

Political Report

V 11, No 18 Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

Momument Circle Fulcrum:

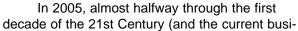
Hoosier revolutionaries Daniels, Peterson head 2005 HPR 50 Most Influential List

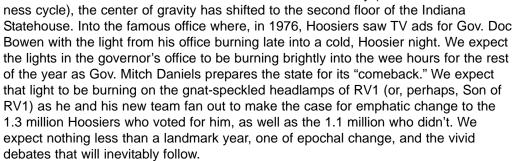
By BRIAN A. HOWEY in Indianapolis and MARK SCHOEFF JR. in Washington, D.C.

Since 1999 The Howey Political Report has offered an annual and admittedly subjective look at the warrens of clout, power, promise and disappointment throughout the Indiana political spectrum. This is the first time since we began publishing in 1994 that we've conducted this exercise with a change of power, this time at both the

executive and legislative levels.

The HPR 50 Most Influential List is always relative, attempting to reflect where the most compelling political and public policy activity will be. Some names have been on every list. Others rise and fall depending on where the action is. In past legislative budget years, the center of gravity could be found deep inside the Senate Finance Committee. At other times, such as when impeachment or war were imminent, it was firmly on Capitol Hill. Or in the war rooms of campaigns in the state parties, county organizations, or looming congressional or mayoral campaigns.





So, we roll up our sleeves ... and get to the task at hand.

1. Gov. Elect Mitch Daniels: "Don't mistake the edge of the rut for the horizon" was just one of the quips from the lips of incoming Gov. Daniels that captures



Gov. Elect Mitch Daniels



Columnists: Smith, James p. 12

Ticker: Murphy offers slots bill p. 13

HPR: A Decade of Political Coverage



"If I hear Evan Bayh one more time. Evan Bayh is not going to get our White House back. Where's our Arnold?"

- Film maker Michael Moore, on NBC's Today Show this morning.

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: \$350 annually HPR via e-mail;

\$550 annually HPR & HPR Daily Wire. Call 254-0535.

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HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

the essence of turn of the century Indiana. Daniels' 2003-4 gubernatorial run lived up and exceeded his Lugar/Reagan/Hudson/Lilly/Bush pedigree. It was a campaign for the ages and sets the Hoosier state up for great promise.

The critical questions facing Daniels as he prepares to assume power is whether he can convince those mired in the rut (i.e. Indiana General Assembly members) and those bound by tradition that his vision will be worth the pain. We liken today's situation similar to the one President Reagan found in 1981: a nation in malaise that needed a

"revolution." The concept of a political revolution (i.e. Reagan in 1981, Newt Gingrich in 1995) always loses some of its zing as the hard realities come into play. Surely Daniels may feel pressure, as did Reagan in November 1982 when his tax cuts and other reforms had yet to kick in. He responded with a dedicated "stay the course" that brought on the "Morning in America" promise two years later. Daniels may face even tougher challenges than President Reagan did because he will not be in a position to cut taxes and make paychecks bigger. But he has to make more paychecks. Hoosiers are going to face some dark days and harder choices. The 2004 gubernatorial campaign may ultimately be seen as building a rapport, preparing people for that "freight train of change" and the inevitable wailing in pain that will come with it. What we hope Daniels does when the most painful choices are presented (i.e. tax hikes, Colts, daylight-saving time) is that he uses his new bully pulpit to make a logical, rational case to the Hoosier people that the pain will be worth it and it will be followed by sunnier mornings. We're not used to seeing that from our recent governors. There was almost a fear by the people to make dramatic and painful choices, instead of going to them and making the rational case. Thus, government has become an accumulaton of earwax (as Andy Jacobs put it) muffling the needs of the people.

We've used the quote from L. Keith Bulen -- Daniels' mentor -- about President Clinton ("best politician I've heard, seen or dreamed of"). At this point, it applies to candidate Daniels. Our suspicions are that in two years, that notion will be as valid with "Gov. Daniels" as his promise of today.

2. Indianapolis Mayor Bart Peterson: Harrison Ullmann used to observe the relationship between the young, ambitious Democratic Indiana governor (Evan Bayh) and the young ambitious Republican mayor of Indianapolis (Stephen Goldsmith), playing political teeter-totter with the Monument as the Market Street fulcrum. The "Bayhsmiths," as Ullmann called them both, never criticized each other. They were on



Mayor Peterson announces his Indianapolis Works program last summer. (HPR Photo)

different election cycles and had different pre-White House objectives. There was a truce; a distinct but unmistakable wary respect you might expect from two bitterly rivaled heavy-weight fighters crossing paths at, say, a five-star restaurant.

So here we have the young aggressive Republican governor (Mitch) and the young, aggressive Democratic mayor (Bart) simultaneously active, like two political volcanoes, thundering and rattling the hovels of stressed people. While Daniels was crisscrossing the state talking about his "freight train of change," Mayor Peterson was standing at the Indiana Historical Society calling for -- by Hoosier standards -- radical government consolidation (Indianapolis Works). Then, as Daniels was putting together his new, revolutionary administration, Peterson walked into the RCA Dome that Hudnut built, during an eight-game Colt winning streak, and with Peyton Manning closing in on the hallowed Dan Marino touchdown record, and announced a radical, revolutionary new stadium plan/convention center and a probable Super Bowl. He wants to pay for it with slots. He said that if someone can come up with a better way to keep the Colts and not increase taxes on the masses, go for it. On fourth down. Senate President Pro Tempore Robert D. Garton reacted, "All the other issues will pale in comparison. The mayor has rearranged the priorities for the legislature in this state."

HPR asked Daniels if he had spoken with the mayor. "I commend the mayor on his resourcefulness," Daniels said, but added that he will be exploring other options besides Peterson's proposal for slots to pay for the stadium. Daniels said a tax increase is one such option. He said the city "has local option income tax capacity" that could be used.

So this is already getting interesting. The Republican governor was suggesting a general tax increase to pay for a new stadium. Funded mostly by Marion County residents. Sens. Garton and Luke Kenley are hinting at some kind of ... regional taxation. Who'd a thunk it?

Peterson has created a delicious dilemma for Republicans: raise taxes; approve slots (with GOP Executive



HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

Director Luke
Messer carrying the
bill); or watch
Peyton Manning
end up in Chavez
Ravine.

Any way you slice it, Peterson is walking into Daniels' space, or vice versa. But rest assured, a new aggressive governor would rather be dictating the agenda by himself than



sharing it with the powerful mayor down the street. Will they work together, spending the next two years radically reshaping Indiana for the next couple of generations? Or will they butt heads and produce a bitter rivalry that might culminate in a 2008 showdown? Our guess is that Peterson and Daniels will work together and sort things out. It was Mayors Lugar and Hudnut who paved the way for the Colts to come here and Daniels wouldn't want to destroy that legacy. Four years is a long way off. Neither man seems particularly ambitious for another office, as the Bayhsmiths were. The Daniels/Peterson egoes are proportional to their characters. This town just might be big enough for both of 'em. Or as Daniels explained, "I believe at the end of the day we'll get it all worked out," Just like Gov. O'Bannon and Mayor Goldsmith did with Conseco Fieldhouse and workers comp reform in 1997. Manning-to-Harrison! Miller-to-O'Neal. Yes! Boom baby! The crowd goes wild!

3. U.S. Sen. Richard Lugar: As chairman of the Senate Foreign Relations Committee, Lugar has his dream job, one that is inspiring him to extend his record tenure in office and run for re-election in 2006. A fixture on Sunday morning television, he can frame and elevate the policy debate on Iraq, weapons of mass destruction, NATO enlargement, tsunami relief and any other issue he wants to address. He also can promote the Lugar doctrine through timely hearings. The question is whether he can extend his influence beyond the congressional bully pulpit and consistently get President Bush and the Republican Senate leadership to act on his sage advice. Lugar might also play an important role in domestic policy debate in the 109th Congress. With a voting record declared to be the most "economically efficient" in Congress by the University of Delaware, he promoted a national sales tax when he ran for president in 1996. This year, tax reform will be at the top of the congressional agenda.





Sen. Lugar with U2's Bono (left), Sen. Evan Bayh, and Senate President Pro Tempore Robert Garton.

U.S. Sen. Evan Bayh: If Tim Roemer becomes chairman of the Democratic National Committee, that will be a boon for Bayh because it means the Democrats are making room for a diversity of views on abortion. Although Bayh is pro-choice, he has voted against partial birth abortion. Some Democrats also see his fatherhood initiative as a subliminal anti-abortion message. This plays well in Indiana but not to the Democratic base that holds sway during the presidential primary season. If Roemer heads the party, it could give momentum to Bayh's likely bid in 2008. If Bayh can appeal to the base in the primary, his centrist credentials would boost him in a general election. He's a smart, articulate politician who is developing security policy gravitas through his work on the Senate Intelligence Committee and on the 9/11 Commission bill. On foreign policy, he's going beyond being a "me too" Lugar and formulating his own worldview, such as his recent call for Defense Secretary Donald Rumsfeld to resign. In the 109th Congress, he can avoid the John Kerry in-box senator criticism by putting together signature legislative initiatives.

5. Senate President Robert D. Garton: The powerful Senate president can make Gov. Daniels' life heavenly or a living hell, depending on how much he gets with the new chief executive's program. Daniels has cultivated this relationship over the past year and Garton insists that he'll be a team player. It will be interesting to see how that plays out when the controversial stuff -- gaming, tax increases, daylight-saving time, etc -- hits the Senate floor. This has been the greatest year of change for the longest-serving Senate president. His caucus rival and cohort, Sen. Larry Borst, was defeated, leaving Garton in an unprecedent position of Senate power, though he will have to cede some of that to the new governor. Garton has also begun to annoint the next generation of senators, elevating Sens. Meeks and Kenley on the finance front, and Long and Merritt on the policy front. Insiders tell us that



Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

Page 4

Garton will probably seek re-election in 2006. As with Borst, Garton has an extraordinary tenure in the Senate. How he writes the twilight chapters of his career will be equally fascinating.



6. House Speaker Brian

Bosma: Bosma won the House with Bosma and Espich the help of two controversial issues:

a gay marriage ban (Indiana already has a law doing that) and benefits for members. The latter may cause him some problems if he needs help from House Democrats on budget or tax increase matters. Republicans claim that when Gov. O'Bannon vetoed the health benefits for members, the deal to keep the issue out of sensitive House races was null and void. Bosma will carry the water for Gov. Daniels in the House. He is attempting to strike a stance of openness, call-

ing for ethics reforms and the televising of House proceedings via the internet. And just as losing the battle of the House in 2004 could have caused a leadership challenge, the path isn't any easier in 2005. Democrats are hoping House Republicans will be forced into voting tax increases, which they will use against the GOP in the 2006 mid-term elections. Bosma has his work cut out for him and he'll have to be at the top of his game.

- 7. Ways & Means Chairman Jeff Espich: When Gov. Daniels' budget comes down the pike, it will be Espich who will handle the front end, thus becoming a crucial player in what will likely be an epic battle. We expect him to play a leading advocacy role for the new administration and the Senate will then react.
- **8. U.S. Rep. Mike Pence:** He works the media better than anyone else in the Hoosier congressional delegation. The former radio talk show host knows how to generate press not

2004 HPR 50 Most Influential List

- 1. Gov. Joe Kernan
- 2. Mitch Daniels
- 3. State Sen. Larry Borst
- 4. District Attorney Joseph Van Bokkelen
- 5. U.S. Sen. Evan Bayh
- 6. U.S. Sen. Richard Lugar
- 7. Republican Chairman Jim Kittle Jr.
- 8. Indianapolis Mayor Bart Peterson
- 9. Prosecutor Carl Brizzi
- 10. U.S. Rep. Mike Pence
- 11. Senate President Pro Tempore Robert D. Garton
- 12. House Speaker B. Patrick Bauer
- 13. Lt. Gov. Kathy Davis
- 14. House Minority Leader Brian Bosma
- 15. Ways and Means Chairman William Crawford
- 16. Chief Justice Randall Shepard
- 17. Democratic Chairman Joe Hogsett
- 18. Bernie Toon
- 19. Bill Oesterle
- 20. Fort Wayne Mayor Graham Richard

- 21. Kevin and Margaret Kellems
- 22. Evansville Mayor Jonathan Weinzapfel
- 23. U.S. Rep. Chris Chocola
- 24. U.S. Rep. Julia Carson
- 25. Pat Kiely
- 26. Kevin Brinegar
- 27. Terry Thurman
- 28.U.S. Rep. John Hostettler
- 29. U.S. Rep. Baron Hill
- 30. U.S. Rep. Dan Burton
- 31. U.S. Rep. Mark Souder
- 32. U.S. Rep. Pete Visclosky
- 33. State Rep. David Orentlicher
- 34. Gary Mayor Scott King
- 35. Bob Grand
- 36. U.S. Rep. Steve Buyer
- 37. 9/11 Commissioner Tim Roemer
- 38. Marty Morris
- 39. First Lady Maggie Kernan
- 40. Tom Sugar
- 41. Secretary of State Todd Rokita
- 42. Shaw Friedman
- 43. Supt. Suellen Reed
- 44. Marion County Democratic Chairman Ed Treacy

- 45. St. Joseph County Chairman Butch Morgan
- 46. State Rep. Mike Murphy
- 47. Allen County Republican Chairman Steve Shine
- 48. House Majority Leader Russ Stilwell
- 49. Post-Tribune reporters Steve
 Patterson and Michael Puente
- 50. 9/11 Commissioner Lee Hamilton

Honorable Mention

Treasurer Tim Berry

Brian Burdick

Lake County Prosecutor Bernard

Carter

Attorney General Steve Carter

Steve Chancellor

State Sen. Murray Clark

Deborah Daniels

Lake County Sheriff Roy Dominguez

Mary Downes

Rex Early

State Rep. Jeff Espich

State Sen. David Ford



Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

only in the district but also nationally. This skill has made him a rising conservative star and green lighted his push to join the House Republican leadership. Recently elected chairman of the House Republican Study Committee, a caucus of about 100 conservatives, he has positioned himself to be a switch hitter. He told the *Fort Wayne Journal Gazette* in today's editions, ""Many Republicans, even many who call themselves

conservatives, have begun to see government as the solution to every social ill," he said. "I believe this is a historic departure of the limitedgovernment tradition of our party. We've got to go back to what conservatives know to be true. We've got to go back to fixed principles. Otherwise, I really do believe they risk electoral disaster." He can either champion Bush policies and be a hero to the White House or he can just as easily become the loyal opposition if he

thinks Bush isn't hewing



Daniels, Skillman and Miller last fall in Carmel. (HPR Photo)

to conservative principles. In fact, Bush is more likely to be stymied by the Republican right than by Democrats. Pence will be in the vanguard of the latter. His seems to have the ability to move on to a higher office. He's conservative but not scary; he wears his Christian beliefs on his sleeve but doesn't beat people over the head with them, locking up his district and earning grudging respect even from political opponents. In the near term, he needs to be careful to maintain some distance from House Majority Leader Tom DeLay, who is becoming radioactive even within his own party.

9. Budget Director Charles Schalliol: Gov. Elect Daniels soleminly intoned on Nov. 16, "We won't make a more important appointment," and then introduced Schalliol, the Mishawaka native who headed the BioCrossroads initiative and is a veteran of Eli Lilly. "Of course, we have an immediate fiscal emergency to address, but we have big longer term goals as well: to measure the performance of government activities, to see the burden of state regulations is justified by their benefits, and to drive our reform agenda through every agency of state government. We need much more than a budget officer and we have that in Chuck Schalliol." Daniels called Schalliol a "blue-ribbon appointee and a signal of

appointments to follow." He holds a doctor of law degree from Yale and directed three Lilly venture funds. "Indiana faces the greatest fiscal crisis in recent memory," said Schalliol. "My immediate goal will be dealing with the state's dire budget situation and beyond that pursuing Governor-elect Daniels' aggressive plan to reform state government." Once the crisis passes, expect Schalliol to work as an ambassador without

portfolio, roaming state goverment.

10. Lt. Gov. Becky Skillman: The first elected female lieutenant governor in Indiana history isn't expected to act like her predecessors. We don't expect her to spend endless hours gaveling in bills in the Senate. She will be Gov. Daniels' legislative point person and her excellent relations with President Garton and other legislative leaders will be critical in the next four to six months. She is playing a major role in shaping the administration's legisla-

tive agenda. What is fascinating about Skillman comes on the political side of the equation. Pundits often ask ... "When you look at (fill in the name), do you see a governor?" It's far too early to begin pondering who assumes the mantle in a post-Daniels Statehouse, but that little exercise will commence this year with Skillman operating in the executive branch. Will there come a day when she joins the likes of Ristine, Rock, Orr, O'Bannon and Kernan and becomes the assumed heir to the Hoosier throne and, perhaps, the first female chief executive?

11. Chief of Staff Harry Gonso: It's been a long time since we've seen an enforcer gubernatorial chief of staff in the mode of Bart Peterson or Bill Moreau. Gonso is expected to be that kind of player in the fledgling Daniels administration. Gonso has focused his practice on corporate, transactions and securities work in a 30-year legal career. He has served as counsel to Fortune 500 companies and the domestic operations of several international corporations and businesses. He has also served as legal and businesse advisor to a variety of smaller domestic and international businesses engaged in a variety of manufacturing and service industries. As Special Counsel to the Governor and Chief of Staff, Gonso



HOWEY Political Report

Weekly Briefing on Indiana Politics Thursday, Jan. 6, 2005

will direct operations in the Office of the Governor.

- 12. State Sen. Luke Kenley: The Noblesville Republican chairs the Tax and Fiscal Policy Committee, assuming a big part of Larry Borst's portfolio. The Harvard-educated Kenley is extremely bright and he will play a major role in determining who is taxed, and which school districts get what piece of a small pie. But Kenley doesn't have great political instincts and doesn't have a great bedside manner with his fellow senators.
- 13. State Sen. Robert Meeks: The LaGrange Republican got the other part of the Borst finance portfolio. But in the era of no money, there won't be a lot of gifts to parcel out to peeping senators with nests to feed. That's why Kenley comes first in this pecking order. Meeks has better political instincts than Kenley and is close to President Garton. We expect them to be on the same page. One note about Kenley and Meeks: If the new administration acts with hubris, we would expect them to reassert their authority if there is a lack of recognition of co-equal branches of government.
- **14./15.** Power Couple: State Sen. Teresa Lubbers and Mark Lubbers: Sen. Lubbers will be carrying key legislation for Gov. Daniels in the Senate. She is a long-time advocate for charter schools, which the new governor emphatically embraces. Mark Lubbers is a former aide to Gov. Robert Orr, managed Sen. Dick Lugar's 1996 presidential campaign, was spokesman for Conseco during its post-Hilbert bankruptcy days, and was the driving force behind the Mitch Daniels

Sue Anne Gilroy, before taking a position as Director of Pre-Law Studies at Butler University. As deputy chief of staff, Whitt will work with Harry Gonso to direct operations in the office of the governor and serve as a liaison to various departments in state government.

- 17. FSSA Director Mitch Roob: A former aide to Indianapoilis Mayor Stephen Goldsmith and a veteran of the Health and Hospital Administration, Roob will play a major role in reforming one of the festering bureaucracies of Indiana government.
- **18. Commerce Secretary Patricia Miller:** The Vera Bradley CEO from Fort Wayne came within an eyelash of becoming lieutenant governor. Now she will head up the newly revamped Commerce Department and will play a major role in the governor's primary emphasis ... job creation.
- **19. Marty Morris:** Heading into a re-election year, Sen. Lugar's chief of staff will be active lining up money and discouraging opposition. No one knows better how to raise money or produce Republican votes in Indiana than Morris.
- **20. Tom Sugar:** Sen. Bayh's chief of staff will be the key gatekeeper as the junior senator surveys the 2008 presidential derby.
- 21. State Rep. B. Patrick Bauer: The former speaker took a calculated risk when he refused to hear the gay marriage ban legislation last winter, fearing that any roll call vote would be used against vulnerable Democrats in Republican-





9/11 Commissioner Tim Roemer (above) and Sen. Vi Simpson chats with Judy O'Bannon with John Gregg and Mayor Peterson nearby.

campaign 30-minute "On the Road" TV series. In August 1992 he gave a speech to the Lafayette Rotary Club, titled, "Indiana: Get Radical or Die." That could be the earliest treastise fomenting the Daniels revolution. The Lubberses will be the most influential couple Indiana has seen in a long time.

16. Ellen Whitt: The deputy chief of staff will be an integral part of access to the incoming governor and funneling the torrent of information flowing in from the agencies. She worked for a decade on Lugar's staff, serving both as legislative director in Washington and director of his Indiana office. She was also the first director of the Women's Fund of Central Indiana and served as deputy secretary of state under

leaning districts. Well, it was used against them anyway, prompting some to wonder what might have happened if Bauer had positioned his party to back a gay marriage ban but also support civil unions, which plays well in public opinion surveys. Bauer will be the front man for the 48 House Democrats and he knows that Daniels and Bosma may need some of their votes on key budget and tax increase issues. So Bauer will be a force to be reckoned with in 2005 and 2006 when Son of Battle for the House resumes.

20. State Sen. Vi Simpson: A credible gubernatorial contender in 2003 before giving way to Gov. Joe Kernan, Simpson becomes the earliest focal point for the Democrats



HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005





U.S. Rep. Steve Buyer (left), Evansville Mayor Weinzapfel, and (at right) Mark Lubbers, John Hammond III, Daniels, Lou Gerig and Joe Bill Wiley. (HPR Photos)



who have an eye on 2008 because she will play a conspicuous role during the budget wrangling as the loyal opposition.

21. 9/11 Commissioner Tim Roemer: The former Indiana congressman was the driving force behind the 9/11 Commission and intelligence reform. He is now a serious candidate for Democratic national chairman, having the support of House Minority Leader Nancy Pelosi and Senate Minority Leader Harry Reid. It will be interesting to see if his pro-life status will keep him out of the chair. If Roemer gets there, he'd be in the top five. If not, he'd be lower. We split the difference. It's not clear that Roemer is a good fit for DNC chairman. When he retired from Congress in 2002, he reveled in policy and gritted his teeth when it came to fundraising. The Notre Dame Ph.D. was in his element as a 9/11 Commission member. He could shape and expound on national security issues every day. As DNC chair, he has to immerse himself in fundraising and campaign strategy, the things he hated when he was in office. The Democrats don't need their chair to promote security policy. But they do need him to fire up the ground troops and find candidates to help turn red states blue. This might not be the low-key Roemer's forte.

- 22. Evansville Mayor Jonathan Weinzapfel: Another potential 2008 gubernatorial candidate. Weinzapfel becomes the most powerful Southern Indiana political figure with the defeats of Rep. Baron Hill and the retirement of John Gregg and passing of Gov. Frank O'Bannon. He will command one of the state's largest media markets. He is young, sharp, has a couple terms in the Indiana House and a congressional campaign under his belt prior to defeating incumbent Mayor Russell Lloyd Jr., in 2003. His first year as mayor has gone smoothly. Keep you eyes on Weinzapfel.
- 23. Fort Wayne Mayor Graham Richard: Commanding the state's second largest media market and city, Richard won an impressive re-election in 2003 with a subterranean campaign that routed Linda Buskirk, whom he narrowly

defeated in 1999. This after he helped steer through the annexation of 25,000 new residents in Aboite Township. A former state senator, Richard will be on early short lists for 2008 governor. He has had health problems in recent years.

- 24. John Hammond III: One thing struck us when we compiled the HPR Photo Gallery history of the 2004 governor's race. Hammond was with Daniels at the campaign kickoff at Hinkle Fieldhouse, and in a number of other photos. The former chief of staff under Gov. Orr, Hammond is a member of Daniels' kitchen cabinet and will be extremely influential over the next few years, just as he was during Gov. Orr. Hammond was very tight with Chairman Borst and stood to lose clout when Borst was defeated. But trading up to the governor makes the loss a wash for Hammond.
- **25. Pat Kiely:** The president of the Indiana Manufacturers Association lost some clout when Senate Finance Chairman Larry Borst was defeated, but the former Ways and Means chairman has good rapport throughout Mitch World.
- **26.** Lou Gerig: The former Lugar aide is extremely close to the incoming governor and is part of his kitchen cabinet. As one of the earliest agents of Mitch as his candidacy gathered in 2003, Gerig acts as the governor's eyes and ears.
- **27. Bob Grand:** The managing partner at Barnes & Thornberg was a key ally of Kittle the Phoenix Group's life, managed Secretary of State Todd Rokita's convention floor fight. Now he's raising money for the Lugar campaign.
- 28. U.S. Rep. Steve Buyer: He represents one of the safest Republican seats in the nation, giving him considerable room to operate. On Wednesday, he became chairman of the House Veterans Affairs Committee and he also serves on the Energy and Commerce Committee. His competitive and combative personality makes him liable to pop up on any issue. For instance, he went after outgoing Democratic Gov. Joseph Kernan with alacrity on issues ranging from federal funding to drug reimportation. A Gulf War veteran, he's carved out a niche as a military advocate and has demonstrated that he's



HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

ready to do battle for the state party. He would increase his statewide appeal if he developed a media friendly dimension like Pence's and gravitas like Lugar's.

29. U.S. Rep. Mark Souder: One of the most effective spokesmen for the Christian Conservative cause in Congress, Souder's political acumen is unrivaled. He can rationally and persuasively explain his right-wing views yet also vote pragmatically when the situation calls for it. His stature is growing on drug control issues and he has developed a homeland security portfolio thanks to serving on the House homeland committee. His efforts to secure thematically driven federal funding for economic development have made him a good partner for Democratic Fort Wayne Mayor Graham Richard. He doesn't need to worry about a legitimate challenge. Souder was appointed to head the House Steel Caucus on Wednesday.

30. U.S. Rep. Mike Sodrel: The folksy Sodrel is as close to a "Mr. Smith Goes to Washington" figure as you'll find in Congress. For decades, he built his transportation company and served as a community leader in southeast Indiana

before winning the 9th CD seat this year in his second attempt. He'll bring a fresh perspective to Capitol Hill halls dominate of the second s



South Bend Mayor Steve Luecke and Gary Mayor Scott King (left photo), Prosecutor Carl Brizzi. (HPR Photos)

nated by lawyers and lifetime pols. But Sodrel is probably the most vulnerable Republican in Congress, too. He squeaked out a 1,400 vote win in a year when Daniels and Bush were putting the wood to Democrats in Indiana. Ousted three-term Rep. Baron Hill, among others, must be salivating about this seat. Advice to Sodrel: Stay in campaign mode for the next two years.

31. U.S. Rep. Chris Chocola: He has effectively made the once-competitive 2rd CD more Republican friendly. His fundraising prowess and ability to parlay his transportation committee assignment into good press at home make him a formidable opponent for a Democratic challenger. His cool, cerebral approach makes it difficult to label him as a right-wing ideologue. His business background and agriculture committee seat help him appeal to those two important constituencies. It looks as if Chocola will be able to hold this seat for at least as long Roemer did-10 years or more.

32. Indiana Democratic Chairman Dan Parker: Chairman Parker before Chairman Kittle? There will be scoffing at 47 S. Meridian Street. But Kittle is charged with a finely tuned, successful organization. Parker has a far greater challenge, which is to keep the Indiana Democratic Party from falling into the pre-Bayh briars. Some fear that the minority party will simply be a front organization for the Evan Bayh presidential campaign. Parker must figure out how to raise money, fund legislative and congressional races in the 2006 mid-term, and help orchestrate a viable gubernatorial challenge for Daniels four years hence. Easy, right?

33. Indiana Republican Chairman Jim Kittle Jr.: Let's see, it was Rex Early who said the difference between raising money when you have the governor and when you don't is the difference between ice cream and ... well, you know. Kittle raised millions of dollars in ice cream without a governor. Now he'll have the whole damn ranch, dairy and logistics. He had hinted he would step down after the 2004 election, saying his goal was to elect a governor. Daniels asked him to stay on because, he said, he'll have a lot of other things to worry about other than the Republican Party. Kittle will also have the ability to step in and officiate should there be any showdowns between Gov. Daniels and, say, the Indiana Senate, where he is close to President Garton.



34. State Rep. Luke Messer: The sophomore Republican from Shelbyville is also executive director of the Indiana Republican Party. He will also carry the slots legislation in the House, making him an ally of both Mayor Peterson and Gov. Daniels. A lawyer by trade, Messer is a true rising star in the Indiana GOP, with a potential for a congressional seat or more in his future.

35. CIB President Fred Glass: He was a key architect for the Colts stadium/Indiana Convention Center deal. The attorney at Baker & Daniels has been a key cog in the Peterson administration. When the battle for "slots for Colts" comes to a head, expect Glass to be one of the point men on one of the biggest public policy showdowns in years.

36. Marion County Prosecutor Carl Brizzi: As the Daniels administration sorts through the bureaucratic legacy of the O'Bannon-Kernan administration, Brizzi might find himself busier than he was during the 2004 election year when he showed great political restraint in dealing with FSSA and BMV scandals. Brizzi played a critical role in the successful leadership challenge to Marion County Chairman John Keeler, helping to pave the way for Rep. Mike Murphy's ascension. Brizzi will be up for re-election in 2006 as a Republican in an increasingly Democratic county. Thus, he stands at the confluence of MitchWorld and BartWorld. Not only might he press legal cases against exiting rogue bureaucrats, but he protects the legal flank of the new Republican governor. He would be a potentially credible challenger to Peterson in 2007 (and a frontrunner if Peterson doesn't seek



Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

a third term) and, thus, a potential thorn in his side. And one more thing: Brizzi has more than filled the big shoes left by his predecessor, Scott Newman.

37. Gary Mayor Scott King: With East Chicago Don Bob Pastrick gone, the most conspicuous mayor in Lake County is King. He has done a lot in his three terms, bringing in minor league baseball and attempting to revive a stagnant downtown and expand his the Chicago-Gary Airport. But the wolves of DA Joseph Van Bokkelen appear to be circling and it will be fascinating to watch whether the corruption in Gary stops with Jewel Harris and the school board, or reaches Mayor King.

38. U.S. Rep. Julia Carson: She is in the twilight of a long, fascinating political career. Her health is fragile and there has been an erosion of her political clout on Election Day, as Andrew Horning's folly of a challenge last year revealed. She is beginning to lose support among stalwart Democrats who quietly believe she is no longer effective. The

fact that Gov. Kernan polled only an 18,000=vote plurality in Marion County was in part because the "Carson Show" is beginning to wear down. Some wonder why Rep. Carson doesn't retire and the answer is that she probably wouldn't know what to do with herself if she did.

39. State Sen. David Long: He apparently is the designated and grooming successor to President Garton, having



Lee Hamilton (clockwise from top), Andy Jacobs Jr., and U.S. Reps. Julia Carson and Pete Visclosky. (HPR Photo)

astutely maneuvered himself to take over Sen. Joe Harrison's leadership role in the Senate GOP Caucus. He has also played a leading role in the early and growing government consolidation and reform efforts that have started in his hometown of Fort Wayne but are spreading to places like Evansville, Muncie, Indianapolis and Lake County.

40. U.S. Rep. Pete Visclosky: Pundits poke fun at Visclosky as a member of the "Obscure Caucus" in DC. But

Some Key Up and Comers

A number of Daniels administration appointees are former CEOs and speculation is that they may not be on board for the entire first term. Here are some key names to watch there, and for future gubernatorial and congressional campaigns.

State Sen. Brentz Waltz: He's a giant killer, upsetting Senate Finance Chairman Larry Borst. He was instrumental in putting the deal to bring in companies to the United Airlines Maintenance Facility. And he's ambitious.

Secretary of State Todd Rokita: Another potential 2012 gubernatorial contender. Conducted a smooth election in 2004 with all the new voter systems coming on line, and led the way for updating voter lists.

State Rep. Carolene Mays: We see the two-term rep and *Indianapolis Recorder* publisher as a potential heir apparent to the Carson legacy.

Clerk of Courts David Lewis: Another potential successor to Rep. Carson.

Jen Hallowell: A veteran of the 2000 McIntosh and 2004 Daniels gubernatorial campaigns and a GOP strategist. She's headed to the private sector at Angie's List, but could be a future Daniels appointee.

Betsy Burdick: Chief deputy treasurer of state and state finance and Medicaid expert, soon to be director of cabinet and agency affairs in the Governor's Office.

Brian Burdick: A close ally of Chairman Kittle and chairs the Indiana Election Commission.

Steve Schultz: General counsel to Irwin Financial Corporation, soon to be general counsel to the governor.

Jason Barclay: Daniels' campaign senior policy director and white collar crime lawyer at Barnes &Thornburg, soon to be special counsel to the Governor.

Chris Ruhl: Tax lawyer at Baker & Daniels and Daniels Campaign senior policy advisor, soon to be general counsel at the newly created OMB.

Ryan Kitchell: Former Lilly executive and Daniels campaign senior policy advisor, soon to be state director of public finance.

Cameron Carter: The former aide to Lugar and Quayle is CEO of TechPoint.

Shaw Friedman: Former counsel to the Indiana Democratic Party and LaPorte County Chairman who will play a key role in helping to redefine his party.

David Galvin: He managed State Rep. David
Orentlicher's breakthrough 2002 upset of Rep. Atterholt and
heads up Care & Share India here in the United States.❖



RY Political Report

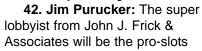
Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

Visclosky has provided an ample voice on the steel tariff issue and is leading the charge for Region mass transit and developing the Lake Michigan shoreline greenway. And in the rough and tumble world of corrupt Lake County politics,

Visclosky has played by the rules and should take a strong lead in helping to repair the Region's tainted political image.

41. Marion County Democratic Chairman Ed Treacy: The list is filled with powerful allies of the new governor. Here is Mayor Peterson's key political guy whose influence will be felt in coming races of prosecutor, mayor and governor.



point guy during what will likely be one of the most riveting public policy debates in modern times.

43. Rev. Richard Hamilton: The retired Methodist minister will be the point man for the Indiana Coalition Against Legalized Gambling, replacing Rev. John Wolf who had headed up efforts against the French Lick casino, pull tabs and dockside issues in recent years. Of the Slots for Colts issue that Sen. Garton said was "hijacking" the session, Hamilton explained, "This is just another move - not unexpected - to turn Downtown Indianapolis into a gambling center."

44. East Chicago Mayor George Pabey: Defeated in the rigged 2003 Democratic primary against nine-term Mayor Robert Pastrick, Pabey (pronounced Pa-Bay) never gave up, seeking civil remedies and relief all the way up to the Indiana Supreme Court. The high court's ordering a new election last summer gave Pabey his chance to retire the last American old-time political machine. When he won the Dec. 28 general election, he moved quickly, abruptly forcing Pastrick appointees from their offices and dismissing the Board of Works from meeting. When he named a new police chief this past week, he declared, "We want to take back the streets. The biggest gang was in City Hall and they're gone." With Gov. Daniels telling Lake County political and economic leaders that they need to clean up their act in order to become competitive, Pabey becomes the political poster child for reformed government in one of the most corrupt warrens in the nation.

45. U.S. Rep. Dan Burton: He set an Indiana record for congressional votes at 228,349.

46. 9/11 Commissioner Lee Hamilton: The former 9th District congressman has had more network face time this past year than almost anyone else on the list. He has been suggested for posts ranging from secretary of state, to

Homeland Security director, to the new intelligence czar. We expect Hamilton to continue to be a respected voice as the war in Iraq and the War on Terror continue.

47. U.S. Rep. John Hostettler: Although his committed

grass-roots network secured a victory again this year, Hostettler is not safe in the 8th CD. He has yet to run against a Democrat with an establish base. The best time for one to emerge is 2006, when Bush's popularity may be at an all-time low, depending on the shape of the economy and Iraq. But Hostettler has impressed observers on both sides of the aisle with his survival ability. In fact, Washington Democrats did-

Chairmen Jim Kittle Jr. and Ed Treacy. (HPR Photo) n't invest much money in ousting

him in 2004. Look for him to continue to develop as conservative spokesman on immigration issues.

48. John Gregg: All eyes in Washington, Evansville, Terre Haute, Indianapolis and Sandborn will be on the former House speaker when it comes to the Bloody 8th in 2006. He also commands a WIBC radio show in the state capital and will have some influence as a commentator.

49. Kevin Brinegar: The prickly Indiana Chamber of Commerce chief lost some real clout when Chairman Borst was defeated. His Chamber PAC did some real idiotic things, like back State Rep. Andy Thomas's opponent in the HD44 primary when Thomas had an 80 percent pro-Chamber voting record (and now Thomas's brother, David, is Gov. Daniels' new inspector general). Then the Chamber went out of its way to finance the Borst recount against Sen. Brent Waltz, when almost all the pros on both sides knew it had no chance of succeeding. He needs a good year.

50. Farm Bureau President Don Villwock: The Farm Bureau under Villwock has become a significantly bigger player in Indiana politics. For the first time ever, the PAC endorsed a candidate for Governor. That candidate, Mitch Daniels, won and did so by winning big in the state's more rural counties. The Farm Bureau backed the winner in 44 of the 47 state legislative races and we were seven out of seven in Congressional races. The increased recognition that agriculture received throughout the gubernatorial campaign and in the attention it has been given in the economic development agenda of the incoming administration can fairly be attributed in large measure to Villwock's leadership of Farm Bureau, Villwock sits on the American Farm Bureau Board of Directors and is the immediate past Chairman of the national Farm Foundation and is a member of that organization's prestigious Round Table. <



Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

Honorable Mention

Peyton Manning: The Indianapolis Colts record-setting quarterback is the \$98 million lobbyist for Mayor Peterson and the gaming and horse track industry. Every TD he lobs, every playoff game he wins, and if, by luck, the Colts either get into the Super Bowl or win the thing, the idea of "slots for Colts" will become more irresistable. Perhaps even more irresistable than an income tax hike.

Supt. Suellen Reed: She will no longer be the key Republican point person on education, now with Gov. Daniels on board.

State Sen. Murray Clark: He made way for Daniels and became his campaign chairman. He will head the Indianapolis Foundation. He was the party's 2000 lieutenant governor nominee. And he will be a leadership force in the Indiana Senate once the old-timers clear out sometime in the next two to 12 years.

Joe Andrew: A brighter future in Gucci Gulch than on the Indiana 2008 gubernatorial trail due mostly to the Bren Simon meltdown. It's possible he could recover, but it will have to be artful. I mean, Mr. Chairman, *reeeeal* artful.

Bill Oesterle: Daniels' campaign manager returns to Angie's List, but he's in the kitchen cabinet, pondering more than, perhaps, the perfect Hoosier tenderloin or BBQ.

Mickey Mauer: The IBJ owner will be president of the Indiana Economic Development Corporation.

Baron Hill: We would be shocked if Hill didn't try to avenge his 1,400 vote loss to Rep. Mike Sodrel in the 2006 mid-term elections.

James W. Payne: The director of Department of Child Services will be charged with one of the most sensitive missions of the Daniels administration ... keeping children alive.

South Bend Mayor Steve Luecke: Without a governor or speaker, Luecke becomes the big political man in the South Bend media market.

Hammond Mayor Tom McDermott Jr.: His 2003 win was impressive, but he really stepped in it when he backed Linda Pucalik over Rep. Linda Lawson last May.

St. Joseph County Chairman Butch Morgan: Usually on the top 50 list, but there's no elections this year.

Allen County Republican Chairman Steve Shine: There are no elections this year, but Shine will be busy, planning for a 2006 Allen County straw poll convention and an ethics seminar for his party.

Northern Indiana DA Joseph Van Bokkelen: The indictments will continue after President Bush's re-election ensures a prolonged tenure. But will he get himself a mayor?

Attorney General Steve Carter: He won an impressive second term and is expected to be active on the consumer issue front.

Lake County Sheriff Roy Dominguez: His support of George Pabey in the special East Chicago special election essentially pulled the plug on Mayor Pastrick.

Rex Early: The former Indiana Republican chairman played a huge role in the upset of Senate Finance Chairman Larry Borst. The story goes that when Daniels asked Early why he was backing Brent Waltz over Borst, the former chairman responded, "I'm trying to do you a favor."

Dan Clark: The chief ISTA lobbyist might be in for a tough year.

State Sen. Tim Lanane: The Anderson Democrat is touted as a new voice in the Senate and is expected to push for slots

State Rep. Mike Murphy: Marion County Republican chairman just entered the slots derby.

State Rep. Craig Fry: The lightning rod in the House who accused Gov. Daniels of "stealing our assets" with a potential Indiana Toll Road sale. Imagine what they're saying over at the Transition Headquarters. A certain GOP target in 2006.

State Rep. Tiny Adams: He compared Gov. Daniels to convicted felon Martha Stewart. Now he's carrying DST. With Fry and Adams, we'll learn the depths of the incoming Governor's dry wit. He noted last summer that he was upset by being compared to Martha. "My souffle is much better than hers." he said.

Joe Loftus: Super lobbyist with Barnes & Thornburg.

Paul Mannweiler: Former House speaker is an influential lobbyist at BoseTreacy.

Mike O'Connor: Mayor Peterson's chief of staff is now heading BoseTreacy. ❖





HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2005

Sylvia Smith, Fort Wayne Journal Gazette -

Democrats' new year wish should be for one thing: A dose of fanaticism in the mold of the Young Americans for Freedom circa the 1960s and Newt Gingrich of the 1980s. It's taken them awhile to notice, but even the most anachronistic Democrat can no longer deny that the Ds are a minority party. Here's the evidence: A wine could have aged plenty since a Democratic presidential candidate won with a majority of the votes (Carter in 1976). Congress is a Republican institution. The House has been in GOP hands for a decade. Case in point: In 1989, Indiana had seven Democratic representatives and three Republican; as of January, the Hoosier House delegation is seven Republicans and two Democrats. It's time for the Democrats to start acting like a minority party. Until they fully embrace what that means, they have no chance to regain a power position. •

Lesley Stedman Weidenbener, Louisville

Courier-Journal - Legislative leaders were more than a bit skeptical when Indianapolis Mayor Bart Peterson announced last week that a casino of electronic gambling machines was the key to building a stadium to keep the Colts National Football League franchise in town. Some also were a little incredulous. "I think the mayor made a public announcement and dodged all the heavy lifting on this issue," said state Senate Tax and Fiscal Policy Chairman Luke Kenley, R-Noblesville. After all, when Peterson stood in front of a soldout crowd on the field at the RCA Dome before last Sunday's Colts game, he announced he had a deal with the Colts. Actually, it was more like a proposal. Maybe you could call it a pact. The mayor essentially has told the Colts: We'll build this stadium, but only if the General Assembly approves a kind of gambling they've failed to pass for at least four years. That's a mighty big "if." Horse tracks have been begging for the machines — which are called electronic pull-tabs but are similar in style and play to slot machines — to boost the racing industry's flagging revenue. But lawmakers have been hesitant. The horse-track legislation has passed the House, but only when combined with other gambling issues. The Senate approved the proposal once as an amendment, but has seemed somewhat reticent to the idea of making it law. Now the pressure is definitely on. That's why Kenley and House Ways and Means Chairman Jeff Espich, R-Uniondale, said they're working on some other funding ideas. Neither wanted to be specific but both promised some workable options. Peterson already has thrown out one. He's said the only other reasonable alternative that would raise enough cash to help pay for the \$500million stadium is a regional sales tax. But again, that's something only lawmakers could put in place. Espich called such suggestions "the easy part." "Obviously," he said, "the difficult part comes next." *

Rich James, Post-Tribune - Here are some of the presents Santa Claus probably will have forgotten: To indicted Lake County Recorder Morris Carter: shame. To former Gary city Clerk Katie Hall and her daughter, Junifer: the gumption to apologize. To George Pabey: The key to the men's room at East Chicago City Hall. It may be the only thing left when he takes over as mayor. To Hammond Mayor Tom McDermott: a course in Politics 101. To the Lake County Republican Party: a pulse. To Gary Mayor Scott King: dinner for two with Jewell Harris. To the imprisoned Peter Benjamin: truth serum. To George W. Bush: a hostile Congress. To Lake County Councilwoman Christine Cid: a puppet. To the Lake County Democratic Party: a cleansing. To U.S. Attorney Joseph Van Bokkelen, the FBI and the IRS: the stamina to continue investigating public corruption. To Gov.-elect Mitch Daniels: a bottle of Valium. He'll need it when the honeymoon with the General Assembly is over. To the Gary city councilmen: a two-headed coin to help decide which one of you will be the next mayor. To the Indiana Republican Party: humility. To the Indiana Democratic Party: a face lift. To the Chicago White Sox and Cubs: a date in the World Series. *







HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, Jan. 6, 2004

IDEC passes first hurdle

INDIANAPOLIS - Legislation creating a state secretary of commerce as well as clarifying the organization of a new public-private economic development corporation received its first approval Wednesday (*Fort Wayne Journal Gazette*). The House Commerce,

Economic
Development
and Small
Business
Committee
approved
House Bill 1003
by a 9-2 vote. It
now moves to



the full House for discussion. Several Democrats cast votes for the measure, although others expressed concern that the Indiana Economic Development Corp. board would be a bunch of rich corporate men. "This is a huge concentration of power in a small group of people who can determine their own rules," said Rep. Carolene Mays.

Daniels says no plans to sell Indiana Toll Road

MICHIGAN CITY - "The governorelect has no plans to sell the Indiana Toll Road," a spokesman for Mitch Daniels said Tuesday, contradicting reports in two northern Indiana newspapers that Daniels has plans to sell the toll road to private investors (*Michigan City News-Dispatch*). Lotter said Daniels never answered that he'd consider selling the Indiana Toll Road, instead reiterating that he planned to look at everything in the state to see how it could be better used. That led to stories in the Post-Tribune and the South Bend Tribune that said Daniels had plans to sell the toll road. "He said he needs to take an inventory of all the state's assets to find out what the state owns," Lotter said Tuesday. "No one seems to know everything the state owns and how much those things are used."

Rep. Murphy offers second slots bill

INDIANAPOLIS - Mayor Bart Peterson warned Wednesday that shortchanging his stadium proposal would kill it, while another financing plan pushed debate on a new Downtown sports venue to center stage at the Statehouse (Indianapolis Star). Peterson said the city must have \$46 million annually for 30 years to pay off bonds that would finance the stadium project. "We've tried to level with the legislators in saying this is what we need," the mayor said at a City Hall news conference. "We don't need a penny more. But we can't live with a penny less." Two area House Republicans have unveiled competing stadium financing packages that would generate millions through the installation of 2,500 slot machines at each of the state's two horse tracks. Rep. Mike Murphy stressed the differences between his plan and the one previously unveiled by fellow Rep. Luke Messer. Both would put slot machines at Hoosier Park in Anderson and Indiana Downs in Shelbyville, and spend 12 percent to 13

percent of the receipts on the state's horse racing industry. But Murphy's bill would guarantee Indianapolis \$48 million annually, enough to pay off the bonds and cover a \$48 million payment to terminate the Colts' current RCA Dome lease. Murphy said the remaining money -- estimated at more than \$120 million a year -- would go to the Indiana Economic Development Corp. for local projects and job-building efforts. He called it an "economic development bill that happens to include gambling."

Aiken to head Vanderburgh Democrats

EVANSVILLE - Entertainment promoter Larry Aiken, a longtime player in local Democratic politics, has Mayor Jonathan Weinzapfel's endorsement to be the next chairman of the Vanderburgh County Democratic Party. "Larry Aiken wants the job, and he's my choice," Weinzapfel said Tuesday.

Donahue to head Department of Corrections

INDIANAPOLIS - Governor-elect
Mitch Daniels tapped J. David Donahue
to run the Indiana Department of
Corrections. Donahue has more than a
decade of experience in corrections,
ranging from serving as a corrections
officer and trainer to working as a policymaker and warden in correctional
facilities in Kentucky, Texas and Florida.

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