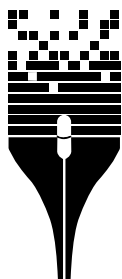


The Howey Political Report



The Howey Political Report is published by NewsLink Inc. Founded in 1994, The Howey Political Report is an independent, non-partisan newsletter analyzing the political process in Indiana.

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Subscriptions: \$250 annually via e-mail or fax; \$450 annually including the HPR Daily Wire. Call 317-254-1533 or 254-0535.

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“QUOTE” OF THE WEEK

“The press coverage of the state’s new airplane exemplifies many of the problems that plague Indiana”

- Columnist Morton Marcus

JFK, Nixon, Dole, Kemp, LBJ ... Bayh?

Senator joins a historic select group

By **BRIAN A. HOWEY** in Indianapolis

John F. Kennedy. Richard M. Nixon. Lyndon Johnson. Hubert Horatio Hornblower, Humphrey. George Herbert Walker Bush. Bob Dole. Jack Kemp.

Evan Bayh?

Last week’s announcement by Sen. Bayh about what Ron Brownstein of the *Los Angeles Times* called “one of the earliest withdrawals in modern presidential campaign history” puts him in an entirely different national category. It is one that we experienced with Bayh in 2000 - the veepstakes. Only this time Bayh will have shed his Quaylesque (*who is that? circa 1988*) and will join an elite group of prominent national figures -- those mentioned in paragraph one -- who seemed more likely destined to join the national ticket as a vice presidential candidate than the top gun.

In Nixon’s and Kennedy’s cases, both were WWII veterans who made an instant impact in the House and were put on the fast track. Nixon made the ticket in 1952, and JFK almost did in 1956, nudged out by Sen. Estes Kefauver on Adlai Stevenson’s ticket. With LBJ, HHH, GHWBush, Dole and Kemp, their status was gained over time performing with prominent Senate careers and they took their place in line with high hopes of using the veepstakes as the best path to POTUS after failed primary candidacies.

By taking himself out of the crowded 2004 presidential race, Bayh joins a group of one. While the Kerrys, Edwardses, Liebermans, Gores and Gephardtts prance through Iowa and New Hampshire pandering for votes -- and inevitably one or more will fall off a stage, get a pie in the face, or find himself chastised over a rented microphone --

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CARTER EXPRESSES RESERVATIONS ABOUT SHELTER ALLOWANCE: Attorney General Steve Carter is publicly doubting the constitutionality of the controversial two words of the new property tax assessment rules for Indiana -- shelter allowance. The shelter allowance has generated considerable publicity -- both positive and negative -- since it was introduced by Gov. Frank O'Bannon. But most homeowners won't even care about it until they get their May 2003 tax bills (Times of Northwest Indiana). Carter has reservations about it -- not just the constitutionality of it, but also the likelihood that there will be a court challenge by groups such as the Indiana Manufacturing Association or the state Chamber of Commerce, not to mention private or grass-roots organizations. Carter's most cogent concern is the impact such litigation, which likely would take years to wind its way through courts and appeals, could have on Indiana's economic development future. "Anyone who would want to invest in property in Indiana, whether a homeowner or a business, at least this would be a problem they would have to consider," Carter said. "You're looking at a worldwide situation in terms of policy."

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Bayh, *from page 1*

Bayh will concentrate on his Senate career where his political stripes will moderate. He will concentrate on appealing to traditional Democratic constituencies without having to do the jackass campaign stuff. He will get his presidential career in sync with his Senate one -- facing re-election in 2004 and 2010, freeing him to possibly run for president in 2008 or 2012 when an incumbent might not be involved.

No one who has ever had a 5-year-old child can doubt Bayh's sincerity about wanting to stay home more often than not over the next three years. Bayh already comes off as exceedingly mature when he said, "If you're going to run for any of these offices -- governor, senator, president -- you can't be conflicted. I knew I could be a good governor and a good father, and a good senator and a good father. It just wasn't clear to me that I could run for president and be a good father."

His decision takes him away from a collision with his mentor and friend, Sen. Joe Lieberman. As Brownstein noted in the *L.A. Times*, Bayh "faced an uncertain course. Support among his natural con-

stituency -- centrist activists and donors linked to the Democratic Leadership Council -- probably would go first to Al Gore or Lieberman. By sitting out 2004, Bayh could let Gore or Lieberman have their shot without damaging his reputation by running a potentially weak race."

NBC's Lisa Myers noted on *Meet the Press* last Sunday that Bayh "hasn't stood out in the Senate. It would be hard to see how he'd run a national campaign."

Bayh said his decision was not based on whether his presidential candidacy would be successful in 2004. Asked to assess the Bush presidency now and where it might be in 2003-04, Bayh explained, "You don't want to do something hopeless, but that wouldn't have been the case. I went through all the pluses and minuses, but the political factors would be unknowable. You run and you let the political factors take care of themselves. No one in this country is bright enough to tell you what the political factors will be in 2004."

Bayh had also responded to a recent *Indianapolis Star* column where Larry MacIntyre had accused him of being a split political personality -- conservative in Indiana and liberal in Washington.

Bayh's decision coming this early has the potential of slamming the door shut on a potential GOP challenge in 2004 that could have come in a state where Bush has been popular and would be seeking re-election.

Bayh can now work as a centrist with Bush, shore up any of the "split personality" talk on the home front, drive away any Republican challenger seeking to exploit that element, avail himself to the '04 national ticket as a centrist reaching out to Republicans and independents, and readjust his national career timeline.

Bayh said he had problems with letting the presidential speculation fester. "It wasn't the honorable thing to do to my friends and supporters," he said. "If in my heart I knew it wasn't the right thing to do, to let people think it was wouldn't be honest. And No. 2, anything I've done in my life I try to do 100 percent. I didn't want people to devalue me and judge me on the assumption that I was giving my best effort when I wasn't doing that."

As for whether he might run for the presidency in 2008 or 2012 when the kids would be teenagers and face the fishbowl life that can severely impact presidential children, Bayh recalled that he was 20 years old when his father, U.S. Sen. Birch Bayh, ran for the presidency in 1976. "You've got to make those decisions at the time they need to be made," he said.

As for a potential vice presidential nomination in 2004, when a three-year campaign would be reduced to four months, Bayh said he thought it would be "presumptuous of me to put that out" but went on to say "the determining factor in my mind is that it wouldn't be the same -- an absence of just three months. At that time, they will be three years older and the impact would not nearly be as great."

This is the territory where Hoosier observers might want to reflect on former Vice President Dan Quayle. Other than their paths crossing in Birch Bayh's 1980 defeat of Quayle in a campaign Evan Bayh managed, the two couldn't be more

different.

Quayle came into the Senate on an ideological wave, worked in the majority for six years, and built a modestly good Senate legislative portfolio before he began tiring of life in the minority and away from the family dinner table. Bayh entered the Senate with 10 years of executive experience, would be considered a pragmatic non-ideologue, grew up as a Senate kid used to the lifestyle and along with Susan Bayh has adapted the family needs.

Quayle is correct when he wrote in his book *Standing Firm*, "The vice presidency isn't an office you can campaign for -- in fact, any demonstration of eagerness for it is more likely to hurt than help." Quayle added, "But I had tried, as subtly as I could, to make it clear I was both qualified and available."

The fact is, Dan and Marilyn Quayle played the veep card extremely well and in a sense mastered their own destiny until James A. Baker called on that sweltering August 1988 day in the Big Easy and not only took over their lives, but ultimately set the stage for ruining a fine political career. He had been plucked from relative obscurity.

Bayh's team played the veep card in 2000 as subtly as the Quayles, clandestinely allowing friends, allies and the press in on a little secret (*psst, Evan might be available*).

Bayh said that by not running, it will open up options. "There are unique opportunities in the Senate for centrists," Bayh said. "It will be the centrists who determine whether we get things done. There is major education reform possible because centrists stepped forward last year and President Bush embraced it."

So now Bayh gets into the veepstakes as a field of one for now. But he is the Midwesterner hailing from the political breadbasket and heartland. And he's got destiny written all over him, just as the Kennedy, Nixon, Kemp and Dole once did. ❖

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ELECTRIC DEREGULATION OFF THE TABLE IN INDIANA: At least one legislator is saying that because of the power crisis in California, deregulating the electric industry in Indiana will be politically impossible for now. Indiana politicians have discussed deregulating the electric retail market for years, but a Columbus legislator and an economist said the issue is off the table, at least for the foreseeable future. Consumer and environmental groups fear restructuring will raise prices, reduce reliability and eliminate incentives to conserve energy. Twenty-four states have restructured: Pennsylvania's was very successful; others, such as California's, was disastrous. Rep. David Yount, R-Columbus, said Indiana will not restructure the retail market for the foreseeable future, because House Democrats have made clear that they oppose it. "It's a moot point right now," Yount said (Boris Ladwig, Columbus Republic). Morton Marcus, an economist with Indiana University's Kelley School of Business and director of Indiana Business Research Center, agreed. "I believe that deregulation is now off the table, because the problems (in California) have scared politicians so that they're not thinking clearly."

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Ed Simcox, president of Indiana Electric Association, which represents the state's five public electric utilities, added, "The industry believes that at some point and in some form, restructuring will occur in Indiana."

EAST CHICAGO CONSULTANT SERVICES QUESTIONED: Dozier T. Allen Jr., a long-time friend of East Chicago Mayor Robert Pastrick, signed a consulting contract with the city of East Chicago for \$10,416 a month in March 1999. The city paid about \$21,000 in April and May that year, but didn't pay any more until March 31, 2000, well into the spring campaign season. It paid \$52,000 then and paid the balance of \$52,000 after a sweeping primary victory for the county coroner nomination by David Pastrick, the mayor's son (William Lazarus, Times of Northwest Indiana). Allen, Calumet Township trustee, strongly supported Pastrick's candidacy, but said that had "nothing whatsoever" to do with his consulting contract. When questioned, he could not recall details of the advice he gave the city. Allen said his consulting firm, Dozier T. Allen Jr. & Associates, has advised at least half a dozen candidates. He declined to name them. Allen insists his political support of David Pastrick had "nothing whatsoever"

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Shifting at the Hoosier top

What do the O'Bannon, Kernan chief of staff switches really mean?

By **BRIAN A. HOWEY**

INDIANAPOLIS - When the announcement came down last week that Gov. Frank O'Bannon's chief of staff, Jim Maguire, was stepping aside and Tim Joyce would succeed him, Lt. Gov. Joe Kernan's office staff had to pause.

For in the works was another change, Kernan's chief of staff, Mary Downes, was leaving that post, making way for Alan Degner. But the chief of staff switches coming in tandem, Kernan feared, would signal a very different kind of shakeup from the one intended. Shakeup, as in the "heads are rolling, time to clean house" kind.

"We had to wait a week," said Kernan's press aide, Tina Dennis.

The official word from both the O'Bannon and Kernan operations was that these shifts were normal, after-the-long-legislative-session switches when fatigued people move on. "Obviously you have an election and transitions are expected and certainly, if you review history, there's some transitioning that goes on after every long session," Joyce told *HPR*. "There could likely be some additional changes. They sort of come naturally."

Kernan took great pains to paint the same sort of picture. "This is a day I really hoped would never come," said Kernan. "Mary has been our team leader and the glue that's held our office together. More importantly, she has been my close friend and trusted adviser. I had to convince Mary that moving here from South Bend four and a half years ago was the right thing to do."

Having said all that...

While the O'Bannon and Kernan operations worked the "normalcy" spin, the persistent backdrop was that all was not well in the executive branch. There was angst by key Democratic players after the November 2000 election and going into the long session that communications

and teamwork had to improve. There was deep disappointment and even more fretting by the time legislators left town in April. It was vocalized most publicly by House Ways and Means Chairman B. Patrick Bauer, who told the *South Bend Tribune* after Gov. O'Bannon allowed the biennial budget to become law without his signature, "For them not to support a budget like this is really troublesome. I think this is so bizarre." In fact, Bauer said, the budget had been designed in part to allow Kernan to claim more successes.

Beneath the surface

Smoldering just beneath the surface were dozens of legislators -- leaders and rank and file, along with friendly newspaper editors and partisans -- who were shaking heads at the variety of floated lead balloons (cigarette tax hike), and actions (no gubernatorial budget signature; veto of legislative pay raise) that seemed to doom future O'Bannon initiatives seen as critical to future Democratic electoral successes. The most crucial was the reassessment card.

Maguire's departure was pegged for family reasons. His wife died in April 2000, but he took the job just last January, presenting a strange timeline.

Said one influential legislative Democrat, "I don't think his change had all that much to do with the last session." Legislative Democrats, this person said, "love the governor, they just feel he gets real bad advice from outside advisers, who don't like us."

O'Bannon press aide Mary Dieter acknowledged that relationships with legislators had deteriorated after the governor vetoed the pay raise and refused to sign the budget, but cautioned against linking that with Maguire's decision to leave. "As far as relationships with legislators go, we want to mend fences," Dieter said. "The governor's actions that apparently irritated

them were necessary in his view to balance the budget. He wasn't trying to pick a fight with lawmakers. He and they are aware of the \$500 million structural deficit."

Joyce added, "Communications are critical and whether your partnership is internal or external or with another branch of government, if you're going to be successful you've got to talk to people. If either party misses an opportunity to share information, you're going to have more difficulty. We'll be taking measure of all our relationships, if necessary, and enhance them."

Another influential legislative Democrat wondered, "Did Joyce earn this appointment or get it by default? Does he have any clout with Frank O'Bannon or is it all with the outside boys?"

High marks for Joyce, Degner

Whatever the reasons for the chief of staff ascensions for Tim Joyce and Alan Degner, their new appointments were akin to a giant Tum (or Prevacid) to fretting Democrats and partners.

"Tim Joyce gets high marks from people, especially those inside the administration who've thought there was no leadership coming out of the Governor's office," said one prominent lobbyist. "It's interesting that Tim is one of the few Bayh holdovers who have made it in the O'Bannon administration, and he may be the only high ranking gubernatorial aide who got the job because of merit and not because he's known Frank for years."

Joyce has a reputation for being organized and while certainly not ruthless, is expected to operate in more of a disciplined mode that was seen from past gubernatorial chiefs such as Bill Moreau.

Degner, said former Gov. Orr aide John Hammond, was instrumental in organizing and developing Indiana's newly formed 21st Century Research and Technology Fund. "Al is very competent and very deserving of this new challenge for him," Hammond said.

Meltdowns on the way

Joyce and Degner are going to need their skills. As Pat Kiely of the Indiana Manufacturers Association noted, "Certainly the winds of war are blowing. The Kernan folks are feeling things close in. Between now and 2004 the following will happen: Lake County's financial structure will collapse, reassessment will be worse than anticipated for homeowners, the state will continue to underperform the forecast (at least this year); and the 2003 long session will be a real mess unless something happens before then."

Kernan, with O'Bannon's blessing according to Democratic sources, is working to take control of most quasi-agencies that have anything to do with economic development so they can control the message. Said Kiely, "Nice thought -- won't work. 2004 will be about change and economic development. Joe may be a loser on both accounts."

Mixed bag last week

With all the behind-the-scenes rumblings going on, the facade was a mixed picture. O'Bannon was getting roughed up by Senate President Pro Tem Bob Garton and the *Indianapolis Star* for flying in a new \$3.7 million King Air B200 turbo-prop belonging to the Indiana State Police instead of a 20-year-old Piper Cheyenne II that had spent 96 days in the shop last year getting fixed.

And just as quickly as you can say "Mel Carnahan," the latest IU Public Opinion Laboratory Poll by Dr. Brian Vargus published in Wednesday's *Indianapolis Star* had O'Bannon's approval rating at 64 percent while 83 percent said "things are going well" in the great Hoosier state. It also noted that only 25 percent paid attention to the legislature. Of course, even Speaker John Gregg says most Hoosiers aren't "educated" on reassessment, East Chicago hasn't gone into default, and the 2003 property tax bills and all the subsequent checks have yet to hit the mail. ❖

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to do with his consulting East Chicago on personnel matters. But, with one exception, he could not recall the details of the advice he gave.

BUSH APPOINTS

LENKOWSKY: President Bush has selected an Indiana University professor to head a national volunteer agency (Fort Wayne Journal Gazette). Leslie Lenkowsky, a professor with the university's Center on Philanthropy since 1997, will be chief executive of the Corporation for National Service. CNS is the parent organization of AmeriCorps and several other national volunteer programs. He previously was president of the Hudson Institute in 1990-97 and was president of the Institute for Educational Affairs in 1985-90.

BUSH POPULARITY AT 55

PERCENT: A new poll taken by the Indiana University Public Opinion Laboratory shows 55 percent of the 800 registered voters polled statewide approve of President Bush's job performance, while 26 percent disapprove and 19 percent had no opinion (Mary Beth Schneider, *Indianapolis Star*). Brian Vargus, director of the public opinion laboratory, said Bush's approval rating in Indiana mirrors national polls. Only two presidents have received lower marks nationwide at

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this point in their presidencies -- Bill Clinton, with 46 percent early in his first term, and Gerald Ford, with 42 percent.

DELAWARE COUNTY SHERIFF SEEKS TO DEMOTE POTENTIAL SUCCESSOR: Delaware County Sheriff Steve Aul wants a merit commission to discipline one of his department's highest ranking officers. Aul announced he was pursuing charges of neglect of duty, dishonesty, insubordination and willful misconduct unbecoming an officer against Major Gary Campbell. Campbell claimed Aul hoped to demote him so he could promote Don Scroggins' nephew, county police Capt. Michael Scroggins, to the rank of major. In September 1999, Michael Scroggins replaced Campbell as the department's uniform division commander. "It's all about politics," said Campbell (T.J. Wilham, Muncie Star Press). "I will spend my last dollar fighting this thing. It's just wrong." Campbell said he was considering running for sheriff in 2002. Another likely candidate is Don Scroggins. Campbell said he was accused, among other things, of allowing inmates on a work-release crew to smoke and removing his gun belt while using the restroom.

WEATHERWAX RESPONDS

COLUMNISTS ON INDIANA

Morton Marcus, Indianapolis

Business Journal - The press coverage of the state's new airplane exemplifies many of the problems that plague Indiana. Politicians and pretentious pundits have been critical of the Governor for allowing a new plane to be bought when the state is in a fiscal jam. These criticisms are on the cusp between stupidity and hypocritical partisanship. Yet isn't this what we have come to expect from Indiana? Foolhardy frugality in the name of "responsible government." In this case it was Evan Bayh, that master of the genre, deciding to look "more conservative than thou," who sold the Governor's airplane and left his successor with inadequate air transportation. But Frank O'Bannon could do nothing about it without looking like a spendthrift. By the time the problem verged on a crisis, Indiana had done its usual thing. We had accepted lower taxes rather than making needed capital investments. Rather than taking care of our assets, we allowed the state's airplanes to deteriorate to the point where they could not serve us appropriately. Now Governor O'Bannon is taking heat from the press and the opposition for doing something needed several years ago. But why criticize the Governor? He has been a good Hoosier. He held back from doing anything that would appear to be as bold as prudent. ❖

Mike Leonard, Bloomington Herald-Times

Overkill. The word could describe Timothy McVeigh's unconscionable bombing of the Alfred P. Murrah Federal Building in Oklahoma City six years ago. It clearly captures the mass media attention paid to the execution of a man who killed 168 people for the primary purpose of gaining a forum for his opinions. Funny how the abundance of coverage

ultimately muted all messages — regarding government excesses, the death penalty and everything else. News and talk programs have focused on McVeigh for weeks. Television networks interrupted their schedules for extended coverage and hundreds of media representatives descended upon Terre Haute for the McVeigh execution early Monday. For a long time, I wanted to be in that number. And then, some time before the bungling FBI pushed the execution date back, my stomach began to turn. McVeigh's execution was turning into Woodstock II. It's only 65 miles to Terre Haute, but it looked like a bad trip to me. ❖

Sylvia Smith, Fort Wayne Journal

Gazette - Let's say Bayh had waited until next year to make his decision known. The headlines would no doubt have been "Bayh withdraws from presidential contest." By 2002, the presidential contenders would have made enough visits to Iowa and New Hampshire, made enough speeches, appeared on enough Sunday morning talk shows and raised enough money that it would be silly to think the intraparty competition wasn't in full swing. Leaving at that point would have made Bayh look like a loser. For a politician who has never lost a campaign he has entered, this would have been a harsh pill to swallow. Remember Dan Quayle? After the 2000 race, it strains credulity to think he'd ever be back at the top of GOP politics. Bayh would not want this written about him: "Hamstrung by a limp money-raising operation, Dan Quayle will announce today that he is abandoning his race for the White House." Bayh may have been motivated by parental love and responsibility, but his decision was politically savvy and demonstrates why he ought not be underestimated. ❖

Indiana 2002, 2003 Racing Form

TRENDLINE: Stuart Rothenberg writes in *The Rothenberg Political Report*, "Our redistricting analysis suggests that the Republicans are positioned to pick up a few districts -- most likely 2 to 4 -- because of reapportionment. If President Bush's popularity sinks, either because of the economy, the energy situation or the general perception that he is ineffective or too ideological, swing voters will likely turn toward Democratic congressional candidates. That, combined with a Democratic turnout advantage, could well be enough to give the Democrats control of the House.

"But if Bush's popularity holds and the GOP -- including House Republicans -- can claim credit for significant legislative accomplishments, the president's party will have a good chance of holding onto its narrow House majority. Historical trends favor some sort of Democratic mid-term gain. But the Republicans have now lost House seats in three straight elections, suggesting that many of their weaker incumbents have already been weeded out. GOP incumbents who won in 1996, 1998 and 2000 have already demonstrated political staying power."

Secretary of State 2002: Republican: Mike Delph, Deputy Secretary of State Todd Rokita, Richard Mourdock, Luke Messer, Paul Helmke. **Democrat:** Bloomington Mayor John Fernandez. **Libertarian:** Paul Hager. **1994 Results:** Gilroy (R) 902,100, Jeffers (D) 542,539, Dillon (L) 32,483, Knight (A) 13,948. **1998 Results:** Gilroy 828,557, Little (D) 652,565, Dillon (L) 51,775. **2002 Forecast:** We were corrected on Hager's need to get what we said was 5 percent of the vote in order for the Libertarians to automatically qualify for statewide offices. Hager would need to poll 2 percent. **Status:** *Tossup.*

Congressional District 2: Republican: Chris Chocola, State Sen. Thomas Weatherwax. **Democrat:** Jill Long Thompson, Mark Meissner, Rep. Pat Bauer. **Geography:** South Bend, Michigan City, Mishawaka, Elkhart, Kokomo, Plymouth, Logansport; LaPorte, St. Joseph, Starke, Marshall, Pulaski, Fulton, Cass, Carroll and parts of Howard, Porter, Elkhart and White counties. **Media Market:** South Bend-Elkhart, Indianapolis, Lafayette, Chicago. **2000 Result:** Roemer (D) 107,076, Chocola (R) 98,367. **2002 Forecast:** Democratic sources tell *HPR* that House Ways & Means Chairman B. Patrick Bauer is weighing this race and will be polling in the near future. Bauer's interest comes after House Speaker John Gregg opted out of the 8th CD race. Bauer, seeing that the Speaker's job is not likely to come open for another four years, is now exploring a Congressional run. *HPR* believes that ultimately, Bauer will pass on this race. He is currently frustrated with the O'Bannon-Kernan administration and is experiencing legislature fatigue. In order for Bauer to run, he would have to believe the Democratic chances are excellent for taking over the U.S. House. Otherwise, Bauer would be looking at going from a kingpin in the Indiana General Assembly to a freshman in a Congressional minority party -- not a good move from his perspective. Local Democrats will attempt to convince Bauer that he can better serve St. Joseph County in the legislature, but even there the Democratic hold on the House majority will be tenuous over the next two election cycles due to demographics and the new maps. Another factor is that Bauer has always had relatively easy elections in his current district. Some wonder whether he has the so-called fire in the belly to run an intense Congressional campaign in a sprawling, competitive district. On the plus side for a Congressional run, *HPR* believes that Bauer's chances of becoming speaker when Gregg eventually moves on are not good. Being chairman of Ways & Means has meant telling a lot of colleagues "No!" over the years and a run for speaker will mean payback time for many of his colleagues. He was out-hustled by Gregg in the hours after the 1994 election, but even if Gregg hadn't beaten him to the votes, Bauer might not have won that race due to the No! factor. If Bauer gets in, it totally changes the dynamic of this race. At this point, we

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TO FRY: The man who moderated a meeting that drew an unusual amount of statewide attention on power realizes his own political power status probably had something to do with critical comments by a St. Joseph County legislator (Dave Kitchell, Logansport Pharos-Tribune). State Sen. Tom Weatherwax, R-Logansport, the only potential Republican candidate in the new 2nd Congressional District who resides in the district, said criticism of his involvement in the Northern Indiana Energy Summit here Tuesday had more to do with politics than the positions he has taken on energy issues. State Rep. Craig Fry, D-Mishawaka, criticized Weatherwax in an Associated Press story earlier this month and in a guest column distributed to newspapers. "I think that's a very fair statement," said Weatherwax in response to questions about Fry's political motives. "I've been told by people that know that some of this has been driven by the national Democratic Party because of that situation or opportunity that was presented. I didn't approach it that way, but yet now that I think back at what's happening, I think there might be more to it than meets the eye." In his opening remarks, Weatherwax said he hoped other cities in the state would follow suit by hosting public

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discussions on energy issues. In a comment Weatherwax said he made as a poke back at Fry, he said, "Even South Bend may 'see the light.'" Weatherwax is not an announced candidate for the open 2nd District seat, but has indicated an interest.

O'BANNON ALLOWS BEER RULE TO EXPIRE: Gov. Frank O'Bannon intends to let a long-standing administrative rule expire this year and allow breweries to establish exclusive territories for the distribution of beer in Indiana (Associated Press). The move announced Tuesday sparked a new round of controversy in a decades-old debate on the "beer baron" regulation, an issue that has long divided lawmakers and beer makers, distributors and retailers. The General Assembly passed legislation in 1989 that would have overridden a 1979 Alcoholic Beverage Commission rule, with then-Lt. Gov. Frank O'Bannon casting the tie-breaking vote. That allowed exclusive beer sales territories, but it was vetoed by Gov. Bayh.

SUPREME COURT ASKED TO SUSPEND LAKE COUNTY AUDITOR'S LAW LICENSE: A state hearing officer is asking the Indiana Supreme Court to immediately suspend the law license of Lake County Auditor Peter Benjamin because of what he called a

see JLT as an overwhelming frontrunner for the Dem nomination. A Bauer entry would mean an intense nomination battle, though we still would see JLT as the person to beat. **On the Republican side,** Chocola unveiled his internet website at www.chocolaforcongress.com. "I am excited to get our campaign's new website up and running this early," Chocola said. During Chocola's 2000 campaign, nearly 40,000 visitors logged onto his campaign's website. **Status:** *Leans Long Thompson.*

Congressional District 3: Republican: U.S. Rep. Mark Souder. **Democrat:** Rodney Scott, Jay Rigdon. **Geography:** Fort Wayne, Goshen, Kosciusko, Whitley, LaGrange, Steuben, DeKalb and parts of Elkhart and Allen counties. **Media Market:** South Bend-Elkhart, Fort Wayne. **2000 results:** Souder (R) 131,051, Foster (D) 74,492. **2002 Forecast:** From new highways to a TV studio to breast cancer research to a peace project with Northern Ireland -- Souder has asked Congress to send more than \$650 million to projects he says will help north-east Indiana and communities all over the state (Sylvia Smith, *Fort Wayne Journal Gazette*). The big-dollar requests are for more defense-project spending than President Bush has proposed. For instance, Souder wants the lawmakers who allocate federal spending to approve \$115 million for special radios for the Army National Guard. The radios - SINCGARs - are made in Fort Wayne by ITT Aerospace Communications Division. Souder ranked that request as his top priority. **Status:** *Safe R.*

Congressional District 4: Republican: U.S. Rep. Steve Buyer, U.S. Rep. Brian Kerns, State Sen. Mike Young. **Democrat:** Open. **Geography:** Tippecanoe, Clinton, Boone, Montgomery, Hendricks, Morgan, Lawrence and parts of Marion, Johnson, Monroe, Fountain and White counties. **Media Market:** Lafayette, Indianapolis, Terre Haute, Evansville, Louisville. **2000 Results:** **Old 5th CD:** Buyer (R) 132,035, Goodnight (D) 81,423; **Old 7th CD:** Kerns 131,562, Graf (D) 65,174. **2002 Forecast:** The IU Public Opinion Laboratory conducted a poll in the new 4th CD and found Republican voters favored Buyer with 33.5 percent; Kerns with 11.9 percent and Young with 5.2 percent (Schneider, *Indianapolis Star*). A whopping 49.5 percent were undecided. **Status:** *Safe R.*

Congressional District 5: Republican: U.S. Rep. Dan Burton. **Democrat:** Open. **Geography:** Indianapolis, Kokomo, Marion, Shelbyville; Wabash, Huntington, Howard, Grant, Tipton, Hamilton, Hancock and parts of Marion, Johnson and Shelby counties. **Media Market:** Indianapolis, Fort Wayne, Lafayette. **2000 Results:** Burton (R) 194,771, Griesey (D) 72,821, Hauptmann (L) 8,874. **2002 Forecast:** Burton finds himself in the midst of controversy once again. This time, it's over the House Oversight Committee's "use of prosecutorial power in the investigation of Joseph M. Gerstein." Both Mary Beth Schneider in the *Indianapolis Star* and James Warren of the *Chicago Tribune* featured the case in their columns last Sunday. Warren wrote, "With Burton's beaming portrait hovering over him, Connecticut's earnest and moderate (Christopher) Shays stepped in to oversee a four-hour hearing of such dispiriting ignominy that he can knock on wood it went virtually uncovered by the media. What it proved to be was a mountain of innuendo and hyperbole that so crumbled in the face of facts." Both Warren and Schneider said that Burton's ultimate target is former Attorney General Janet Reno, who is weighing a run against Florida Gov. Jeb Bush. While Burton's committee has launched another investigation, on the home front we don't detect of stirring of any interest by a credible candidate to challenge him, either Republican or Democratic. **Status:** *Safe R.*

Indianapolis Mayoral 2003: Republican: Sheriff Jack Cottey. **Democrat:** Mayor Bart Peterson. **1999 Results:** Peterson (D) 102,870, Gilroy (R) 83,044, Horning (L) 7,772, Gibson (I) 2,145. **1995 Results:** Goldsmith (R) 65,868, Jimison (D) 39,539, Dillon (L) 7,175. **2003 Forecast:** Ask any Indianapolis Republican of merit who will be the party's 2003 challenger to Mayor Peterson and all you get is woeful looks, murmurs and a shake of the head. Prosecutor Scott Newman, Rep. Paul Mannweiler and Sen. Murray Clark all appear to have ruled out a run, and that's the cream of the crop. Sheriff Cottey has been active, trying to develop relationships with African-American pastors after his race-baiting tactics at the end of the '99 Gilroy campaign. While Goldsmith's totals fell from 110,545 in 1991 to 65,868 in 1995, and Gilroy's was halfway between, it would be an absolutely astounding development for the GOP not to have a credible challenger in this race. *HPR* figured this would be a competitive situation for the next two or three cycles, but maybe not. **Status:** *LEANS D* - *Brian A. Howey*

Hoosiers serve as trade touchstone

By MARK SCHOEFF JR.

WASHINGTON - If President Bush is going to gain congressional approval to strengthen his hand in trade negotiations, he'll have to convince Democrats like Rep. Tim Roemer (D-3rd CD) and Republicans like Rep. Steve Buyer (R-5th CD) to give him fast-track trade authority.

This week the president began his push for fast track, which would prevent Congress from modifying trade agreements, allowing votes only on the whole package. Proponents say that the rule facilitates trade negotiations because it assures foreign countries that Congress won't change pacts. Fast track, which has been granted to every president since Gerald Ford until 1994, has been dubbed "trade promotion authority" by the Bush administration.

Centrist Democrats in the closely divided House and Senate might hold sway. "They will probably be the determining bloc of votes," said Roemer, who is co-chairman of the 60-member House New Democrat Coalition.

But Roemer, like U.S. Sen. Evan Bayh, is undecided on fast track. Roemer voted in favor of granting permanent normal trade relations (PNTR) to China last year and also supported trade agreements with countries in the Caribbean and with Africa. Bayh previously opposed fast track and NAFTA. His position on trade legislation is based on the impact it will have on jobs, whether education and training is made available for workers who lose their jobs, and how well it integrates the U.S. into the global economy. "When those stars align, I've voted for trade." But he's concerned about cuts in the Bush budget to Commerce Department worker retraining programs.

Buyer also has split his votes on trade, backing GATT and NAFTA but opposing China PNTR and the previous fast track bill. "Right now I'm a lean yes," he said in reference to fast track. He wants to see the details of the labor and environmental provisions of the legisla-

tion. Buyer backs tougher environmental standards for developing countries and supports training and assistance programs for dislocated workers. Rep. Brian Kerns (R-7th CD), Buyer's opponent in the new 4th CD primary, backs fast track.

A new president has created a new atmosphere for trade, according to Buyer. "It was President Clinton who violated the fidelity of NAFTA by not following through on side agreements," he said.

CONGRESS Buyer said that thousands of jobs were lost at Monon **W A T C H** Corp. in his district in the mid-1990s after Clinton failed to implement an agreement on the length of tractor trailers permitted to cross the Mexican and Canadian borders.

With the Republicans holding slim edge in the House and Democrats maintaining a thin Senate margin, Bush needs all the votes he can get. In a move some saw as an effort to woo Democrats concerned about trade's effect on jobs and wages, Bush requested an investigation by the International Trade Commission into allegations that foreign producers are selling steel below cost on the U.S. market.

But Bush's effort didn't make one of steel's biggest proponents more receptive to fast track. "They're two independent questions," said Rep. Pete Visclosky (D-1st CD). "I remain exceedingly concerned about labor and environmental aspects of any new trade agreement. We must ensure that consultation with Congress goes beyond a 'yes/no' vote," he said.

Although they may not convince Visclosky to back fast track, business advocates have made bipartisan outreach a priority. "We expect to be working with the New Democrats," said John Schachter, of the Business Roundtable, a coalition of more than 300 companies and associations. "Labor and the environment are critical, and the question is how to deal with them, not whether," he said. ❖

TICKER T A P E

pattern of cheating clients and lying to cover up unethical behavior (Bill Dolan, Times of Northwest Indiana). Hilbert L. Bradley, a veteran civil rights lawyer who heard 31 witnesses and examined dozens of documents concerning Benjamin's integrity at the request of the high court this spring, said Benjamin was guilty of borrowing clients' money without their knowledge. In recommendations made public Monday, Bradley also accused Benjamin of skipping mandatory continuing education seminars and lying repeatedly to cover up his misconduct. Benjamin, reached at his law office in Merrillville, where he faces eviction for nonpayment of rent, said Monday afternoon, "Obviously, I'm extremely disappointed."

GUIDE WILL PAY \$13.9 MILLION TO RESTORE WHITE RIVER: Gov. Frank O'Bannon announced that Guide Corp. will pay \$13.937 million to settle the state and federal lawsuit against the corporation, as well as plead guilty to federal criminal charges, in connection with the December 1999 chemical release that killed five million fish in the White River. Guide, an Anderson auto parts manufacturer, will pay criminal and civil penalties, restitution and payments for restoration of the White River. It also will plead guilty to seven counts of criminal negligence. ❖