's defining moment

By **BRIAN A. HOWEY**

INDIANAPOLIS – When the early historical accounts of Mike Pence's first stint as a government executive are assembled, the critical moment will likely be 10 a.m. May 15, 2014.



At that time, at the IU Health/Methodist Hospital Auditorium, Gov. Pence pushed away from the ideological trappings of a Capitol Hill Republican and became a pragmatic governor. His was not an embrace of Obamacare, but a critical mass



"We believe that strong families, based on marriage between a man and a woman, are the foundation of society"

- Jim Bopp Jr., who is advocating a GOP platform stance on marriage.



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realization that he presides over an unhealthy state and to reject Obamacare outright would only continue a troubled Hoosier Jacksonian legacy that thumbs its nose at federal funding, often at great expense to its citizens decades later.

We have seen this happen before. The spurning of the school lunch program in the 1950s, Nixon era federal revenue sharing, and a failure to separate combined storm and sanitary sewers a generation ago spawned a wave of double digit rate hikes in dozens of Indiana cities. We also saw Pence's predecessor, Mitch Daniels, happily take more than \$7 billion of Obama stimulus funding even as he criticized the legislation.

The scenario facing Gov. Pence was a gap of 350,000 without access to health insurance, coming at a time when the state suffers high obesity, smoking, infant mortality, adult suicide, coronary and cancer rates. "I am here to talk not so much about the future of health care for our uninsured in Indiana, but about a better way to a better future for working Hoosiers and working families," Pence began in an auditorium filled with legislators from both parties, health industry professionals and the press. "The facts are clear. Today we have 350,000 low-income, working Hoosiers, those below 100 percent of the federal poverty level or a family of four making about \$24,000 a year or less, who lack access to the kind of quality health insurance that their better-off neighbors enjoy. Experts rightly call this the 'coverage gap.' Many Hoosiers up to 138 percent of poverty, or \$33,000 for a family of four, also cannot access affordable coverage and live in uncertainty."

Pence didn't necessarily embrace the Obamacare he vociferously rejected as a congressman, but instead sought its adaptation with what could be called the compassionate, conservative stamp.

"I believe there are only two futures for health care in this country, government-directed health care or consumer-driven health care," Pence

said. "Years ago, when the Healthy Indiana Plan was first adopted, Indiana chose the better portion by embracing consumer-driven health care, giving eligible Hoosiers the power to make their own health care decisions. Today we seek to build on that choice by expanding the Healthy Indiana Plan for even more working Hoosiers."

And as the assembly watched what many had thought would be an unlikely event, Pence brought a measure of his soul which many Hoosiers admire. "Let me speak from my heart," he said, as the four Hoosiers he cited with their own health care dilemmas sat among the state's powerful legislators in the first row. "Hoosiers have long cherished the principle that we must love our neighbor as we love ourselves; that we must not walk by on the opposite side of the road when our neighbors are hurting and in need. That's what makes Indiana special."

Whew.

This moment became a virtual "we are the world" synapse. There was conservative Curt Smith of the Indiana Family Association, saying, "As I watched his remarks and saw the broad support in the room (hospital execs, docs, other health care professionals, elected officials, budget hawks, and more) it became obvious this proposed expansion of the Healthy Indiana Plan (HIP) puts Indiana in the forefront of providing an alternative to Obamacare."

There was State Rep. Ed DeLaney, the Indianapolis Democrat who had been critical of Pence's rejection of Medicaid expansion, saying, "It's a step forward and I'm very glad to see that. I hope it works out. The details are interesting. They seem all very positive." And State Rep. B. Patrick Bauer who observed, "I'm glad he's giving it another effort and I hope he succeeds. He's done it before, and he failed. There are a lot of people in this state that don't have health care."

These Democrats all knew deep in their own fiscal minds that Pence was right to be leery of the financial drawbacks to Medicaid expansion.

sion. They watched two decades ago as Gov. Evan Bayh and his Medicaid point man Jim Verdier struggled mightily to contain burgeoning Medicaid costs that threatened to swamp biennial budgets. What many expected, however, was Pence to simply reject Obamacare outright. The danger in that was that with repeal virtually impossible, the Obamacare mandates would still be there, the funding wouldn't, disproportionate care hospitals would have faced daunting financial dilemmas, and a festering unhealthy class of Hoosiers would have continued their turn toward the meth and heroin that has been invaded big cities and small towns alike.



The Obama administration, which has been engaged with Pence for more than a year over Healthy Indiana Plan, reacted in a positive manner. "We are encouraged by Indiana and Gov. Pence's commitment to helping cover more of the state's uninsured population through the Healthy Indiana program and look forward to seeing his proposal," said Emma Sandoe, a spokeswoman for the Centers for Medicare & Medicaid Services. "In Indiana, it would mean coverage for thousands of additional Hoosiers."

The governor's staff stressed that HIP 2.0 was the outcome of long deliberations and consultations with both the state's hospitals and HHS. The Indiana Hospital Association, whose members absorb costs of nearly \$3 billion a year providing health services to the uninsured, endorsed Pence's plan as a way to reduce the state's uninsured population, even though hospitals could pay higher fees to the state starting in 2017 to cover Indiana's share of the program.

"We're confident that the HIP 2.0 plan proposed by the governor is the right solution to the health-care crisis facing Hoosier hospitals and patients," Doug Leonard, president of the hospital association, told the NWI Times. "We're more hopeful than ever we will soon bring greater health care coverage to those who need it most."

The two Hoosier public servants who know the industry, U.S. Rep. Larry Bucshon and House Ways & Means Chairman Tim Brown, observed in an op-ed article for the Lafayette Journal & Courier, "As physicians, we have a core principle belief that every citizen should have the opportunity to access quality, affordable health care. Unfortunately, too many of our citizens go without basic, necessary care for a variety of reasons, a problem that is particularly acute for low-income Hoosiers. From a health care provider's perspective, traditional Medicaid has become a barrier to patient-centered care. This is a significant challenge that must be addressed and a challenge on which Indiana has been a national leader. We can only achieve the goal of providing access to quality affordable care to all citizens

by addressing the skyrocketing costs.

"The governor's plan puts patients in the driver's seat and requires them to have skin in the game to receive additional benefits, while protecting a basic plan that covers all enrollees," Bucshon and Brown continued. "It also incentivizes preventive health care, which is a critical component to addressing not just overall health, but the cost of care. HIP 2.0 is fiscally responsible. The plan is budget neutral; it does not pay for expansion on the backs of Hoosier taxpayers and does not rely on resources from the general fund."

Speaking before the American Enterprise Institute on Monday, Pence affixed the badge of pragmatism to his jacket. "When it comes to the issue of health care, I believe that people in my party need to be solutions conservatives, offering real alternatives to the big-government answers." The social safety net, he continued, needs to be "well-designed and strong enough to provide a firm basis for those starting out on life's ladder."

In an interview with Washington Post columnist Dana Milbank, Pence said, "Debates that happen in Washington, D.C., pretty easily get far afield of the real-world impacts on real people. It will not be enough for new Republican majorities in the Congress and a Republican president to cut government spending," but to "solve the intractable problems."

Big hurdles ahead

There will be tough days and big decisions ahead on the "intractable problem" front.

A source familiar with the Family Social Services Administration and an adviser to Howey Politics Indiana on health matters, reacted by saying, "The major sticking point with CMS has been that under the current HIP plan enrollees who fail to make contributions to their POWER accounts would lose coverage. If I understand this proposal and waiver they would default to the HIP backup plan with less benefits but still have that level of coverage. If that is the case, my guess is that CMS will approve this. If anyone falls out they won't. Iowa and Michigan got HIP type waivers approved because no one lost coverage for non-contributions. It will be interesting to see that with the population this will serve whether the incentives work and people make contributions."

But that source added, "I am convinced that the implementation of this plan will be a disaster. The current HIP is poorly run and the POWER account administration is a disaster. To enroll 400,000 the state will need to hire 300 to 500 people and train them about a new plan. FSSA and DFR cannot do this quickly and I think there will be an expectation that it will happen overnight. This implementation could be as bad as the Obamacare roll out and Pencecare will give the Dems a lot to shout about."

Business Insider's Brett LoGiurato observed, "Pence is opposed to the Affordable Care Act and has rejected the law's expansion of the federal Medicaid program. The coverage expansion in Indiana is a nod to

Obamacare's Medicaid expansion, but Pence attempted to cast it in terms more palatable to conservatives. Overall, he's attempting to walk a fine line between earning hundreds of millions of dollars in federal support and maintaining support from fellow conservatives.

Josh Archambault, Jonathan Ingram and Christie Herrera, writing for Forbes Magazine, noted, "When it comes to true consumer-driven health plans, Milton Friedman's adage comes to mind: 'Nobody spends somebody else's money as carefully as he spends his own.' Health policy observers on the right have long debated the merits of the original Healthy Indiana Plan. For conservative supporters of Healthy Indiana, one glaring point remains.

Any CMS-approved Medicaid expansion proposal will likely gut the critical elements of the original Healthy Indiana Plan, relegating Gov. Pence's HIP 2.0 to Medicaid expansion by another name."

They argued that HIP 2.0 "creates a new entitlement for able-bodied adults without children" and "reduces skin-in-the-game and incentivizes costly ER use" as well as potential "crowding out private insurance." They conclude, "The HIP 2.0 proposal makes clear that Indiana's best course of action is to walk away. The governor and legislature should instead focus on reforming a strained program. States such as Florida, Kansas and Louisiana have led the way on true reform. Medicaid reform does not require creating a new entitlement for working-age, able-bodied adults without children, which is the main policy objective of Obamacare and HIP 2.0. Lawmakers should instead focus their efforts on fixing the Medicaid program with a proven pro-patient, pro-taxpayer solution to make the program work for the most vulnerable."

And the Foundation for Government Accountability, in a memo to Indiana legislators retweeted by Heritage Foundation CEO Jim DeMint, noted, "Right-leaning health policy observers have long debated the merits of the Healthy Indiana Plan. But for supporters, one glaring point remains. Any CMS-approved Medicaid expansion plan will likely gut the critical elements of the original Healthy Indiana Plan—relegating Gov. Pence's proposal to Medicaid expansion by another name. States like Arkansas and Iowa were flamboozled into supporting ObamaCare's Medicaid expansion with the federal government's false promises of flexibility. What those states were left with was an ObamaCare Medicaid expansion with some free-market window dressing. Gov. Pence and Indiana legislators shouldn't make this same mistake. The best course of action is to walk away from any Medicaid expansion proposal that subverts the original intent of the Healthy Indiana Plan."

Political impacts

Thus far, Pence has avoided the sharp arrows from

the right that he is now attracting on his Common Core Lite reform.

"If you're a presidential candidate, the camera goes on and the question is, 'What would you put there instead of Obamacare?'" said Robert Blendon, a professor of health policy and political analysis at Harvard University told the Indianapolis Star. "Every Republican candidate is going to have to answer that."

The Family Institute's Curt Smith noted, "It ... nicely positions Pence to own that issue should he choose to jump into the presidential race down the road."

Milbank's Tuesday Washington Post column observed, "Although not usually mentioned in the top tier, Pence is well positioned at a time when the party's strongest candidates are governors. He has a better record than New Jersey's Chris Christie, is smarter than Texas's Rick Perry, is not as divisive as Wisconsin's Scott Walker and is more conservative than former Florida governor Jeb Bush. He speaks the language of Christian conservative – twice in his AEI speech he wove in biblical passages from Luke without citation – and his Medicaid experiment should earn him some moral authority. While other GOP governors continue to refuse the Medicaid expansion money, a decision that inevitably means lost lives, Pence reminds them, and everyone, that 'we're talking about real people, working people who deserve a better way.'"

Dr. Aaron E. Carroll, professor of pediatrics at Indiana University School of Medicine, wrote for the New York Times, "Mr. Pence now joins conservative leaders of Arkansas, Michigan, Pennsylvania and Utah who have recently found or are trying to find ways to 'get to yes' with the federal government on this issue. If Mr. Pence can find a way, it's likely some of the 23 holdout states will eventually follow. This is significant, because since the Supreme Court made the Medicaid expansion optional for states in 2012, many states have refused to expand the program. This has left about 5 million people nationwide in a coverage gap, where they are too poor to qualify for exchange subsidies to purchase private insurance, and ineligible for Medicaid as it currently exists."

Coinciding with Pence's HIP 2.0, Pew Research did a poll that showed Republicans, by a 51% to 40% margin, say serving as a governor rather than as a member of Congress is better preparation for the presidency. That is a substantial shift from early 2007, when more Republicans believed experience in Congress (46%) than as a governor (32%) better prepared someone for the White House.

Successful governors are those who rule with pragmatism. They are confronted with, as Pence observed, "real people" facing "intractable problems."

There's a long way to go for this story to play out. But there is no mistaking that Gov. Pence opened a new chapter in his policy career. And as the old saying goes, good policy makes good politics. ❖



Gregg, McDermott, from page 1

reelecting governors; I am also painfully aware of where I live. If the party is open-minded to a young, aggressive candidate and I get support, I'm going to take a look at it."

Gregg told Howey Politics Indiana earlier this week that he has a team of researchers in place looking into everything from whether Gov. Mike Pence can run for vice president and governor at the same time, to data surrounding the incumbent Republican's administration.

"We have stepped it up," Gregg said. "I have a team analyzing data, looking into the governor's ability to run, what it means if he's on a national ticket. We're studying it hard. I have a good group of people who are analyzing everything. While I haven't set a deadline, we are looking at the data and what it would mean for a run. We're out there talking with people every day, picking people's brains and getting input. I've got people approaching me every day about it.

"You've got to assume the governor will run for reelection."

Pence defeated Gregg 49.5% to 46.6% in November 2012, in a race that closed dramatically in the final days. In the final Howey/DePauw Indiana Battleground Poll conducted on Oct. 28-30 of that year, Pence had a 47-40% lead, down from 13% leads he had in Howey/DePauw polls conducted in September and March. The controversy surrounding statements of abortion and rape by Republican U.S. Senate nominee Richard Mourdock, Pence's initial call for an apology and then a rally around Mourdock allowed Gregg to close the gap, as Pence saw his support among women dive. Gregg believes that he could have overtaken Pence had the election gone on another two or three days.

The 2016 Democratic gubernatorial field has been inactive. House Minority Leader Scott Pelath has ruled out

a run, Senate Minority Leader Tim Lanane isn't planning to do so, and former governor and U.S. senator Evan Bayh said in Bloomington earlier this spring that he plans to move back to Indiana after his twin sons graduate from high school this month, but would not commit to running in 2016.

McDermott said that if Bayh decided to get in, he'd reassess, since the former governor is sitting on a \$10 million war chest. "I met with Evan at the Gridiron and we had a very friendly meeting," said McDermott, who has sharply criticized Bayh for bolting from his 2010 reelection bid which cost Indiana Democrats several congressional, Indiana House and Senate seats as candidates realigned in that void. "He told me at the time he's still up in the air. I personally don't think he'll run. If he's serious, he'd be back home now raising money. But Evan will do what he wants."

McDermott is a Notre Dame graduate, a U.S. Navy veteran, and three-term Hammond mayor who chaired the Lake County Democrats for five years following the death of Rudy Clay. He upset Republican incumbent Duane DeDelow Jr., in 2003, with a 8,948-to-8,196 victory. In 2007, he defeated Republican George Janiec by less than 400 votes, but stormed back in 2011 and swamped Janiec in a rematch, 9,425 to 2,330. "If you polled people in Hammond today, my favorable would be in the 70% range," McDermott said.

McDermott has been an innovative mayor, forging the College Bound program that used Hammond casino revenue to provide full-ride scholarships for students who live in the city. He said that 3,000 have used the program and more than 1,000 had college degrees in the first eight years. He renewed the program earlier this month, using funds from water deals Hammond has signed with neighboring Illinois cities. "I used my office to help education kids and sell homes," McDermott said. "I have a lot of

Indiana Governor - Pence vs. Gregg

Candidates		Indiana Snapshot
		RCP Ranking: Likely GOP 2012 Key Races: Pres Sen IN-2 IN-8
Mike Pence (R) Bio Campaign Site	John Gregg (D) Bio Campaign Site	-----PAST KEY RACES----- 2010: Senate IN-2 IN-8 2008: President Governor IN-3 2006: IN-2 IN-7 IN-8 IN-9 2004: President Governor Senate IN-2

Polling Data					
Poll	Date	Sample	Pence (R)	Gregg (D)	Spread
Final Results	--	--	49.5	46.6	Pence +2.9
Howey/DePauw*	10/28 - 10/30	800 LV	47	40	Pence +7
Howey/DePauw	9/19 - 9/23	800 LV	47	34	Pence +13
Howey/DePauw	3/26 - 3/27	503 LV	44	31	Pence +13



people in my neck of the woods telling to me to go for it. I'm now looking to see how I am being received in Indy and Southern Indiana."

McDermott has forged service arrangements with neighboring towns such as Whiting, consolidating city departments; supported parts of the Kernan-Shepard local government proposals; was the first to embrace 911 dispatch consolidation; and has advocated Lake County government and school mergers. "We have 20 different cities. We have all these school corporations," McDermott told HPI in 2010. "If the cities combined, we'd have a city of 450,000 people. We would be bigger than Evansville and Fort Wayne, could save so much and do so much more." But McDermott was an ardent critic of Gov. Mitch Daniels' IBM deal with the Families Social Services Administration, calling it a "fiasco."

McDermott said that he will begin touring the state this spring and summer. He is planning a big presence at the Indiana Democratic Editorial Association convention in French Lick in August. McDermott was meeting on Wednesday with Emily Gurwitz, a former finance director for the Evan Bayh committee.

Gregg has been fielding calls from national media about a potential Pence presidential run. "There is no doubt he would like to be president," Gregg said of Pence, a former Indiana University Law School classmate. "He's testing the waters. I've been getting a lot of calls from media asking me about him." Last week Gregg told the Washington Post that it's clear Pence's Indiana agenda is

designed for a presidential run. "Everything that has been done in Indiana – the Common Core, the two tax cuts – has been done solely for how it plays in a presidential race," Gregg said. But Gregg characterized a Pence presidential bid as a "long shot," adding that "recent history has shown neither party has it wrapped up by January or February," when Pence will have to file for reelection. "That in and of itself would be an issue," Gregg said of a Pence presidential bid.

On Pence's signing the repeal of Common Core and touting himself nationally as the first governor to do so, Gregg said Pence "absolutely" is using the issue for a potential White House run. "Everything he has done and will do will be about how it plays on the national stage."

Gregg said he doesn't have a set deadline for making a decision. He has been more active on social media in recent weeks. "The earlier the better for fund-raising," the former Indiana House Speaker said. "You've got to get people raising money."

McDermott said of Gregg, "John's a good guy. I like him and he likes me. It seems he's getting more active. That indicates to me he's interested." But McDermott doesn't believe in the modern Indiana Democratic mode of clearing the primaries and consolidating behind one candidate. "I expect a contested primary," McDermott said. "I think it brings out the best candidate. I'd want to keep it clean. But sometimes a candidate without a primary means we put out the worst candidate." ❖



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Battles resignation a blow to House Dems

By **BRIAN A. HOWEY**

NASHVILLE, Ind. – Friday has become yet another day that has rocked the beleaguered Indiana Democratic Party. Within minutes, State Rep. Kreg Battles announced his resignation from the Indiana House, and Hammond Mayor Tom McDermott said he is stepping down as Lake County Democratic chairman.



It follows Election Day 2010 when House Democrats lost their majority, reduced to a 60-40 minority status, and then 2012 when the party saw its erosion in the chamber continue as Republicans won 69 seats.

The McDermott resignation may represent an opportunity for the party's future. The loss of Battles only makes the party's rebound from super minority status in the General Assembly that much harder.

After the "Evan Bayh dominoes" of 2010, when the U.S. senator announced in bombshell fashion that he would not seek a third term, triggering ticket swapping that greased the skids for the loss of several Southern Indiana river legacy seats, the Battles resignation is more bad news. He was facing a rematch with former Republican legislator Bruce Borders, who was drawn into Battles' district with the 2011 reapportionment. Battles won the seat once occupied by 2012 gubernatorial nominee John Gregg by just 75 votes. Howey Politics Indiana's Horse Race put this November's Battles/Borders rematch into "Tossup" last week.

Now Borders will be a prohibitive favorite to win HD45, a continuation of a loss of Southern Indiana Democratic seats that mirrors the Republican Party's national dominance in Dixie. In 2010, Democrats saw Majority Floor Leader Russ Stilwell, Speaker Pro Tempore Emeritus Bob Bischoff, Whip Paul Robertson and Assistant Whip Nancy Michael all go down in defeat while Republicans picked up open seats vacated by retiring Reps. Vern Tincher and Dennis Avery. In 2008, Indiana House districts represented by Democrats touched all or parts of 57 counties. The 2010 election reduced that to 37 counties. In 2012, Republicans picked up the open HD42 and HD60 where State Rep. Peggy Welch lost to Peggy Mayfield in the Morgan/Monroe county area on their way to their super majority.

Battles was one of the last Democrats to represent a rural Indiana district (Rep. Terry Goodin still represents Scott and Jackson counties), with the party now confined to Indianapolis, Evansville, Fort Wayne, Anderson, Jeffersonville, the college towns of West Lafayette, Muncie and Terre Haute, as well as Lake, Porter, LaPorte and

St. Joseph counties. The party has also seen an erosion in some of its industrial strongholds, losing seats in Fort Wayne (Win Moses), Richmond (Phil Pflum), Kokomo (Ron Herrell), and Mishawaka (Craig Fry).

"It has been an honor and a privilege to serve House District 45 – and House District 64 before that – and an opportunity for which I will always be grateful," Battles said on Friday. "But being a legislator is also a very selfish endeavor that forces a person's family to take a back seat sometimes. With five grandsons becoming more active, I need to have the time to attend their activities. I don't want them to ever feel that they have taken a back seat to anything. I want them to know they are my first and most important priority."

As for Mayor McDermott, his stepping down may be a prelude to a 2016 gubernatorial campaign. He has formed a statewide political action committee and Democratic sources say he is becoming more active downstate. On his weekly WJOB radio show, McDermott said, "There's more from me to come down the road. I don't plan to walk away from politics."



Besides Bayh and McDermott, Gregg has told HPI that he has only refrained from "actively campaigning" for the 2016 nomination. Other Democrats mention Kokomo Mayor Greg Goodnight as a potential nominee, as well as former congressman Baron Hill.

The two legislative leaders, Sen. Tim Lanane and Rep. Scott Pelath, don't appear likely to run. Pelath told HPI this week, "Frankly, I don't have one second to think about who the governor is going to be. I have a sacred obligation to increase the influence of Democratic perspectives in the lawmaking process and that means our caucus needs to gain seats and spread its message more effectively. I could come up with a list of 10,000 better candidates for governor. I would probably vote for any other Democrat for governor than me."

Lanane told HPI earlier this month, "The best thing I can say about that is, you can't rule it out. The only reason I say that, as you've pointed out we are in a position as leaders to have an opportunity and a duty to watch the Super Majority; to make sure they are being responsible and to give the Democratic response to issues upon which there should be a fair debate. I can't sit here and say that I have any plans, but it's something which naturally comes with the position when you're a leader in the Indiana General Assembly caucus."

Pelath said that if Indiana Democrats are to get serious about winning back the governor's office after 12 years in the desert, they have to make inroads in the House. "We have to remember, if we don't increase the Democrats in the legislature, the legislature will merely be a torture device for any Democratic governor," Pelath said.

The resignation of Rep. Battles and the probable loss of HD45 means the party rebound will be that much tougher. ❖

How Brown, Raatz won open Senate seats

By **BRIAN A. HOWEY**

NASHVILLE, Ind. – When it comes to the conventional wisdom of Indiana General Assembly races, a key principle is that voter movement is greatest in the final two weeks of the campaign, when folks start paying attention.

But in two contested open Indiana Senate seats, the decision to go up early on radio and TV resulted in victory for the underdog Liz Brown in SD15, and the obscure

Jeff Raatz in SD27. Brown is the former Fort Wayne city councilwoman and mayoral candidate seeking to succeed the retiring State Sen. Tom Wyss, with popular Allen County Sheriff Ken Fries and two other opponents in the primary. Raatz was a religious school principal

nominally involved in Wayne County Republican politics facing Richmond City Councilman Bruce Wissell and two others for the GOP nomination replacing the retiring Sen. Allen Paul.

Running against a two-term sheriff is a tough political order. Indiana sheriffs tend to have large political networks within and beyond the law enforcement community. Successful sheriffs such as Fries are usually viewed as having clout. They have big budgetary footprints in county government, can dominate media coverage and unless otherwise proven, accumulate a great deal of public trust since they are involved with the safety of citizenry.

"When we started last November, Fries had a 66% favorable and Liz was in the mid-40s," said Mike Gentry of Maverick Consulting. Gentry also heads the House Republican Campaign Committee. Fries' ballot strength measured at 53%, double that of Brown at 26%.

While Fries commanded one of the largest police units in the state and in its second largest county, Brown had served one term on the Fort Wayne Council where she gained a reputation as a tough questioner. While the public respects such tenacity, other elected officials were leery. And Brown had lost the 2011 mayoral primary to Paula Hughes by nearly 5,000 votes, finishing a distant second in a five-person field.

Brown decided to run a positive campaign and she was willing to run an atypical campaign. The conventional wisdom is to raise money, then spend heavily at the end.

But the Brown campaign made a decision to begin radio advertising early - March 25 - on WOWO which is heavy on conservative talk shows. "We went up very early, setting the tone," Gentry said. "The message was that Liz is conservative. She had the endorsement from the powerful Allen County Right to Life and she was for term limits.

The early WOWO ads ramped up Brown's name ID to get her on a similar plain as Fries. But the next key decision was to, as Gentry described, "get her into the game. We had to increase her favorables in a short amount of time." The complexity of this was compounded by a late Easter Sunday and spring break. On April 13, Brown began running TV ads on the CBS show "The Good Wife" and then on local Fort Wayne newscasts the next two nights. The Brown campaign put up between 600 and 700 gross rating points and spent \$47,000. "When we got our voter ID back, Liz was up," Gentry said. That occurred on April 23.

The ad showed a man on a treadmill, with a finger pressing a stop button. The message was "It's time for something different." Here was Liz Brown, former councilwoman, wife and mother of seven, with an undergraduate degree from Notre Dame and a law degree from the University of Iowa. She was the conservative in the race, but not just another politician.

Fries and Allen County Councilman Darren Vogt stayed on radio and dropped direct mail. "We made a decision to do very little mail," Gentry said, another decision that tends to buck an established trend. "The mail we did was very targeted," Gentry said. "We sent a couple of letters to folks when we targeted voters." The mail promoted her Right to Life endorsement and stance on term limits. There was also a bio piece.

Brown and her team of two full-time staffers and volunteers, had conducted an extensive door-to-door campaign beginning in mid-February. When the campaign received precinct data, the decision was made to have the candidate and her team rewalk several key precincts. This played a key role in staving off Fries.

By the final week of the campaign, Fries was running three TV ads to every one for Brown. "We literally didn't know if we had enough money to finish broadcast TV," Gentry said. "She had a little money left over to do a sprinkling of ads.

Another break came from Vogt, who had gained the endorsement from both the Fort Wayne Journal Gazette and the News-Sentinel. Vogt pumped out a direct mail piece suggesting that Brown, a professional mediator, didn't actually mediate legal cases.

Brown responded with a Friday afternoon press conference, where she revealed pay stubs from Allen County government paying her for professional media-



tion services. So while the Brown campaign lacked funding in the final week-end, she ended up with an array of earned media in the two newspapers, as well as on TV and radio newscasts.

Brown outlasted Fries, who sources say believed he would win with over 50%, winning 3,643 to 3,294. Vogt polled 2,118 and businessman Jeff Snyder ended up with 567. Sen. Wyss made no endorsement.

Gentry observed of Brown, who has no Democratic opponent to date, "When Liz met voters at the door, she would get votes. She is very personable. She had a reputation for asking the tough questions on the city council, and some in the political arena would get offended. The political class had that opinion, but the people liked her."

Raatz wins open SD27

Like Brown, Jeff Raatz was in a four-person race facing a 20-year council incumbent in Bruce Wissel and former Wayne County Commissioner Doug Williamson. But unlike Liz Brown, Raatz had virtually no name ID.

"We were way behind," said campaign media consultant Blair Englehart of The Englehart Group. "We started TV way before the normal period, four weeks before you would in a normal campaign. We did this to build up name ID. We essentially created a brand, introducing Jeff to District 27. It was warm and fuzzy, with no confrontation. It focused on jobs, the economy, and that he was pro-life and pro-2nd Amendment."

There were also four mailers for Raatz that concentrated on that same message, plus one from the Indiana Family Association that promoted Raatz as pro-family. The Raatz campaign did no radio. The Raatz campaign avoided the constitutional marriage amendment issue. "We didn't touch it," Englehart said of HJR-3. "It was just an issue that was dead and didn't need to be brought up. It wouldn't have been a winning situation."

Without broadcast options in the Richmond area, the Raatz campaign used cable. "We concentrated our TV everywhere in the district," Englehart said.

Wissel had good name ID in Richmond and Wayne County, but little in the other counties, including parts of Randolph, Union, Fayette, Franklin and Dearborn. He began his cable buy about two weeks out, with his ad featuring Richmond businessmen endorsing the councilman. Wissel also sent out three mailers that touted his 20 years on the city council.

With no polling and virtually no local media coverage until the final week of the campaign, the conventional wisdom was that Wissel was the candidate to beat. The two other candidates, Doug Williamson and Eric Atkinson,



placed yard signs and did radio billboards and direct mail campaigns. Williamson was a former Wayne County commissioner who lost to State Rep. Dick Hamm in the HD56 Republican primary.

It wasn't until Election Day that informal exit polling conducted by the campaign showed Raatz leading in Wayne County. "We knew we had won it when we won Wayne County by more than 500 votes," Englehart said.

Raatz ended up with 4,231 votes,

Wissel 2,548, Williamson 1,443, and Atkinson had 506 votes. He will face Democrat Jake Hoog in the general election.

Coyle nominated in HD74

A caucus of precinct committee officials in HD 74 elected Chris Coyle of Derby City to serve as the Democratic nominee for the seat in the general election. Coyle will face incumbent Rep. Lloyd Arnold on the November 4 ballot. "Chris represents the kind of energetic leader we need in the Statehouse. He brings ideas and passion to the table, something this state requires to move forward," said Chairman John Zody. "Rep. Arnold and the GOP legislative supermajority have held Indiana back, pushing out-of-touch agenda that only benefits special interests. As a dedicated public servant, Chris's presence in the House will be a welcomed change come November because he knows Indiana deserves better." Coyle said, "I am running for State Representative because we need a better advocate for our Southern Indiana community. In 2012, my opponent spent hundreds of thousands of dollars telling our community he was one of us. Less than six months after being elected, he voted to cut funding to every public school in his district and send hundreds of millions of dollars to private, for profit schools in Indianapolis. No matter what party you are from, that is wrong."

Indiana Democrat Convention agenda

The Indiana Democratic Party announced its officers for the 2014 State Democratic Convention, where the Party will choose its statewide nominees for Secretary of State, Auditor of State and State Treasurer, as well as the schedule for "Big Dem Weekend" May 30 & 31.

"We are excited to welcome members of our Party to our state's capital for 'Big Dem Weekend,'" said IDP Chair John Zody. "All across the state, Democratic candidates are working to restore balance to our Indiana Statehouse and restore the trust and balance in government Hoosiers need – because they deserve better."

Zody told HPI that the party will announce its nominee for state treasurer prior to the convention. Marion County Clerk Beth White is seeking the secretary of state

nomination and Mike Claytor is running for auditor.

The State Jefferson-Jackson Dinner will be held Friday evening, May 30 at the Indiana Convention Center and will feature Hoosiers native and U.S. Sen. Maria Cantwell of Washington as the keynote speaker. Tickets for the dinner are still available at www.indems.org.

The State Democratic Convention will be held Saturday, May 31, and will feature the following presiding officers:

- Temporary Chair: Chairman John Zody, Indiana Democratic Party.
- Permanent Chair: President Maggie Lewis, Indianapolis City-Council Council
- Vice Chair: Cordelia Lewis Burks, Vice Chair, Indiana Democratic Party
- Parliamentarian: Kostas Poulakidas, Marion County
- Secretary: Vera Mileusnic, Lake County
- Sergeant-At-Arms: Brett Voorhies, President, IN AFL-CIO; Henry Fernandez, Indiana Latino Caucus.

Friday, May 30

7 p.m. - 10 p.m. Jefferson Jackson Dinner

Saturday, May 31st

7 - 10 a.m.	Delegate Registration
10 - Noon	Congressional District caucus meetings
1 - 2:30 p.m.	Constituency Caucus meetings
2 - 3 p.m.	Convention Committee meetings
3 - 6 p.m.	General Session

Republican platform fight over marriage

There will be a floor fight at the state GOP Convention in Fort Wayne next month over a platform plank in support of traditional marriage (Shella, WISH-TV). The addition to the platform made Monday has produced an emotional response that is coming from supporters of gay marriage, but also from party leaders who believe that there is no need to address the issue in the GOP platform.

The reaction began on Twitter. Hendricks County GOP Chairman Mike O'Brien tweeted that he is "disappointed the party took a step backward." Greg Ballard aide Amy Waggoner tweeted "you are losing a generation of voters" in reference to young people.

The state GOP platform now states "We believe that strong families, based on marriage between a man and a woman, are the foundation of society." It says, "We also recognize that some families are much more diverse" but makes no direct reference to gay marriage.

Lt. Gov. Sue Ellspermann chaired the meeting Monday where the marriage plank was added at the encouragement of conservative activist Jim Bopp who said, "It's an important issue that needs to be addressed."

Now gay rights activist and convention delegate Megan Robertson is among those planning to challenge the wording on the convention floor. "This tells gay Hoo-

siers that they aren't Republicans," she said, "and being a gay Hoosier who's Republican I take offense to that."

Bopp, Terre Haute attorney and a state GOP delegate, told the Indianapolis Star Tuesday he successfully introduced an amendment that says: "We believe that strong families, based on marriage between a man and a woman, are the foundation of society." While language also was added to recognize "diverse" family structures, some GOP delegates are offended by the traditional marriage language and say they'd rather the platform be silent on this issue that divides them.

Delegates decided in 2012 to make no mention of traditional marriage in the platform, instead opting for benign language saying "strong families are the foundation of virtue." Bopp said that while it doesn't specifically list gay couples, the definition of loving adults could include gay couples. "It's a good compromise to include both," he said.

Mrs. Stutzman endorses Mitchell

Christy Stutzman, the wife of U.S. Rep. Marlin Stutzman, has endorsed Kelly Mitchell for Republican treasurer. There has been some speculation on whether this is an indicator of a Tea Party shift away from Don Bates Jr. and toward Mitchell. But it's more complicated than that. Bates ran against Stutzman for the 2010 U.S. Senate nomination that was eventually won by Sen. Dan Coats. It's also hard to envision the disparate Tea Party tribes uniting behind anyone in the relatively obscure treasurers office. And there are some darlings of the Tea Party, such as State Sen. Mike Delph, who are supportive of Marion Mayor Wayne Seybold.

Republican Convention Agenda

Here is the agenda for the June 6-7 Indiana Republican Convention in Fort Wayne:

Friday June 6

Noon to 5 p.m.	Credential Pickup
4 p.m.	Rising Stars Panel
5:30-7:30 p.m.	Convention Program begins in the Grand Hall with featured speakers RNC Chairman Reince Priebus and former Arkansas Gov. Mike Huckabee along with speeches by candidates for Secretary of State, Auditor and Treasurer.
7:30-11:30 p.m.	Fun Night at Parkview Field

Saturday, June 7

7:30-9:30 a.m.	Breakfast for Delegates
8:00-9:30 a.m.	Breakfast for County, District and State Officers and Statewide Candidates
RSVPs required	
9:30 a.m.	Doors Open to the Grand Wayne Hall
	Convention Convenes
	Kenny Loggins Concert at Embassy Theatre. ❖
10 a.m.	
8 p.m.	

Pence tells feds can't comply on inmate rape

By MAUREEN HAYDEN
CNHI Statehouse Bureau

INDIANAPOLIS – Corrections officials say they've spent a decade working to reduce sexual assaults in state prisons and local jails, but their efforts aren't enough to satisfy the federal government. Late last week, Gov. Mike Pence told the U.S. Justice Department the state won't meet a deadline to certify that all prisons and county jails comply with the federal Prison Rape Elimination Act.



The major sticking point is money. The state needs an estimated \$20 million, another \$4.5 million for counties to add the staff and equipment required by the law. "This would require a redirection of millions of tax dollars currently supporting other critical needs for Indiana," Pence said in a May 15 letter to U.S. Attorney General Eric Holder.

His decision may cost the state and local governments about \$350,000 a year in federal corrections funds as a penalty for failing to comply with the law. But that loss pales in comparison to the price of meeting the Justice Department's standards. According to the Federal Register, a county would spend about \$50,000 to upgrade its jail to comply. "The goal is worthy but the costs are impossible to meet," said Steve Luce, head of the Indiana Sheriff's Association, whose members oversee the state's 92 county jails.

The law would require the state to increase staffing at four juvenile prison facilities to prevent sexual assaults, costing about \$5.4 million for up to 120 additional guards. One of the costliest measures prohibits "cross-gender viewing," and requires that inmates be allowed to do things like shower and change out of view of guards of the opposite sex. "The remedy is to hire more staff and erect more barriers, but that takes money," said Luce. "This is another unfunded mandate from the federal government."

The law's advocates dispute that contention. They argue the federal government has spent \$40 million to help states come into compliance with the law and that prisons and jails will have until 2017 to put the new standards in place before any financial penalties would kick in. "A lot of money has already been invested and it's still not clear what states are doing with the money and how much closer we are to decreasing the number of prison rapes and assaults," said Carmen Daugherty, policy director for the Campaign for Youth Justice, a non-profit that advocates for juvenile justice reform.

Congress passed the Prison Rape Elimination Act in 2003 with strong bipartisan support. It requires institutions that receive federal money to adopt a zero-tolerance policy toward sexual violence behind bars and use rigorous tactics to prevent it. Among other measures, it requires the screening of inmates to separate predators from potential victims, and requires prisons and jails to provide multiple channels for inmates to report sexual abuse, including allowing them to report abuse anonymously.

But these rules for implementation of the 2003 law weren't finished until June 2012, and standards for checking compliance in state facilities weren't done until August 2013. The delay has caused problems. States, including Indiana, increased efforts to reduce sexual assault of inmates after the law passed but now fall short of the new federal requirements. The rules cover 128 pages and include 52 detailed standards that every facility must meet. Of Indiana's two dozen state prisons, only eight are certified as complying with the law. That includes just one of the state's four juvenile detention facilities.

Bryan Pearson, who oversees compliance for the state Department of Correction, said a focus on reducing sexual assaults in prisons and jails started in 2003 and intensified when the Justice Department reported seven years later that nearly a third of youths in state juvenile prisons said they'd been sexually abused while in custody. The results are difficult to measure. Less than 1% of adult prison inmates in Indiana have reported abuse to officials, though Pearson acknowledged the numbers may be low because of victims' reluctance to report abuse. In 2012, the latest year available, there were 31 substantiated cases of sexual abuse of adults and juveniles in the state prisons. There were 32 substantiated cases in 2011.

The most recent federal survey found that 4% of all state and federal prison inmates in the U.S. reported being sexually victimized by another inmate or a staff member in 2011, or more than 87,000 victims of sexual assault in a single year.

Pearson said the numbers don't tell the full story. "There's been a cultural change in our prisons," he said. "Before, we were reactionary, responding to reports of assault. Now we're proactive."

Indiana isn't alone in its decision to opt out of compliance with the federal law. Last month, Texas Gov. Rick Perry informed the Justice Department that his state wouldn't comply with what he called a "counterproductive and unnecessarily cumbersome and costly regulatory mess." Pence's language was more constrained but just as critical. "There is little empirical data showing these (federal) standards to be effective," he wrote. Like Perry, he urged Holder to give states more discretion to implement their own policies and practices to prevent sexual assault of inmates.

The Justice Department has yet to release information on the number of governors who met the May 15 deadline to report compliance with the law. The department has until September to release the information. ❖

Get ready for more of same from Congress

By LEE HAMILTON

BLOOMINGTON – Congressional inaction is spurring states and big-city mayors to try to fill the national power vacuum by going ahead with their own minimum-wage measures, tax increases, and other initiatives designed to legislate where Congress won't.



I felt a brief surge of hope about Congress a few weeks ago. It was returning from Easter recess, and Capitol Hill was filled with talk about immigration reform, a minimum-wage bill, a spending bill to keep the government operating, and maybe even funding for transportation infrastructure. But, as I said, it was brief.

That's because the talk turned out to be just that. Immigration reform appears headed nowhere. Likewise, tax reform

and budgetary discipline. The minimum-wage increase died in the Senate. Shoring up the Highway Trust Fund, which could go bankrupt at the end of the summer, requires either massive new spending or a hefty rise in the gasoline tax — and Congress, of course, is inclined to do neither. The one step it appears ready to take is to approve a short-term spending bill, and that's only because no one in either party wants to risk the public outrage that would attend a government shutdown right before an election.

Which is part of the problem. With this year's congressional elections fast approaching, neither party wants to force its members into tough votes. In fact, neither party even wants to appear to be working with the other one. Republicans in the House talk about Benghazi, boosting charter schools, and Obamacare, and pass bills that have no chance of becoming law. In the Senate, Democrats push an extension of jobless benefits, try to make political hay out of the Republicans' rejection of the minimum wage, and show little interest in moving bills through to enactment. Listening to them separately, it's hard to imagine that they inhabit the same country.

This doesn't seem likely to change as a result of the mid-term elections. Congress will remain evenly divided. Which means that for the next two years at least, the stalemate between Capitol Hill and the White House will probably continue.

As a nation, we face a lot of challenges, yet we're not addressing them. Comprehensive immigration reform may be "very difficult to achieve," in the words of one leading Republican senator, but it's still vitally important. Housing reform, tax reform, trade liberalization, reforming

the International Monetary Fund — all need congressional action. So do the nation's armed services and the Defense Department, which face serious cuts because of sequestration. Climate change isn't even on the congressional agenda.

Which is why we have the curious sight of local governments trying to deal with a global issue by passing zoning laws and ordinances, in the belief that at least they can do a little bit to address climate change's impact. Indeed, congressional inaction is spurring states to cancel planned summer bridge- and road-repair projects, and big-city mayors to fill the national power vacuum by going ahead with their own minimum-wage measures, tax increases, and other initiatives designed to legislate where Congress won't.

Recently, I've been listening to what non-incumbent candidates for Congress are saying. Their partisan labels and policy specifics might differ, but not their basic message: That they're the ones to fix congressional dysfunction, partisanship and polarization, and to get Capitol Hill moving again. Many of them won't get the chance to put their ideas into action, since incumbents have overwhelming advantages at election time. Even those who do get elected will find, as they always do, that there's a yawning gap between what seems possible when you're campaigning and what's actually possible once you're elected.

Still, the fact that candidates are talking about fixing Congress means they believe this is what Americans want. If they do well enough in the elections, perhaps incumbent members will notice that the people want Congress to get its act together, and to begin to address seriously our long list of problems.

Let's hope so, because here's my fear. Congress is already derided at home as bumbling and ineffective. The perception abroad is even more worrisome: Capitol Hill's inability to act is seen as a key piece of America's decline as a superpower. If it turns out that we've got several more years of drift and dysfunction ahead of us, then the institution that our founders considered to be the keystone of American democracy risks becoming not part of the solution, but the core of the problem. ❖

Lee Hamilton is Director of the Center on Congress at Indiana University. He was a member of the U.S. House of Representatives for 34 years.

Chairman Buncich?

By RICH JAMES

MERRILLVILLE – Although the election is more than a month away, you’ve got to figure that Sheriff John Buncich will be the next Lake County Democratic chairman.

June 28 is the targeted date for the county’s 526 precinct committeemen to select a replacement for Hammond Mayor Thomas McDermott, who is stepping down as chairman because he might seek higher office down the road. McDermott said he will run for re-election as mayor next year. He hasn’t said he will run for governor in 2016, but be assured that is where he is heading. In announcing his decision to resign as chairman, McDermott said it wouldn’t look good for him to campaign for statewide office while also serving as county Democratic chairman. McDermott explained



that there is a negative connected with being from Lake County, and that negative would be magnified if a person is sitting as Democratic county chairman. Apparently being a Lake County Democrat is a whole lot better than being Lake County Democratic chairman.

But I digress from the business at hand. Being Lake County Democratic chairman is a powerful position. There have been just five chairmen over the last half century, and two of the five have served since 2005. Being chairman and sheriff provides even more power.

While it is far from a given, Buncich ought to be a heavy favorite to be the next chairman. When McDermott was elected to a second term as chairman a year ago, there was talk that Buncich would challenge him. But, when McDermott vowed to back Buncich’s reelection bid this year, he backed away from seeking the chairmanship. By rights, that ought to mean that McDermott will back Buncich for the chairmanship next month.

Besides his closeness to McDermott, Buncich also is tight with the precinct organization and organized labor as well. And, Buncich has nothing to gain. He will begin his final term as sheriff in January, given that he is virtually assured of winning in November. That term likely will be the end for Buncich in terms of holding public office. But a win isn’t assured. Mike Repay, who was elected county commissioner in 2012, has announced his candidacy. Without mentioning Buncich by name, Repay said it is important to continue the forward movement provided by McDermott rather than looking back to the old guard. Yet there are those in the party who think Repay is too new and moving too quickly. And some have vowed to hold Repay accountable for providing the decisive vote for a county income tax last year after vowing he would never vote for the tax.

Also talking about the chairmanship is County Clerk Mike Brown of Gary, another Democrat who hasn’t yet earned his stripes, but has entered the race. ❖

Rich James has been writing about state and local government and politics for more than 30 years. He is a columnist for The Times of Northwest Indiana.



GALLUP DAILY
May 18-20, 2014 – Updates daily at 1 p.m. ET; reflects one-day change

Obama Approval	42%	-
Obama Disapproval	52%	-1

Public Increasingly Views State House as Better Preparation for the White House

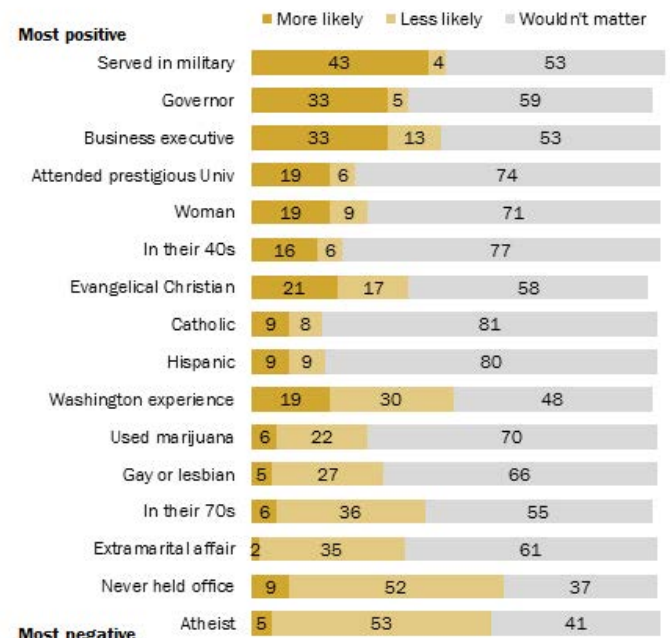
Which better prepares someone to be president, serving as a state’s governor or as a senator or a member of Congress?

	February 2007		April 2014		Change in Governor
	Governor %	Congress %	Governor %	Congress %	
Total	24	55	44	44	+20
Republican	32	46	51	40	+19
Democrat	18	63	35	55	+17
Independent	23	57	45	42	+22

Survey conducted April 23-27, 2014. Don’t know responses not shown.

Views of Presidential Traits: Positives and Negatives

How would each impact your likelihood of supporting a candidate ...



Survey conducted April 23-27, 2014. Don’t know responses not shown. Items ranked from largest net positive to largest net negative.

Mayors investing in fantasies

By MORTON MARCUS

INDIANAPOLIS – Hoosier mayors and their city councils are beleaguered by fiscal crises set upon them by Indiana's legislature. Some mayors take up the challenge, working hard to trim expenditures, doing as little harm as possible to the public's welfare. Other mayors invest in fantasies.



Two such fantasies, notable for their inventiveness, are being pressed upon the public in Anderson and Logansport.

First is the proposal to flood parts of Anderson and Mounds State Park by damming the White River. This proposal, as I understand it, has received \$600,000 from the State of Indiana for a study of its benefits and costs.

The proposal was initiated by the economic development folks in Anderson. They envision a recreational and housing bonanza for the reservoir and its surrounding area that would rival the Geist development in Marion and Hamilton counties.

Presumably, wealthy persons would move into luxurious homes on the banks of the reservoir, bring new hi-tech businesses to Anderson, and share the new lake with recreation-starved visitors from afar. In time, the reservoir would also provide water for the expanding central Indiana metropolitan area. If properly conducted, the study should tell us how much of all this can come to fruition and at what cost to whom.

A group of notables, the "Upper White River Watershed Alliance," has endorsed the study while carefully taking no explicit position on the virtue of the project. Another group, composed of homeowners, farmers, park users and interested citizens has formed "Heart of the River" to oppose the reservoir.

Would the federal government fund this project? Is it somehow in the national interest to develop high-end homes and added recreational facilities between Anderson and Muncie? What are the environmental and historical costs of using this site for a reservoir?

Who stands to benefit from this project? Is this something Citizens Water (an Indianapolis public charitable trust) sees as a public good or is it part of the imperial designs of that agency?

Second, the Logansport project is equally puzzling. Apparently, there are moneyed interests in France, with unknown expertise, desiring to build an \$803 million power plant in Logansport. In return for 4 percent of the gross (?) sales, these benefactors ask only for a 25-year contract

to sell electricity to Logansport consumers and businesses. This would be a natural gas-powered facility, unlike the trash-powered generating plant previously proposed by another mystery source.

This project seems to have the energetic support of the mayor and his allies on the city council. How the project would be financed is unclear. Would bonds be sold through the Indiana Bond Bank for this private venture? If Logansport needs a new source of electricity, what is wrong with existing private companies or the Indiana Municipal Power Agency? What is the role in this project of Brian Bosma, Speaker of the Indiana House of Representatives?

Both projects will have to face federal and state regulatory agencies. In the meantime, the reservoir and the power plant can help the mayors demonstrate their bold concern for the future, regardless of how flimsy the fantasies. ❖

Mr. Marcus is an economist, writer, and speaker who may be reached at mortonjmarcus@yahoo.com.

Obama address VA scandal

WASHINGTON – President Barack Obama said Wednesday he is upset over allegations of misconduct at the Department of Veterans Affairs — though he didn't go so far as to announce the firing or resignation of Veterans Affairs Secretary Eric Shinseki. But Obama left open the possibility that he might do so, pending a further investigation he's ordered (Politico).

Speaking at the White House after an Oval Office meeting with Shinseki and deputy chief of staff Rob Nabors, Obama said if allegations that as many as 40 veterans have died as a result of records being doctored, along with other charges of mismanagement, prove to be true, "it is dishonorable, it is disgraceful," adding "I will not stand for it — as a commander in chief, but also as an American."

Asked repeatedly if the secretary has offered to resign — or whether he should — the president gave a roundabout statement of wavering confidence — but only after catching himself praising Shinseki's work on veterans' homelessness and the Post-9/11 Bill.

"He has put his heart and soul into this thing and taken it very seriously," Obama said, while saying he's still waiting for answers on the investigation and believes Shinseki would quit if necessary.

"I have said to Ric, and I said it to him today, I want to see what the results of these reports are, and there is going to be accountability," Obama said. ❖

Gov. Hamlet plays on Broadway

By JACK COLWELL

SOUTH BEND – Indiana’s Gov. Hamlet is on stage again in a Shakespearean performance now familiar to Hoosier audiences, reciting lines reflecting the famed political soliloquy: To run or not to run. That is the question, whether ‘tis smarter at this time to suffer the slings and arrows of presidential primaries, or to postpone for now that sea of troubles.

The role of Gov. Hamlet is played now by Mike Pence, who really is Indiana’s governor.



In this drama, Gov. Hamlet ponders whether to run for president, a goal devoutly to be wished, or to await better timing, or just forsake the goal and avoid those inevitable slings and arrows in a presidential quest.

The role of Hamlet has been played recently by other Hoosier governors, Mitch Daniels and Evan Bayh. While Daniels wanted to run for president, his family vetoed it amid concern

that the slings and arrows would affect them as well as him. Bayh, as governor and more so as senator, pondered a run. He started a race, then halted when he knew a presidential nomination was not to be. This almost led, however, to being the 2008 vice presidential running mate with Barack Obama.

Now, Pence.

The current Gov. Hamlet performed last week on Broadway, well, in New York City anyway.

News reports tell of Pence meeting there with conservative journalists and prominent Republican donors. He met with the Wall Street Journal editorial board, an influential voice with conservatives, and appeared on “Fox & Friends,” reaching an audience tuned in to Republican politics. He told that audience that he was proud of the fact that Indiana was the first state to drop out of the Common Core education standards. That plays well with many folks who vote in early Republican primaries and caucuses.



As the drama unfolds, Pence doesn’t reveal

As the drama unfolds, Pence doesn’t reveal

what is to be or not to be in terms of a presidential campaign. Indeed, Pence doesn’t know.

His lines include the claim that being governor of Indiana has “consumed all of our attention.” Not quite all. He does ponder the presidential. Also, he prepares to run for re-election as governor in 2016, a race to be run if found to be the better option. Pence confirmed in an interview with the Washington Post that he is “listening” to prominent Republicans who urge him to seek the Republican presidential nomination, a nomination now seemingly up for grabs.

The Post reports that “some GOP leaders have begun talking up Pence as an under-the-radar standard-bearer” who could “electrify grass-roots voters while uniting the constituencies that make up today’s deeply divided Republican Party.”

Pence is enhancing the presidential speculation. As the Washington Post noted: “For a governor who says he is focused squarely on his home state of Indiana, Republican Mike Pence keeps popping up elsewhere.”

In Germany, he did more than just seek to lure some jobs to Indiana. He talked foreign policy, denouncing what he called an Obama administration “policy of conciliatory diplomacy.” Political appearances in Florida, Wisconsin and Michigan and an upcoming speech at the Alabama Republican state convention add to speculation.

As a congressman, Pence was a fiery advocate of conservative social values and a conservative leader, rising to chairman of the House Republican Caucus, third highest GOP leadership position.

He was regarded as a possible Republican presidential nominee in 2012. Alas, another Gov. Hamlet from Indiana, Mitch Daniels, was then on stage reciting the presidential soliloquy of whether to run or not to run. Not

knowing that Daniels would eventually conclude a presidential run was not to be, Pence decided instead to seek to add executive experience to his resume by becoming governor.

That added experience is cited now by prominent conservatives who praise Pence, among them, Bill Kristol, editor of the Weekly Standard; Chris Chocola, the Hoosier leading the Club for Growth, and Dick Armey, former House majority leader.

They want Indiana’s Gov. Hamlet to stop pondering and decide to run, perchance to win. ❖

Colwell has covered Indiana politics over five decades for the South Bend Tribune.

Jennifer Ruben, Washington Post: Recently, attention is turning to Indiana Gov. Mike Pence. I caught up with him Monday afternoon in Union Station before he caught a train to New York to meet with fellow governors, another opportunity to roll out his Medicaid reform plan. When I asked him about a potential 2016 run, he looked almost sheepish. Glancing at his wife Karen across the table he said, "We're just real, regular people. I've got a van with a dent in the back." His wife, who seemed equally nonplussed by the thought of a Pence presidential run, added ruefully, "With 50,000 miles on it." He's certainly been asked this before, but he seemed genuinely surprised and overwhelmed. "I grew up with a corn field in my back yard," Pence said. "I'm very humbled, but I think it has more to do with the progress of the people of Indiana." He then reeled off a list of items his state has achieved since he took office — easily the bullet points on a campaign stump speech — "a growing economy, 5.7 percent unemployment, the fact that we're recognized in education [reform]."

For most of the interview, he tried to keep his remarks Indiana-focused. I asked him how the move from Congress to the Indiana statehouse has changed his outlook. There is no sound-bite response. He paused, looked to the side for a few seconds and replied, "I've become a champion for state reform." He then praised his state legislature as the "best in America" and described the contrast with Congress. "These people [in the state legislature] live in their communities. They are part-time legislators." Not only does that put them on the front lines when things don't get done but, Pence told me, "States can't print money. I wasn't able to complete the budget until the final revenue forecast came in."

What he described sounds like a parallel universe to what goes on inside the Beltway. He recalled that after he was elected, he sat down with every member of the legislature individually to assess what he or she wanted and needed for the Hoosiers in the lawmaker's district. "We work collaboratively," he said. "But leadership matters. Anyone who ever looks to Congress to lead the national government is looking in the wrong place. The president is leading or the country isn't being led." I turned to Common Core. Indiana pulled out of the Common Core group of 44 states and chose to develop its own standards. Since doing that, the governor has faced criticism from the right from those who see Common Core elements in the Indiana plan and from outside experts miffed that he's made any changes. He is emphatic about local control of schools. "I am absolutely confident the new standards are better than Common Core and better than what Indiana had before." Will he run in 2016? He appeared genuinely undecided, if not downright skeptical. But plainly he's a governor immersed in state-led reform with a strong grasp of foreign affairs. The GOP could do worse, and it may very well do so. ❖



Dana Milbank, Washington Post: For the first time since Obamacare split the country in two, the conditions for a cease-fire have begun to appear. An architect of this detente — although he denies any such intent — is Mike Pence, who as a conservative Republican congressman in 2010 fought bitterly against the law and who as governor of Indiana refused to implement it. But Pence, after intensive negotiations with the Obama administration, just announced his intent to take the money Obamacare provides for Medicaid expansion and to use it on his own terms to broaden health-care coverage for the working poor. For Pence, a happy warrior for conservatism and a possible 2016 presidential contender, the reason is pragmatic: If he could get money under an Obamacare waiver to enlarge a market-driven health-care program in his state, there would be no point in cutting off his nose to spite his face. "When it comes to the issue of health care, I believe that people in my party need to be solutions conservatives, offering real alternatives to the big-government answers," he lectured Monday at the American Enterprise Institute. Conservatives, he said, "need to ensure that the safety net is well-designed and strong enough to provide a firm basis for those starting out on life's ladder." That was an implicit rebuke of his former House colleagues who have a "repeal and replace" slogan but have not offered much of a substitute for Obamacare while at the same time attempting to cut food stamps and other parts of the safety net. ❖

Chelsea Schneider, Evansville Courier & Press: Gov. Mike Pence announcing he'll ask for federal dollars made possible by Obamacare to insure hundreds of thousands of Hoosiers is the first real political gamble the Republican has taken while in office. The potential expansion is reaping heavy praise in the Hoosier state from Democrats and Republicans alike. The plan could insure 350,000 Hoosiers who can't get health coverage anywhere else. The human impact is immense, with House Democratic Minority Leader Scott Pelath saying, "We have always said if (Pence's) way works, we will not dicker over the details." So far, Pence has taken modest actions to add to his already conservative pedigree modest tax cuts and modest expansion of educational choice. If the federal government approves of Indiana's plan, Pence's decision to access as much as \$16.5 billion in federal dollars through the Affordable Care Act will have by far the most influence on the state. But will it pay off? As speculation grows that Pence will be among Republican presidential contenders in 2016, his decision to align the state's health program to the requirements to receive those federal dollars is a matter of risk and reward. The risk is angering some of the most conservative members of his base who see an expansion of the state's Healthy Indiana Plan as an expansion of Medicaid.

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GOP can bring guns to confab

FORT WAYNE – Grand Wayne Center will be gun-friendly during the Indiana Republican Party's annual convention June 6-7 after all (Fort Wayne Journal Gazette). The center has clarified its gun management policies, saying it must abide by a 2011

law preventing political subdivisions from regulating firearms. Several sources told The Journal Gazette on Monday that Grand Wayne Center, as well as Embassy Theatre and Parkview Field, were gun-free. But Bart Shaw, executive director for Grand Wayne, said Wednesday that there have been clarifications regarding the 2011 law. "I know in the past here there was a no-gun policy, so maybe there was some confusion," he said. "I've been on the job for a year, and this is the first time the gun question has come up." The law allows those renting or leasing the space to ban guns, as has happened when Grand Wayne has hosted proms, Shaw said. But the center also has hosted law enforcement conventions where guns were welcome. "There are no signs or metal detectors," he said. The state GOP will allow guns. Embassy and Parkview Field, which are run privately, will remain gun-free.



years. The report released Thursday is based on U.S. Census Bureau population estimates the IU group analyzed. The authors say Indianapolis added an average of about 7,200 residents annually from 2010 to 2013, nearly twice its pace from 2000 to 2010.

Indiana's capital now has a population of about 843,000. Fort Wayne had seen flat population growth, but it grew by nearly 900 residents annually from 2010 to 2013 and is now home to roughly 256,500 people.

Electric rates rise due to coal switch

INDIANAPOLIS - Electricity prices are probably on their way up across much of the U.S. as coal-fired plants, the dominant source of cheap power, shut down in response to environmental regulations and economic forces. New and tighter pollution rules and tough competition from cleaner sources such as natural gas, wind and solar will lead to the closings of dozens of coal-burning plants across 20 states over the next three years. And many of those that stay open will need expensive retrofits. Because of these and other factors, the Energy Department predicts retail power prices will rise 4 percent on average this year, the biggest increase since 2008. By 2020, prices are expected to climb an additional 13 percent, a forecast that does not include the costs of coming environmental rules. The Obama administration, state governments and industry are struggling to balance this push for a cleaner environment with the need to keep the grid reliable and prevent prices from rocketing too much higher. "We're facing a set of questions that are new to the industry," says Clair Moeller, who oversees transmission and technology for the Carmel-based Midcontinent Independent System Operator, which coordinates much of the electric grid between Minnesota and Louisiana.

Indy deadly for pedestrians

INDIANAPOLIS - Dangerous by Design. That's how a new study describes the roads in Indianapolis, ranking the city among the worst for preventable, deadly pedestrian accidents (WTHR-TV). The report calls Indianapolis the 25th most dangerous metro city out of 51 cities and Indiana is ranked 23rd in the nation for most deadly roads for pedestrians. So, we fall in the middle of the pack for both, but there are still some serious areas of opportunity. In the decade from 2003 to 2012, nearly 200 people were killed in Indianapolis while walking. Nearly 650 were killed in Indiana with an estimated 17,000 Hoosier pedestrians involved in crashes during that same time frame. According to the report, many of the fatalities could have been easily prevented by a better design of the road. It says many intersections are designed for speeding traffic and not safe travel for those walking, biking or using public transportation.

Daniels likes NCAA reform ideas

WEST LAFAYETTE - Purdue president Mitch Daniels called a letter from Pac-12 Conference presidents urging for sweeping changes to the current NCAA model "highly positive" as the march toward reform of intercollegiate athletics continues (Lafayette Journal & Courier). The group sent a letter to 53 university presidents from the Southeastern, Big Ten, Big 12 and Atlantic Coast Conferences underscoring the "urgency with which we must move forward ... (and) that bold rather than incremental action must be taken now." The presidents outlined a 10-point plan and autonomy in the legislative process for the five leagues. The letter was posted on the Pac-12's website Wednesday afternoon.

4 largest cities see growth

BLOOMINGTON — A new report by an Indiana University research group says Indiana's four largest cities are in the midst of some big population increases. The Indiana Business Research Center report says Indianapolis, Fort Wayne, Evansville and South Bend all saw population increases between 2010 and 2013 significantly larger than seen in previous