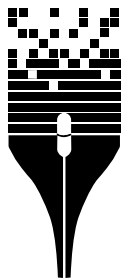


The Howey Political Report



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.

Brian A. Howey, publisher

Mark Schoeff Jr., Washington writer

Jack E. Howey, editor

The Howey Political Report Office: 317-968-0486
PO Box 40265 Fax: 317-466-0993
Indianapolis, IN 46240-0265 Mobile: 317-506-0883

brianhowey@howeypolitics.com
www.howeypolitics.com

Washington office: 202-775-3242;
Business Office: 317-254-0535.

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

© 2001, *The Howey Political Report*. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, in whole or in part, is a violation of federal law and is **strictly prohibited** without consent of the publisher.

“QUOTE” OF THE WEEK

“I will be involved...”

- David McIntosh, to HPR on what role he'll play in the tax plans during the next Indiana General Assembly session.

Tax fissures exist in legislative caucuses

O'Bannon/Kernan plans fate unclear

By **BRIAN A. HOWEY**, in Indianapolis

Much like the 1973 and 1987 tax and education plans, the prospects for party-line votes on the Kernan tax restructuring plan and O'Bannon deficit reduction plan are not assured during the 2002 legislative session.

There are fissures in each of the four caucuses of the two Houses, with four key elements holding keys to success. They include:

House Republicans: This caucus will be dominated by the “true believers” of the “no new taxes/cut spending” camp. Ways and Means Chairman B. Patrick Bauer has already said O'Bannon/Kernan will need “10 or 12 Republicans” to get any plan out of the House. At this point, we don't see where the administration picks up that many votes from this camp on either plan.

House Democrats: This caucus is going to be split several ways: the labor Democrats, and the dozen or so “tobacco road” members from Southern Indiana (particularly on deficit reduction) who will resist the 50-cent cigarette tax hike even though tobacco farming makes up a minuscule percentage of the state's agriculture production. Those farmers, however, do have clout in several Ohio River counties. Gov. O'Bannon has already sought to pressure them to come over, making his first two appearances to push the plans at Sellersburg and Evansville.

“We have a clear choice to make,” O'Bannon said before the first Ways and Means hearing in Evanville last week. “We can either keep our cigarette tax among the lowest in the nation and not ask people to pay an extra \$2 to board our riverboats, or we can continue the progress we

continued on page 2

INSIDE FEATURES

Ticker: Borrer wins Goeglein seat	p. 2
HPR's 2002 Most Influential coming	p. 3
Sept. 11 changed Daniels' world	p. 4
Columnists: Neal, Smith, Dodson	p. 5
Horse Race: Benson enters race	p. 6

TICKER T A P E

BORROR WINS GOEGLEIN SEAT: Construction executive Randy Borrer claimed a wide majority in Thursday's Republican caucus in Fort Wayne to replace state Rep. Gloria Goeglein, who died Nov. 1 (David Griner, Fort Wayne Journal Gazette). Borrer, a GOP insider and president of Liberty Construction, will represent Indiana's 84th District covering much of northeast Fort Wayne. "I'm humbled for the opportunity to follow such a passionate legislator and friend as Gloria Goeglein," Borrer said. The first caucus participant to stand and applaud Borrer after his announcement victory was Goeglein's husband, Leonard, who backed Borrer as the best person for the job. "He has been the kind of person I thought could fill Gloria's shoes," said Leonard Goeglein, who chairs Borrer's campaign committee and said he plans to quickly begin preparing for the 2002 election. Thursday's caucus was Borrer's first successful bid for public office. He lost a nine-candidate caucus in 1997 to replace resigning Allen County Councilman Mark Winteregg. Borrer has held campaign fund-raising positions with U.S. Sen. Richard Lugar, R-Indiana; former Fort Wayne Mayor Paul Helmke; and Sens. David Long and Tom Wyss, both

Continued on page 3



Taxes, *from page 1*

have been making in our public schools."

Senate Republicans: The GOP dinosaur leadership is more pragmatic when it comes to taxes, witnessed by Senate Finance Chairman Larry Borst's Organization Day tome in which he expressed a willingness to seek additional taxes on real estate transactions as well as rolling back some of Gov. Evan Bayh's fee reductions that occurred in 1995. However, Borst, President Pro Tem Bob Garton and the chamber's two avowed gubernatorial candidates - Sens. Murray Clark and Luke Kenley - aren't extremely eager to hand Joe Kernan a big victory on tax restructuring. There has been some talk of possibly engineering a tie in the Senate to force Kernan to vote for tax increases, a scenario that didn't hurt Lt. Gov. Bob Orr after his 1973 vote, which came a long time before he ran for governor in 1980. It's also questionable whether Lt. Gov. Dick Ristine's 1963 tie-breaker on the sales tax killed him, since he was washed out along with the rest of the GOP in the LBJ landslide of 1964.

2004 Ticket hopefuls: Clark appears to be lining up more with the

House true believers, drawing a hard line on any kind of tax increase and calling for spending cuts, yet to be articulated.

Kenley would like to be there, but acknowledges the pressing needs of education (he wrote the school funding formula), corrections, Medicaid and infrastructure. The danger for Clark and Kenley is that they and the Senate dinosaurs could come off as obstructionists should either plan -- particularly the Kernan plan -- fail. It would be easy to envision Kernan stumping the state in 2003 with his tax plan in hand, castigating Clark, Kenley & Senate Dinosaurs for creating huge property tax increases and throwing municipal and school budgets into chaos. Danger, danger, danger. It will be interesting to see how 2000 gubernatorial nominee David McIntosh emerges during the legislative sequence. He was wooed into the race by the House true believers and ardently shares their beliefs. McIntosh showed a willingness to engage Kernan at the HPR Forum on Nov. 6. It's unclear how much clout McIntosh will have in this process and whether he becomes a significant voice aligning with the House Republicans, many of whom

continued on page 5

Time to work HPR's 2002 Top 50

It's becoming one of the most anticipated things we do - *HPR's 50 Most Influential* list.

Since 1999 we've asked HPR readers to get out a sheet of paper and a pen and come up with a list of those folks who have clout (and who use it). Using the 2001 list (below) as a starting point, help us fashion the 2002 list by subtracting some of these names (i.e. Jim Maguire) and adding others (for example, Minority Leader Brian Bosma).

Then e-mail it to HPR at:
brianhowey@howepolitics.com.

We'll announce the 2002 list in the Jan. 10 edition of HPR.

2001 HPR MOST INFLUENTIAL

1. Gov. Frank O'Bannon:
2. OMB Director Mitch Daniels
3. U.S. Sen. Evan Bayh
4. U.S. Sen. Richard Lugar
5. State Rep. Edmund Mahern
6. Speaker John Gregg
7. Sen. Robert Garton
8. U.S. Rep. Tim Roemer
9. Lee Hamilton
10. State Rep. B. Patrick Bauer
11. U.S. Rep. Steve Buyer
12. State Sen. Larry Borst
13. Lt. Gov. Joe Kernan
14. Budget Director Betty Cockrum
15. Chairman Robin Winston
16. Supt. Suellen Reed
17. Indianapolis Mayor Bart Peterson
18. U.S. Rep. Mark Souder
19. Marty Morris
20. DNC Chairman Joe Andrew
21. James Maguire
22. Tom Sugar
23. David McIntosh
24. Scott Jones
25. Mel and Herb Simon
26. State Rep. Susan Crosby
27. U.S. Rep. Julia Carson
28. Bloomington Mayor John Fernandez
29. Mike McDaniel
30. Ken Zeller

31. Pat Kiely
32. Stephen Goldsmith
33. U.S. Rep. Baron Hill
34. U.S. Rep. Dan Burton
35. U.S. Rep. Pete Visclosky
36. Dan Coats
37. Gary Mayor Scott King
38. David Johnson
39. Jeff Smulyan
40. Butch Morgan
41. Judy O'Bannon
42. David Gogol
43. U.S. Rep. Mike Pence
44. IU President Myles Brand
45. U.S. Rep. John Hostettler
46. Evansville Mayor Russell Lloyd Jr.
47. Attorney General Steve Carter
48. Mary Downs
49. Steve Shine
50. U.S. Rep. Brian Kerns

* * *

HONORABLE MENTIONS:

State Rep. Brian Bosma
Ed Treacy
Stephen Stiglich
State Sen. Murray Clark
Phil Bainbridge
Secretary of State Sue Anne Gilroy
Jim Purucker
Auditor Connie Nass
Bob Grand
Chris Sautter
Fort Wayne Mayor Graham Richard
George Van Til
Shaw Friedman
State Rep. Win Moses
State Rep. Chet Dobis
Prosecutor Scott Newman
State Sen. Luke Kenley
State Rep. Bill Crawford
Michael K. Phillips
State Sen. Steve Johnson
Jerry Williams
State Rep. Jeff Espich
Bill Cook
Steve Ferguson
Clay Robbins.

TICKER

T A P E

R-Fort Wayne. Thirty of the caucus's 43 voting Republicans selected Borrh. Former legislator John Becker received six votes.

REP. HERNDON WON'T SEEK RE-ELECTION; STINE LINES UP: Robert Stine, president of the Shelbyville Common Council, has announced he will seek the 57th District Indiana House seat held by Mike Herndon, who is expected to run for Shelby County sheriff (John Walker, Shelbyville News). Stine is a teacher at Shelbyville Middle School.

LIBERTARIANS TO OFFER TAX PLAN: The Indiana Libertarian Party, which has no elected representatives in the General Assembly, wants lawmakers to consider the party's response to Gov. Frank O'Bannon's tax restructuring plans. The Libertarians' alternative focuses on local control of property taxes and schools. Sheri Conover Sharlow, Grant County Libertarian Party chairwoman, said the party's proposal would keep elected officials more accountable for tax and spending decisions. "The plan focuses attention back on the counties," she said. "You can then challenge spending that is unreasonable." Under the plan, land would be taxed by a flat rate, per unit of land.

continued on page 4

TICKER

T A P E

Structures would be taxed only on a square-footage basis and classified as residential, commercial, industrial or agricultural. Local tax increases would require approval by a county or city referendum, and property taxes would be used to finance only education, police, fire and park funds. Personal property would not be taxed and welfare would be eliminated, with local charities providing those services, the plan states. The proposal's fiscal effect hasn't yet been worked out, state party chairman Mark Rutherford said. "I hope the plan will wake up the electorate that there are alternatives," Rutherford told the *Journal and Courier of Lafayette* for a story published Sunday. "This is thinking outside of the box." Rep. P. Eric Turner, R-Marion, a member of the budget and tax-writing Ways and Means Committee, said he plans to review the Libertarians' proposal.

MEEKS, MOSES SPAR ON TAXES IN FORT WAYNE: About 50 business and education leaders gathered at the Fort Wayne Chamber of Commerce last Tuesday and heard State Sen. Robert Meeks blast Gov. O'Bannon's proposals to balance the state budget by raising cigarette and gambling taxes, saying the governor is sticking with his "manipulation of money" (WPTA-TV). Of the forecast \$1 bil-

continued on page 5

Sept. 11 changed Daniels' world

By MARK SCHOEFF Jr.

The Howey Political Report

WASHINGTON - Before terrorists leveled the World Trade Center buildings and blew a huge hole in the side of the Pentagon on Sept. 11, White House budget director Mitch Daniels predicted a \$173 billion surplus in fiscal year 2002 and surpluses totaling \$3.1 trillion from fiscal years 2002 through 2011.

But the terrorists changed Daniels' universe. Instead of skirmishing with Congress over just how much budgets are in the black, the former Eli Lilly executive will battle a sea of red ink for several years as the government finances the war against terrorism.

"We're unlikely to return to balance in fiscal accounts before 2005," Daniels said in a speech last week at the National Press Club. "The next budget will be a telling and decisive one. We'll decide whether we will head in the direction of balance or lose contact with that objective for good."

Daniels, director of the Office of Management and Budget, said that there are two ways proceed: "battle stations" or "business as usual." In the former scenario, normal spending would be slashed to pay for the campaign against terrorism. In the latter scenario, Congress would foist "those new costs on top of the edifice of everything we're doing now."

As a model for how to adjust to the new realities, Daniels, a staunch fiscal conservative, pointed to the administration of President Franklin Roosevelt. He said that Roosevelt cut non-defense spending by 37 percent from 1939 to 1942. In the process, he eliminated the Works Progress Administration and the National Youth Administration, two of his cherished programs. Making a similar cut in today's government, would require ending the Medicare program or closing the Departments of Health and Human

Services, Housing and Urban Development, Education, Justice, Energy, Agriculture, Treasury, Interior and Labor.

"Running deficits in a time like this is acceptable," Daniels said. "The task is to keep our heads and make sure this situation is temporary, not permanent."

Relations with Congress

To achieve that goal, Daniels must persuade Congress to curb spending. But in recent weeks, the OMB director's relationship with Capitol Hill has deteriorated. Daniels, whose sound bites can come off as glib and acerbic, offended members as he tried to apply moral suasion to keep spending in check. A front-page article in

CONGRESS WATCH

the Nov. 26 *Los Angeles Times* asserted that Vice President Dick Cheney had to mediate when the chairman of the House Appropriations Committee refused to return Daniels' phone calls.

Daniels said there is a natural tension between appropriators and OMB. "I need to be careful to manage this," he said. "I've said a couple misguided things. My brain went on vacation and left my mouth in charge. What I've said is institutional, not personal."

Some of the friction is unavoidable. "He's got a very tough job," said Robert Bixby, executive director of the Concord Coalition, an organization that advocates cutting the federal budget. "He's the one who has to impose fiscal discipline at a time when fiscal discipline is low on the public agenda and the administration's agenda. It was easier to apply fiscal discipline when it was backed up by something as highly charged as Social Security."

Daniels' admonishment against increasing federal spending is not limited just to routine appropriations that have been given new life with the demise of

the Social Security "lockbox." At the Press Club, he reiterated a Bush threat to veto a defense appropriations bill if it included additional homeland defense spending beyond that covered by the \$40 billion emergency bill passed shortly after Sept. 11. "We have all the money we need at this time," Daniels said.

But laying down that marker could backfire. "The veto threat was risky," said Bixby. "If Congress does add money, say on bioterrorism, that puts the president in the awkward position of backing down on a veto threat or vetoing a defense bill in the middle of a war. Neither is a good option for the president to have."

Opposing additional homeland defense spending could put Daniels at odds with Democratic Sen. Evan Bayh, who has written a bill that would provide a total of \$667 million to states to fund bioterrorism preparedness. "There are significant needs in communities across Indiana and the nation that need to be met, and they are the highest priority," said Bayh spokesman Mark Kornblau.

But Bayh agrees with the thrust of Daniels' effort to keep spending under control. He has voted against six of eight

appropriations bills. "He believes that Congress is moving forward without regard to the long-term economic health of the country," said Kornblau.

Back Home to Indiana?

Whether Daniels can convince enough members in Congress -- and the administration -- to tighten their belts may determine whether he will return to Indiana to run for governor in 2004. In Press Club Q&A, Daniels firmly denied interest in such a move.

"It depends on how this year's budget process goes," said Bixby. "If he tends to view his job as no longer relevant, and spending restraint is ditched, he might decide that life is better in Indiana."

But Daniels' portfolio is broader than OMB. "Mitch Daniels is someone the president looks to at moments of key decision-making. He gives advice that cuts across boundaries," said an administration official. "He is someone who could take on even broader responsibilities and a more senior post in future years." ❖

Taxes, *from page 2*

believe he's damaged good after his 15-point loss to O'Bannon. "I will be involved," McIntosh told HPR in an e-mail Monday morning.

House Speaker John Gregg has some decisive moments in store if he'd like to be Kernan's LG. He would help that cause by rallying his caucus to the Kernan cause and maneuvering the Senate Dinosaurs and Hopefuls into a point of obstruction. The case he could make to recalcitrant labor and tobacco Democrats is they could look like "visionaries" in helping the state evade a 2003 meltdown and shift the blame to the Senate Republicans. He could make the case that either course (taxes now vs. meltdown

taxes in 2003) is fraught with danger. That scenario is a tall, tall order and a stretch given that while Gregg stood with O'Bannon and Kernan when the restructuring was announced in October, it's unclear to what degree he's on the plantation. And everyone knows almost all House members who will be on the ballot 11 months from now are mortified at playing any kind of visionary mode. It will also be interesting to see how several other ticket possibilities -- Republican Sens. Becky Skillmann, Teresa Lubbers and David Long, Democrat Sen. Vi Simpson and Reps. Susan Crosby, Bob Kuzman and Peggy Welch -- play their cards and recently enhanced clout. Should any of them step up and say/do the right thing at the right time while looking visionary, it could be a big career break. ❖

TICKER T A P E

lion budget deficit, Meeks said the "money is there, stuck in a lot of different places. You can't tax yourself out of a recession. We will not support a tax increase to support the spending of government. They have not proven we are in a crisis where we need tax increases." Democratic State Rep. Win Moses, who supports the cigarette and gambling tax increases, chided Republicans who he says have been "irresponsible" by not suggesting ways to cut spending. Moses said the most important task of the upcoming session will be to handle the "meltdown of the budget" but cutting education funding and jobs money will make Indiana less competitive with other states.

**TAXPAYER GROUP
BLASTS O'BANNON-KERNAN TAX PLANS:** As Indiana legislators prepare to convene for the 2002 session, Gov. Frank O'Bannon and Lt. Gov. Joe Kernan are handing them two proposals to raise tax burdens on Indiana's citizens, an approach strongly opposed by the 335,000-member National Taxpayers Union (NTU), including its 8,100 members in Indiana. "The booming economy of the past several years generated such an abundance of tax revenues that many of Indiana's elected officials

continued on page 6

TICKER

T A P E

were able to go on a spending spree. Now that the economy is slowing they seem to have forgotten how to act with fiscal restraint," noted NTU policy analyst Jerry W. Terry. "Instead of looking for ways to legitimately cut unneeded spending, Gov. O'Bannon and Lt. Gov. Kernan are trying to convince Indiana's taxpayers that tax increases are necessary."

SOUDER RIDICULES TAX HOLIDAY PROPOSAL: If congressional leaders don't back off the idea of a one-month payroll tax holiday, Rep. Mark Souder, R-4th, said Thursday, he and other Republican conservatives will balk at the stimulus bill and on legislation to give the White House more leeway in negotiating trade deals (Sylvia Smith, Fort Wayne Journal Gazette). The idea, he said, "is absurd, stupid, unacceptable and not only enough to turn us against the stimulus package but (also) on a warpath. Social Security is in enough trouble without taking even one month away. We need something that gets people back to work. This doesn't get people back to work," Souder said.

RIGHT TO LIFE CALLS FOR HUMAN CLONING BAN IN INDIANA: Indiana Right to Life called for Indiana legislators to move quickly in the

Indiana 2002, 2004 Racing Form

TRENDLINE: Key question: Can Kent Benson become an Indiana version of a Steve Largent, J.C. Watts and Jim Bunning, sports celebrities who transformed their name ID into a political context? Stay tuned.

Governor 2004: Republican: David McIntosh, Sen. Murray Clark, Sen. Luke Kenley, Randall Tobias, Paul Helmke, Eric Miller. **Democrat:** Lt. Gov. Joe Kernan. **1996 Results:** O'Bannon (D) 1,075,342, Goldsmith (R) 997,505, Dillon (L) 35,261. **2000 Results:** O'Bannon (D) 1,230,345, McIntosh (R) 906,492, Horning (L) 38,686. **2004 Forecast:** OMB Director Mitch Daniels again denied that he is interested in seeking political office -- either governor or senator -- in his home state. "I have no such intentions and you won't see that," Daniels said after a National Press Club speech last week. "I've got a job that I find fulfilling." There is no obvious Republican frontrunner in this race. **Status:** *Leans D.*

Secretary of State 2002: Republican: Kent Benson, Mike Delph, Deputy Secretary of State Todd Rokita, Richard Mourdock, Dr. John McGoff. **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:** Benson today begins a statewide bus trip to announce his candidacy. Benson, 46, plans to travel 2,000 miles and visit 34 communities and 101 media outlets during his week-long tour. It could be a make-or-break scenario for the former IU basketball All-American, who opens his candidacy in Indianapolis outside the NCAA national headquarters. His sports/celebrity status will likely draw media attention. But he will also be pressed on his business and public policy acumen as the news media and future Republican delegates begin to gauge whether he will be suited to head the Republican ticket in 2002.

Status: *Tossup.*

Congressional District 2: Republican: Chris Chocola. **Democrat:** Jill Long Thompson, Mark Meissner, State Sen. William Alexa, Kathy Cekanski Farrand. **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:** Ohio Congresswoman Marcy Kaptur, the senior House Democratic woman and one of the strongest House supporters of organized labor, will be in South Bend to campaign for JLT on Jan. 18. Former Secretary of Transportation Rodney Slater has also confirmed, date TBA. Expect more announcements of campaign visits soon. **Status:** *Leans JLT.*

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:** Buyer spoke out against the discovery over the weekend that American scientists initiated a human cloning procedure. "There are many values that we hold dear in our country, morality and the sanctity of life being two of the most sacred. This leap in scientific research moves us one step closer to a world in which there is an apparent disregard for both of these values. Science should, and must, continue on a path of advancement, yet not at the price of this country's morality and ethics," Buyer commented. Buyer completed his goal of running 225 miles through the new 4th. Buyer's final steps were to the Lawrence County Courthouse Veteran's Memorial. He raised \$35,000 for the Cancer Research Foundation of America. "I thank all of the Hoosiers and the many corporations that have contributed so generously to this worthy cause. As exhausted as I was, especially after an 8-mile run uphill, I knew that it was nothing compared to the daily struggles of those victims

HORSE RACE

and survivors of cancer, as well as their families," Buyer commented. The run began Aug. 4, at the White County Courthouse in Buyer's hometown of Monticello. **Status:** *Leans Buyer.*

Congressional District 6: Republican: U.S. Rep. Mike Pence. **Democrat:**

Melina Ann Fox. **Geography:** Anderson, Muncie, Richmond; Wells, Adams, Blackford, Jay, Madison, Delaware, Randolph, Henry, Wayne, Rush, Fayette, Union, Decatur, Franklin, and parts of Bartholomew, Shelby, Johnson and Allen counties. **Media Market:** Indianapolis, Fort Wayne, Dayton, Cincinnati. **2000 results:** Pence (R) 106,023, Rock (D) 80,885, Frazier (I) 19,070. **2002 Forecast:** Pence condemned the cloning of a human embryo by Advanced Cell Technology (ACT) of Worcester, Massachusetts. "I was deeply troubled when I heard that Advanced Cell Technology had created a human being through embryonic cloning," said Pence. "In July, the House of Representatives voted to ban this ethically questionable practice. The majority of members of Congress agree that amoral biotech firms motivated by profit are not equipped to handle the deep moral implications involved in the creating human life. After ACT made its announcement, another company, Clonaid, said that they, too, have cloned humans. The Senate must act to ban this practice now, before the door is opened any further to a brave new world where human life is created for the sole purpose of experimentation and destruction. No ethical case can be made for cloning a human being, which results in the creation of an embryo and a life. By banning human embryonic cloning, the United States, as a leader in research, has the ability to send a clear message to the world, saying, 'Humanity will master -- not be mastered by -- science.'" **Status:** *Leans R.*

Congressional District 8: Republican: U.S. Rep. John Hostettler. **Democrat:**

Bryan Hartke. **Geography:** Evansville, Terre Haute, Greencastle; Posey, Vanderburgh, Warrick, Gibson, Pike, Martin, Daviess, Knox, Sullivan, Greene, Owen, Clay, Vigo, Vermillion, Parke, Putnam, Warren and part of Fountain counties. **Media Market:** Evansville, Terre Haute, Indianapolis, Lafayette. **1994 results:** Hostettler (R) 93,529, McCloskey (D) 84,857. **1996 Results:** Hostettler (R) 109,582, Weinzapfel (D) 106,134, Hager (L) 3,799. **1998 Results:** Hostettler (R) 92,227, Riecken (D) 81,381, Hager (L) 3,395. **2000 Results:** Hostettler 116,860, Perry (D) 100,461. **2002 Forecast:** The DCCC puts Hostettler on its "vulnerable Republican incumbent list." We couldn't disagree more. HPR believes Hostettler is currently in the best shape of his career. More and more Democrats are telling us that Hartke is not a first tier candidate. When we asked a district reporter what he thought of Hartke, the response was, "He's kind of lumpy and shiny" and unimpressive on the stump. It appears 2000 nominee Paul Perry will sit this cycle out. With Hostettler's organization, the popularity of President Bush in this heavy Right to Life; pro-gun territory, the incumbent would be hard to defeat even with John Gregg in the race. The name Hartke carries none of the legacy charisma that "Bayh" does. Sen. Vance Hartke lost the 8th CD in his last primary (1976). **Status:** *Likely Hostettler.*

Congressional District 9: Republican: Mike Sodrel, Jeff Ellington. **Democrat:**

U.S. Rep. Baron Hill. **Geography:** Bloomington, Columbus, Lawrenceburg, Rising Sun, New Albany Jeffersonville, Madison, Nashville; Spencer, DuBois, Orange, Crawford, Perry, Harrison, Washington, Jackson, Brown, Jennings, Scott, Floyd, Clark, Jefferson, Switzerland, Ripley, Ohio, and parts of Dearborn and Monroe counties. **Media Market:** Evansville, Indianapolis, Louisville, Dayton, Cincinnati. **1994 results:** Hamilton 91,459 (D), Leising (R) 84,315. **1996 Results:** Hamilton (D) 128,885, Leising (R) 97,747, Feeney (L) 2,315. **1998 Results:** Hill (D) 92,477, Leising (R) 87,278, Feeney (L) 2,397. **2000 Results:** Hill 125,978, Bailey (R) 101,790, Chambers (L) 4,634. **2002 Forecast:** What are the early prospects of an Ellington vs. Sodrel race? We give the first edge to Sodel because his prospects for raising money appear to be better. Perhaps significantly better. Sodrel has personal wealth coming through his bus and trucking company. He appears to have better support in the more populous southern part of the district (Jeffersonville/New Albany). Whether Ellington can raise money is a key question. The Indiana Chamber backed Ellington during his 1998 primary challenge to State Rep. Jerry Bales, knocked him off, but ultimately lost what had been a safe GOP seat to Democrat Peggy Welch. That may have soured some business concerns from getting behind this candidacy, even if it's at the Congressional level, and may gravitate to a fellow businessman (Sodrel). **Status:** *Leans D.*

- **Brian A. Howey** ❖

TICKER

T A P E

2002 legislative session to pass a ban on human cloning in the state of Indiana. The appeal comes in the aftermath of Sunday's announcement by Advanced Cell Technology of Worcester, Mass., that they have successfully cloned a human embryo. "Indiana must step forward now and declare that human cloning is unacceptable in our state," states executive director Mike Fichter. "Without immediate action the stage will be set for potential mass production, destruction, and harvesting of human embryos using the technology employed by ACT."

SEN. MILLER TO SPONSOR CLONING RESTRICTION BILL: State Senator Patricia Miller (R-Indianapolis) will reintroduce a bill in the 2002 legislative session that would restrict cloning experimentation in Indiana. "Due to the moral implications arising from this new scientific discovery, Indiana must not fund nor advocate cloning research," Miller said. "The cloning of humans would create enormous ethical, theological and psychological dilemmas." According to Miller, the legislation will address several fundamental concerns regarding human cloning. First, the bill will define the term "cloning" as the growing or creation of a human being from a single cell or cells of a genetically

continued on page 8

TICKER T A P E

identical human being through asexual reproduction. In the language of the bill, Miller emphasizes that the term does not apply to techniques of assisted reproductive technology, such as in vitro fertilization or intrafallopian transfer.

MOSES, FRY WANT TO TARGET UTILITY MERGERS: Democrats plan to renew a push to give state regulators more power to oversee utility mergers and punish companies that don't provide adequate service. House Commerce Committee Chairman Craig Fry, D-Mishawaka, said he will file legislation in the 2002 session that gives the Indiana Utility Regulatory Commission the authority to fine electric and gas companies that fail to meet state standards or follow rules and laws. "This is something we really need to do," said Fry, who watched a similar bill die during this year's session when Republicans and Democrats couldn't settle on the amount for the fines (Lesley Stedman, *Louisville Courier-Journal*). "I think we've got a pretty good shot," Fry said. In addition, Rep. Win Moses, D-Fort Wayne, plans to file a bill that gives the commission broad discretion to review, approve or reject utility company mergers. "This is a major tool that is absolutely essential for us," said Moses. ❖

COLUMNISTS ON INDIANA

Andrea Neal, *Indianapolis Star* - Paul Mannweiler's retirement after 23 years in the Indiana House made front-page news for one reason: It was rare. Most Indiana lawmakers age out of the General Assembly rather than opt out. As it was, Mannweiler achieved "lifer" status (any term 20 years or longer) in a state where incumbency virtually assures re-election. Consider the following incumbents' start dates: Senate Finance Chairman Larry Borst, 1966; House Ways and Means Chairman Pat Bauer, 1970; House Speaker John Gregg, 1986; Senate President Pro Tem Robert Garton, 1970; House Ways and Means ranking minority leader Jeff Espich, 1972; House Speaker Pro Tem Chester Dobis, 1970; Senate Minority Floor Leader Richard Young, 1988. Good people, all of them. And all at the Statehouse way too long. Have you noticed lately how out of touch our legislators are? Turning tax dollars into a slush fund called Build Indiana, then defending the practice when caught with their hands in the jar? Trying to exempt themselves from the public records laws that apply to all other taxpayer-funded employees? Refusing to vote on controversial issues that directly affect economic development, such as daylight-saving time? Here's something Indiana voters need to know: The longer your elected official spends in office, the poorer his performance. Look at the start dates of Indiana legislators in high leadership positions and you'll find only a few were elected after 1990. And we wonder why they haven't had a new idea in decades. The solution: term limits.

❖ **Sylvia Smith, *Fort Wayne Journal Gazette*** - Perhaps they haven't noticed, Democratic Sen. Evan Bayh says of his colleagues, but the federal till has shrunk dramatically in the past few months. Bayh says he's acutely aware of the obvious: We're on the cusp of a recession, if we

haven't already tumbled down that slope. He also says the congressional response should, likewise, be obvious: Spend less. Pay for the essentials, especially homeland defense. Wait till next year or the next for the extras. Bayh has voted against five of the eight annual spending bills Congress has finished and sent to President Bush to pay for the government's operation in 2002. Bayh's place in the anti column is a lonely position. Of the 683 Senate votes cast on seven spending bills, a mere 36 were "no." ❖

Paul Dodson, *South Bend Tribune* - When the state of Indiana issues its unemployment rates on Friday we should begin to get an idea how the local economy has been impacted by the terrorist attacks and the just-declared recession. Throughout this year I have been amazed that northern Indiana unemployment rates remained extremely low, despite obvious signs of recession and job losses. So I went to a local expert, economist Paul Joray, and asked if he could explain what was going on. He suggested digging deeper and looking at the employment statistics which show changes in the number of jobs over time. What I found was that Elkhart County and St. Joseph County have lost thousands of jobs in the past year, intensifying in September and October. The stats show Elkhart County lost 4,900 jobs in the 12-month period from October 2000 through October 2001. Elkhart County's labor force had 128,100 jobs in October 2000. The total fell to 123,200 in October 2001. "We have been talking for 10 months that manufacturing is in a recession. When you look at Elkhart County being down by nearly 5,000 jobs, that really shows what has been happening," said Joray. The problem could be worsening. In the two-month period of September and October, Elkhart County lost 1,600 jobs. ❖