

V 11, No 31

# Political Report

Thursday, April 14, 2005

Weekly Briefing on Indiana Politics

### The Hoosier Meth Crisis

While taxes, Colts and DST dominate news coverage, Gov. Daniels steps in to deal with a deadly scourge

By BRIAN A. HOWEY in Indianapolis

Of the 15 new cases of child abuse The Villages deals with each day, eight are the result of a family engulfed by methamphetamine. It is a problem that shouldn't have taken Hoosiers by surprise, but it has. In 1998, there were 43 meth labs seized by Indiana State Police, compared to 430 for Missouri and 189 in Kansas. A year later, there were 178 lab seizures in Indiana (615 in Missouri, 511 in Kansas), 427 in 2000 (918 in Missouri, 702 in Kansas), 681 in 2001 (918 in Missouri, 849 in Kansas)

and 800 in 2002. State police discovered 51 meth labs in Knox County from Jan. 1 to Sept. 30, 2004.

In the face of that sinister trending, the U.S. Justice Department's Indiana Drug Threat Assessment Update in May 2002 noted, "Methamphetamine poses the second-greatest drug threat (to cocaine) to Indiana and abuse appears to be increasing. Methamphetamine-related violence and property crimes are increasing in Indiana Child Services Director James Payne and Indiana."



Marion County Juvenile Judge Marilyn Moores

This comes in a state that had Wednesday night. (HPR Photo by Brian A. Howey) witnessed its greatest human catastro-

phe when crack cocaine came to Fort Wayne in 1985. It took seven years before it hit Indianapolis, where the city was unprepared for the record homicide rates, gang turf battles and swamped jails ... the very same symptoms that had occurred in Fort Wayne. Virtually no one compared notes on the Fort Wayne and Indianapolis experiences. Now Indiana jails and prisons are filling with meth addicts and dealers in rural counties and small towns.

Did Indiana learn anything between its crack crisis and the meth tragedies engulfing Evansville, Vincennes, Terre Haute and Crawfordsville?

"Critically, I'd suggest we didn't learn a whole lot," Department of Child Services Director James Payne told HPR last night at a summit to discuss child abuse. He described a conversation with a Northern Indiana legislator recently. "I



HPR/TeleResearch Poll in Indy	p.	3
Fiscal Policy Institute budget analysis	p.	5
Bayh's tight rope on trade	p.	6
Howey: Don't shoot me, Governor!	p.	7
Columnists: Colwell, Pulliam, Cook	p.	8
Ticker: Six mayors back Stiglich	p. <sup>0</sup>	9



"In hopes of staying focused on that, we have deputized a couple of law enforcement men behind me to shoot on sight any reporter who asks a daylight-saving time question."

Gov. Mitch Daniels

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asked him about meth in his area," Payne said. "And he said, 'What's that?' We should have been looking at other states such as lowa, Kansas and Missouri." It is a problem that is steadily spreading from western Indiana to east, from south to

Payne said Indiana is just now developing protocols such as whether kids taken from meth labs "be allowed to leave with their clothes, or their teddy bears." Other states, he

said are leveling homes where meth is produced, excavating three feet of soil under the foundation, and taking the debris to toxic waste dumps. "And what I saw is that when Indiana legislators are writing legislation, they were doing so without asking 'What are other states doing?" Payne said.



Candidate Daniels with kids near Terre Haute last summer. Vigo County has been hard hit by meth. (HPR Photo)

That began to change this year when the Senate voted 48-0 and the House 98-0 to restrict the sale of over-the-counter drugs used to make meth.

On Tuesday, Gov. Mitch Daniels stepped in to address the festering wound. He warned reporters that he would order to shoot anyone who asked about daylight-saving time. It was a joke, but it shed light on the priorities of state.

Councils and commissioners in places such as Vigo and Knox counties anxiously awaited his move. In Vigo County, laws already were passed to limit the sale of overthe-counter drugs used to make meth.

On Tuesday, Daniels pulled in a wide variety of resources idle during the meth crisis. His plan called for the utilization of Indiana's colleges and universities to help reduce the backlog of drug cases at state police drug-testing laboratories while preparing Indiana students in the forensic science field. He ordered the development of a "real time" reporting database between prosecutors and drug-testing labs, along with standardized procedures for removing and protecting children exposed to meth production.

And Daniels called for a stricter version of a methamphetamine bill that would restrict access to ephedrine and pseudoephedrine, two products used in the production of meth, and a pilot program at the Miami Correctional Facility that is providing specialized treatment to help rehabilitate meth users and lower repeat offender rates.

"Methamphetamine abuse in Indiana has no boundaries. Its effects are devastating to our families and children, our schools, neighborhoods and the environment," Daniels said. "There is no overstating the damage this drug is inflicting to Indiana, and there is no step we can take that is too

strong to combat this drug."

This will help expedite the process," said Knox County Sheriff Steve Luce (Vincennes Sun-Commercial). "It's ruined a lot of lives."

HPR once called crack cocaine the "greatest human catastrophe in Indiana history." Meth is joining that pantheon of horror. When 10-year-old Katlyn Collman was murdered in January after witnessing a Crothersville meth lab,

Hoosiers finally had a tragic poster child.

Gov. Daniels noted the 8,500 backlogged cases and ordered a pilot program to put university faculty and students to work in Indiana State Police labs, which have been choked with activity. Dr. Jay Siegel of IUPUI will coordinate faculty training and assist with defining a

standard curriculum and procedures to establish an internship program at regional state police labs in Indianapolis, Fort Wayne, Lowell and Evansville. Students and faculty will work on basic drug cases to free state police personnel to focus on meth cases. This cooperative effort will aid the state police in finding Indiana forensic science students to eventually work in the labs.

**Daniels also announced that** Payne will standardize procedures for removing and protecting children exposed to meth production. "In so many of our counties, the court caseload involving children is directly related to meth. Yet, we have no coordinated way to take care of our children who by no fault of their own are in the middle of these terrible situations," said Payne.

And there was the announcement of the Clean Lifestyle is Freedom Forever (CLIFF) program at the Miami Correctional Facility, an idea proposed by Daniels that took shape within 30 days. The unit, which opened Monday, is a 204-person treatment unit dedicated to eliminating meth addiction and dependence with goals of helping inmates change their thinking and behavior and to prevent recurrence.

Hoosiers saw their new governor conversing with more than a dozen inmates at MCF. It was an impressive pulling together of resources and articulation of policy across a broad spectrum of state assets and generations. And it came at the directive of a governor who, as a candidate, complained that Hoosier leaders had been "thrashing around the same rut" while seemingly intractable problems mounted.

Compared to methamphetamine, the importance of issues like daylight-saving time and a Colts stadium pales. ❖



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### HPR/TeleaResearch Marion County Poll

INDIANAPOLIS - The Howey

Political Report and TeleResearch Corp. polled Marion County residents on a host of issues related to the budget, taxes and a new Colt Stadium. The survey was conducted April 10 and 11.

**Demographic breakout:** 402 randomly selected registered voters, margin of error +/- 5.0.

46% men, 54% women 32% Democrats 38% Republicans 30% Independents

21% Minority

#### Age ranges

18-34 17% 35-49 30% 50-64 26%

65+ 27%





**Bauer** 

Bosma

**Question:** We will list four prominent political leaders by alphabet and by party affiliation. We want to know how favorably or unfavorably you feel about each of them. Choose from very favorable, somewhat favorable, somewhat unfavorable, very unfavorable, or uncertain.

**1.) Pat Bauer**, Democrat Indiana House leader.

Total sample	Dem	Rep.	Ind.
VF 11%	24%	4%	8%
SF 22%	31%	11%	27%
SUn 21%	11%	29%	22%
VUn 26%	12%	41%	20%
Unc 20%	23%	15%	23%

**Analysis:** Bauer's recent legislative walk-out probably contributed to his unfavs.

**2.) Brian Bosma,** Indiana House Speaker, Republican

Total sample Dem Rep. Ind. 3% VF 14% 28% 8% SF 28% 14% 49% 14% SUn 23% 30% 8% 33% **VUN 21%** 38% 4% 24% Unc 15% 15% 11% 20%

**Analysis:** Bosma has real problems with Independents as 57% view him unfavorably to 22% who view him favorably.





**Daniels** 

Peterson

### **3.) Mitch Daniels, Indiana** Governor, Republican

Total sample Dem. Rep. Ind. 8% VF 31% 60% 18% SF 22% 17% 19% 31% SUn 18% 20% 11% 26% VUn 25% 51% 7% 22% Unc 4% 4% 3% 3%

**Analysis:** The governor's 25% favs among Dems is very good as it more than offsets his 18% unfavs with Republicans. Independents are right down the middle with 49% favs and 48% unfavs.

### **4.) Bart Peterson,** Mayor, Democrat

Hociat				
Total sam	ıple	Dem.	Rep.	Ind.
VF	35%	54%	17%	39%
SF	32%	32%	36%	26%
SUn	17%	10%	22%	15%
VUn	15%	4%	24%	13%
Linc	20/	Λ	20/	10/

Analysis: Peterson's favorables are about as good as it gets for a public official. His 53% favorables among Republicans is exceptional as is his 65% favs with Independents.

**Question:** Overall, do you feel Indiana is on the right track or wrong track?

 Total sample
 Dem.
 Rep.
 Ind.

 Right track
 30%
 18%
 50%
 18%

 Wrong track
 43%
 51%
 25%
 58%

 Uncertain
 27%
 31%
 25%
 24%

**Analysis:** The number that jumps off this question is the 58% of the Independents that answered "Wrong track" to 18% that answered "Right track." That is better than a 3 to 1 ratio.

**Question:** Gov. Daniels supports a Daylight-Savings plan that would put all of Indiana's counties, with the exception of certain counties in Northwest and Southwest Indiana, on New York time. Which of the following three options do you agree with most?

- a.) Prefer being on New York time year round. 35%
- b.) Prefer being on Chicago time year round. 24%
- c.) Keep our time the way it is currently. 40%

#### By gender

	Men	Women
New York	45%	30%
Chicago	26%	23%
Same	29%	47%

Analysis: The gender gap on this question is huge. Almost half the men want New York time and almost half the women want no change. Could putting kids to bed while it's still light be the reason?

Question: In his first "State of the State" address, Gov. Daniels called for a one time, one year tax of 1% on all tax returns of \$100,000 a year or more in an effort to ease Indiana's fiscal prob-



# HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, April 14, 2005

lems. Do you agree or disagree with this proposal?

Total sample Dem. Rep. Ind.
Agree 74% 66% 78% 76%
Disagree 18% 25% 14% 16%
Not sure 8% 9% 8% 8%

**Analysis:** The biggest surprise here is that 78% of the Republican respondents favor the proposal but only 66% of the Democrats favor it.

**Question:** A proposal is now before the General Assembly that would finance a new stadium for the Colts and Convention Center expansion. The financial package calls for an additional restaurant tax of 1% in Marion and six contiguous counties along with tax increases hotel, rental car and ticket prices.

Do you approve or disapprove of this plan?

Total sample		Dem.	Rep.	Ind.
Approve	51%	42%	61%	46%
Disapprove	41%	46%	31%	48%
Not sure	8%	12%	8%	6%

#### By gender

	Men	Womer
Approve	60%	46%
Disapprove	34%	45%
Not sure	6%	9%

Analysis: Dems and Independents are almost identically split on this question. The "gender gap" surfaces again on this question The overall support of this plan is clearly driven by the Republican respondents.

Question: Mayor Peterson has proposed a government consolidation plan, called Indy Works, that he believes would save Marion County \$35 million annually. His proposal has the support of Sen. Lugar, Gov. Daniels, former citycounty council president SerVaas, the Chamber of Commerce, and 37 leading businesses. House Republican critics contend that Peterson's numbers are false and misleading and the proposal needs further study. Who do you agree with most?

Total sample

Mayor Peterson's Indy Works 52% House Republican opposition 24% Not sure 24%

By voter affiliation

Mayor Peterson's Indy Works

 Dems
 Reps
 Inds

 68%
 39%
 53%

 House Republican opposition

 16%
 37%
 16%

 Not sure
 24%
 31%

**Analysis:** Republicans are clearly unsettled on this issue, as almost as many favor it (39%) as oppose it(37%), while one in four (24%) haven't made up their minds.

**Question:** Republican leadership in the General Assembly has chosen to raise state revenue by increasing the cigarette tax in addition to the tax increases previously mentioned. Republican leadership has opposed any proposals that would increase revenue

from expansion of gambling or gaming. Do you agree with their approach, or do you think a combination of both is a more acceptable way to increase revenue?

Total sample

Agree with specific tax increases, without increasing gaming revenues is most acceptable.

18%

A combination of increasing gaming revenues and specific tax increases is preferable. 61%
Uncertain 21%

By voter affiliation

ing revenue.

Specific taxes and no gaming increases.

Dems Reps Inds
11% 24% 17%

Combination of specific taxes and gam-

61% 60% 62% Uncertain 28% 16% 21%

Analysis: These responses show clearly that there is little opposition to increasing gaming and gambling revenues in Marion County. All three voter cells are in lockstep on the "combination" approach.

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Weekly Briefing on Indiana Politics

Thursday, April 14, 2005

### Indiana Fiscal Policy Institute sees ticking clock on budget, momumental shifts

Report From the Indiana Fiscal Policy Institute

The Indiana Fiscal Policy Institute released the third in a series of Budget Briefs Tuesday that follows the progress Gov. Mitch Daniels and the Indiana General Assembly are making in enacting the next two year State budget.

The Senate-passed budget has provided more answers to the questions faced by Indiana's budget writers, yet more questions remain unanswered and some new ones have come to the forefront.

Beyond interesting new ideas for maintaining a minimal level of funding for K-12 education and the reallocation of resources in other areas, such as higher education, none of the three budget proposals have shown much imagination in terms of preparing the state for the next economic downturn or revitalizing our lagging economy.

There has been no discussion of a general tax increase; only "one-

year, one-time" increases or the taxing of those who engage in "sinful" behavior of cigarette smoking has been proposed.

More leadership is needed in terms of securing Indiana's fiscal integrity and providing a climate for economic growth in the longer term.

Summarizing the findings of the report, Steve Johnson, president of the institute, said, "As we have mentioned several times, the clock continues ticking toward the inevitable next economic downturn, which history tells us could be sooner rather than later. While no one ever likes a tax increase, the Governor and the General Assembly have yet to propose a budget that restores Indiana's fiscal health and integrity."

In sum, there is very little overall difference between the Senate-passed budget and either of its predecessors. The Senate-passed budget differs by less than \$100 million from either previous budget, a difference of only 1/3 of 1 percent. However, some differences emerge, including:

1. The Senate-passed budget stops the use of the Pension Stabilization Fund to subsidize the General Fund. It also, like the House-passed budget, stops the transfer of members from the old, pre-1996 account of the TRF to the new 1996 account. In addition, it dedicates \$683 million from

the Pension Stabilization Fund to eliminate the unfunded liability in the new 1996 account in TRF.

- **2.** The Senate-passed budget proposes to reverse the payment delays in 2007 by \$323.4 million and it allows the Budget Agency to transfer \$100 million from the General Fund to the Rainy Day Fund at the end of fiscal year 2007.
- **3. While funding for K-12 education** is only marginally higher than the House-passed budget, the Senate-passed budget creates a new local option income tax that can be used instead of the local property tax to fund the school formula. This change, and a school formula that relies more on local taxes, would mean that property tax levies, income taxes, or a combination of both paid by local taxpayers would have to increase by 11.8 percent in calendar year 2006 and by 10.7 percent in calendar year 2007 in order to fully fund

the Senate passed school formula.

- 4. The Senate-passed budget increases the cigarette tax by 19 cents, which generates \$92 million and \$93 million of additional revenue in fiscal years 2006 and 2007, respectively.
- 5. The Senate-passed budget redirects over \$76.2 million per year of gaming tax distributions currently received by the local units of government to the State Property Tax

Replacement Fund.

6. The state's obligation for local property tax relief increased from \$568.2 million, or 10.3 percent of the budget, in 1990 to \$2.05 billion, or 17.8 percent of the budget, by 2005. The Senate-passed budget, in contrast, caps property tax relief at that \$2.03 billion level which, in 2007, reduces that spending category to 16.2 percent of the budget.

The last point illustrates a clear policy change emerging as the General Assembly reaches the end of the session. The capping of property tax relief represents a monumental shift in state policy regarding local units of government, schools, and property taxpayers by reversing a 15-year trend of increasing subsidization of property taxpayers and local governments.

After looking for answers in three budget proposals, we find them lacking. The Senate-passed budget eliminates the structural deficit and proposes replenishing reserves and reversing delayed payments to local governments and schools, but it still needs to provide better answers for questions of adequate funding for Medicaid or making investments in education and economic development needed to revitalize Indiana's economic future.





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### Bayh walks trade tight rope

He balances support for trade, workers left behind By MARK SCHOEFF JR.

WASHINGTON, D.C. - WASHINGTON--As the U.S. trade deficit hit a record high this week and China's surging economic growth, fueled by exports and foreign direct investment, continued to threaten U.S. jobs, U.S. Sen. Evan Bayh

walked the trade tightrope. Bayh must balance his advocacy of breaking down trade barriers with empathy for people, including union members important to his presidential ambitions, who are hurt in the hurly burly of the global marketplace. Like many of his congressional colleagues who hear



constituents rail about jobs lost due to low-cost competition from China, Bayh has adopted a fair trade stance.

Earlier this week, Bayh went to the brink to assert that he is trying to level the playing field for American workers. He placed a hold on Rep. Rob Portman, President Bush's nominee for U.S. Trade Representative, until Senate Republican leaders agree to allow a vote on a bill he authored that would enable the Dept. of Commerce to penalize China for illegal subsidies. Although Bayh said he supports Portman, he's blocking the nomination from getting to the Senate floor.

"If that's what it takes to get action for workers and businesses, that's what we're going to do," he said. "It's unconscionable and even immoral for us to allow our workers

and businesses to be penalized not because they're not smart enough, not because they don't work hard enough, not because they don't produce a good enough product, but because we turn a blind eye toward cheating by their global competitors. We can't wall ourselves off from the rest of the world. What I'm for is an open competition."



Sen. Bayh at Allison Transmission

#### **Building on Anti-China Momentum**

But trade experts question Bayh's tactic because the U.S. lacks a chief negotiator while world trade talks continue on a range of issues. "We're right in the middle of some very important negotiations and we need the strong leadership of the U.S. government in those negotiations," said Jeffrey Schott of the Institute for International Economics.

Bayh's bill, which has more than 50 bipartisan cosponsors in the House and Senate combined, would allow the U.S. to apply anti-subsidy laws to China even though it is not defined as a market economy. In March, Bayh cited

Indiana manufacturers who are undercut by Chinese goods that are sold at artificially low prices.

If the legislation comes to a vote, Bayh believes it would be approved. Anti-China sentiment in Congress was evident earlier in the week when the Senate voted 67-33 to save a bill that would place a 27.5 percent tariff on all Chinese goods if the country doesn't allow its currency, which is pegged to the sinking dollar, to rise in value and reflect the strength of the Chinese economy.

But Schott cautioned that the bill "may not be fully consistent with U.S. obligations under the WTO (World Trade Organization)." Schott said that China has already agreed to let the United States have great flexibility in imposing antidumping duties. Dumping occurs when a product is sold for less than fair value. Subsidies can include a wide range of government support for business. But the distinction "blurs significantly" in nonmarket economies, where it becomes harder to define what kinds of practices are implicit subsidies, Schott said. "It's a rather complex subject," he said. "This was an issue that was never explicitly resolved."

#### Highlighting the Fighting, not Trade Support

What is clear is that Bayh touts his bill as an example of his fair trade efforts. In a timeline at the bottom of the news release announcing the Portman hold, 17 Bayh actions since 1999 are highlighted, including work to fight steel dumping, combat unfair WTO rulings, investigate China's currency valuation and stop illegal subsidies.

But his support for trade liberalization over the same period is left off the timeline. He voted in favor of granting the

president fast track trade authority in 2001. It gives the president more leverage when negotiating pacts. In 2000, Bayh supported permanent normal trade relations with China, a step that allowed the country to enter the WTO and play a bigger world role. Touting the gains from lowering trade barriers, though, can be more difficult than lamenting the losses. The shuttering of a

plant when it moves its operations to a foreign country with lower labor costs usually produces a dramatic news photo. But increases in wages, employment or the standard of living due to vibrant exporting or the importing of cheap foreign products often occur without celebration.

Fear of global competition also has been fostered by a lack of attention to those left on the sidelines. Schott said that more must be done to help people recover when they lose their jobs. "We have disregarded the plight of workers

and communities adversely affected by changes in the marketplace," he said. "Politicians are wary of talking about any solutions that cost money. They want solutions on the cheap."



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### Don't shoot me, Governor, I just want to know what time it is

By BRIAN A. HOWEY

INDIANAPOLIS -- Don't shoot me, Governor, I'm just a piano-playing journalist in a whorehouse!

Actually, make that the Statehouse. Same difference, right?

Gov. Mitch Daniels' quip (see "Quote of the Week" on page 1) reminded me of the time when former Minnesota Gov. Jesse "The Body/The Mind" Ventura issued Statehouse passes for the "Jackal Press." Oh, how I wanted one of those badges on a chain around my neck. To which you could envi-



sion a Harry Gonso or Ellen Whitt replying, "The better with which I can strangle you, m'dear."

Actually, to date Gov. Daniels appears to enjoy pretty good relations with the Indiana Statehouse press corps. He's been accessible, good natured, though he can throw a mild barb from time to time.

He's also had to learn that the press, not he nor Speaker Bosma, sometimes sets the public agenda.

It happened at one of his first press conferences following his defeat of Gov. Joe Kernan last November. Gov. Elect Daniels made a brief statement and then threw it open to questions. There were a couple of quick, early questions on daylight-saving time. In that 30 to 40 minutes, Daniels spent about three minutes on DST. But by the evening news and then the morning newspapers the next day, his remarks on DST dominated -- I mean, *DOMINATED* -- the story lines.

**My Democratic friends were gleefully** crowing the next couple of days. "Hey, get this, Mitch has made daylight-saving time his top priority," one of them said.

No, I explained. He just answered a couple of questions. The press made it the top priority.

Why?

First of all, it's a TV story. Time issues are near and dear to the hearts of television general managers, news directors, and assignment editors. They are eminently concerned about what time it is and when their shows will come on. If you're an assignment editor (and I was one at WKJG-TV a decade ago) DST is an easy story for B-roll. And there are all sorts of clever ways a TV reporter can tell the story. And plenty of controversy. There will never been overwhelming consensus on the issue (see page 3), so it stews and percolates and gets people mad. It's perfect for TV.

It's not a bad story for newspapers. It's vastly easier to

cover than, say, the methamphetamine crisis that hadn't dominated news coverage until 10-year-old Katlyn Collman was murdered last January.

Whereas meth has invaded two-thirds of Indiana's county jailhouses, it isn't as pervasive as the clocks in your home or car. More Hoosiers are worried about what time their TV shows come on (I vote for Central time, so *Monday Night Football* comes on at 8 instead of 9!) and whether they'll have to figure out how to reset their VCR and dashboard clocks.

Gov. Daniels has suggested moving DST will create jobs. I told my 15-year-old son that if DST passes, he could set up a service that will change VCR and dashboard clocks for the digitally impaired and make wads of dough.

From a political standpoint, DST is important. Even though Gov. Daniels never said it was his "No. 1 priority," if he can pull this off and get Senate President Pro Tempore Robert D. Garton to pass it out of the Upper Cave of Winds, he will have been able to correct an intractable problem that tormented Roger Branigan, Ed Whitcomb, Doc Bowen and Bob Orr, and was a mild irritant for Evan Bayh, Frank O'Bannon and Joe Kernan.

But there's a deeper reason why this whorehouse piano ... er, Statehouse wag ... sees significance in DST. The bigger story line is whether Gov. Daniels can get his Indiana Republicans to join the vanguard of change, as opposed to be the staunch defenders of an antiquated status quo.

When we entered this week, Indiana Republicans were in a tax hike rave and were obstructing DST and Indianapolis Works. Essentially, they were posturing for higher taxes, big government and bedroom patrols, which is totally counter to the party's decade-old rhetoric of lean government, low taxes and keep government out of our business.

When State Reps. Eric Gutwein, Don Lehe and Rich McClain flipped on DST, and Rep. Phil Hinkle allowed a stupid and tortured version of Indianapolis Works to pass out of the House (essentially keeping it alive), the obstructionists appeared to relent. Perhaps they were paying lip service to key, calcified, fossilized constituencies. They seemed to be wearing down, as evidenced by State Rep. Woody Burton, who voted for DST so he wouldn't have to talk about it next year.

If Daniels ended this session without DST, his inspector general, and an unbalanced budget, it could have signalled the beginning of a GOP civil war between their progressive new governor and the prehistoric beasts that roam the Petrified whore ... I mean, Statehouse.

So, Governor, don't shoot me. I know a battle for power and ideas when I see one. •



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Weekly Briefing on Indiana Politics

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Jack Colwell, South Bend Tribune- Compromise is needed to help Our Man Mitch bring unprecedented prosperity to Indiana through the economic magic of daylight-saving time. Change the clocks and streets can be paved with gold. Or maybe at least one pothole can be filled somewhere in LaGrange, LaPorte, LaPaz or Loogootee. But compromise is needed if ever Hoosiers are to save daylight and in so doing stamp out unemployment, cut taxes and cure the common cold. All of this must be possible. Or else Gov. Mitch would not spend all this effort on the time issue, the third rail of Indiana politics. The Indiana House moved in the right direction with its compromise amendment granting home-rule to counties that might want to opt out of daylight time. This brilliant amendment would permit any Indiana county on the Central Time Zone boundary to opt out of moving clocks. Even better, any county bordering on an opt-out county could opt out as well. Think of the wonderful patterns of time that could zig and zag across Indiana. But this home-rule provision didn't go far enough to make sure a compromise can be passed in the closing days of the General Assembly session. What if a county wanted to go on Pacific Standard Time in the winter and Eastern Daylight Time in the summer? \*

Charlie Cook, National Journal - President Bush already is facing a full plate of problems -- record federal budget and national trade deficits, Medicare financing issues, a Social Security personal account proposal that is floundering in Congress, dropping job approval numbers and record high gasoline prices. Next in the queue, in terms of really big issues, is dealing with taxes, which appears to be every bit as daunting as Social Security. To make matters worse, his field commander in the House, Majority Leader Tom DeLay, R-Texas, is plagued by allegations of scandal and in the Senate when Majority Leader Bill Frist, R-Tenn., isn't running for president, he is missing important party meetings to dash off to the World Economic Forum at Davos, to inspect tsunami damage, to be at Pope John Paul II's funeral and to give medical diagnoses via family home video. The key question is whether that is the end of the list or if there is one more problem on the horizon. Last week, a Blue Chip Economic Indicators survey of 52 top economists showed a consensus forecast for real domestic product growth at 3.7 percent for 2005 and 3.4 percent for 2006, no change from the previous month's survey. For this year's growth, among the 52 firms surveyed, the most pessimistic projection for this survey was 2.6 percent (the UCLA Business Forecasting Project) while the most optimistic was 4.1 percent (Mesirow Financial). Real GDP has averaged about 4 percent growth since the first quarter of 2003. If economic growth is at 3.7 percent for this year and 3.4 percent for next year, Bush has little to worry

about, at least in terms of the overall economy. ❖

Mike Smith, Associated Press - Mitch Daniels has made at least two things clear since he was sworn in as governor in January. One, he is determined to erase the state's budget deficit quickly. Two, he considers few things sacred when it comes to sharing the pain in getting the job done -and that includes public schools. Lawmakers have approved deficit budgets in recent years, tapping money from reserve accounts and using bookkeeping tricks, in large part to ensure that public schools received spending increases. The current two-year budget froze spending in many areas of state government, but all school districts got more money than they did previously. Legislators are sensitive to the demands of teachers, school officials and the lobbying groups that represent them. Democrats might be more sensitive than Republicans, but both parties know the public consistently ranks public education as a top priority. Daniels has not treated the education community with kid gloves, however. He made it clear from day one that he expected schools to share in the sacrifices required to balance Indiana's budget. Daniels first proposed a budget that would freeze school funding at current levels. Schools said that amounted to cuts because of inflation, built-in contracts for teacher pay raises, and increases in utility, pension and insurance costs. But Daniels didn't change his stand. Daniels then ordered that monthly payments to schools be reduced to start meeting a cap on education spending that lawmakers included in the current budget. It meant that schools would get \$52 million less than they had expected based on the school funding formula. Schools cried foul, saying lawmakers had always made up deficiencies between the cap and funding levels driven by the formula. Indeed, separate budget proposals from Republicans who control the House and Senate would make up the gaps. But those were proposals made by lawmakers, not Daniels. <

Russ Pulliam, Indianapolis Star- A Reagan

Democrat in an earlier period, state Rep. Eric Turner has moved into the top leadership circle among House Republicans. As speaker pro tempore, he presides over the House when Speaker Brian Bosma steps aside, and he's in the small inner circle of House leaders where strategy and schedules are set. Coming from the other political party hasn't hampered Turner's rise amid the Republican takeover of the House in the 2004 election. He took the point in the House this session on the resolution to amend the state constitution to ban same-sex marriages and civil unions. He also has been working on a proposal to bring faith-based programs on an experimental basis to state prisons.



## HOWEY Political Report

Weekly Briefing on Indiana Politics

Thursday, April 14, 2005

#### Judge Comer to head State Ethics Commission

INDIANAPOLIS - A woman who served 18 years as a Hendricks Superior Court judge and four years as

a State of Indiana senior judge will now

be enforcing the state's new ethics rules. Governor Mitch Daniels has named Mary Lee Comer as the executive director of the Indiana

State Ethics



Commission. The commission oversees training, advising and enforcing ethics laws for state employees. Governor Daniels established a new set of ethics rules in January when he signed Executive Order 05-12, and other ethics provisions are outlined in SB 18, which passed unanimously in the House and is awaiting conference committee action. "Through upgraded leadership from Judge Comer, and a watchdog with teeth in the Inspector General, we are creating a culture that encourages state employees to seek advice and report wrongdoing, as well as an understanding that rules will be enforced and unethical behavior is unacceptable," said Daniels. "Judge Comer is another outstanding Hoosier who is willing to sacrifice to join our new crew and its program of reform." Daniels also announced that Indianapolis attorney Heather Bolejack will head the Indiana Criminal Justice Institute.

### Chocola reacts to Ake abduction in Iraq

WASHINGTON - U.S. Rep. Chris Chocola released this statement after Rolling Prairie resident Jeff Ake was displayed as a captive in Iraq Wednesday. "I am working closely with the Ake Family and Secretary Rice's office to make sure everything possible



LaPorte businessman Jeff Ake being held by terrorists in Iraq.

is being done to address this serious situation. I encourage all to pray for Jeff's safety," Chocola said. "As this is an ongoing situation the Ake family will not be commenting at this time, and I ask the media to respect the family's privacy and refrain from speculation." White House press secretary Scott McClellan said the administration is keeping in touch with the family of the captive contract worker, but he said there would be no negotiating with the kidnappers. "Anytime there is a hostage - an American hostage, it is a high priority for the United States," he said "Our position is well known when it comes to negotiating."

#### Souder supports DeLay; Pence strangely mum

WASHINGTON - No one has proven that the No. 2 Republican in the House has done anything unethical or illegal, Rep. Mark Souder, R-3rd, said Wednesday, but "there is widespread nervousness" among Republicans (Fort Wayne Journal Gazette). "Part is political," he said of the allegations against Rep. Tom DeLay, R-Texas, that have dogged the House majority leader for a year. "But the truth is, we're all reading this stuff and saying: 'Why did you do that? Did you cross the line? Did your staff cross the line?' We don't know." The edginess stems from concern that if the public becomes dissatisfied with DeLay as a leader within the Republican Party, their uneasiness would spill over to GOP candidates in

next year's congressional elections. Rep. Mike Pence, R-6th, chairman of the conservative Republican Study Committee, has been mum on DeLay. A spokesman said Wednesday that Pence was "jammed up" and wouldn't have time to talk about DeLay. Souder said he supports DeLay, would vote for him as House speaker if there were an opening, labeled the media accounts as biased and politically motivated and doesn't think any allegations against DeLay have been proven to be true. Nevertheless, "he doesn't have much more room, even if something isn't proven," Souder said. "At some point you say, 'What if you can't move your agenda?'"

### Talley says control is a deal breaker

INDIANAPOLIS - The president of the Indianapolis City-County Council said his panel would reject a Colts stadium plan if Gov. Mitch Daniels continues to insist on state control of the project (*Indianapolis Star*). "The council is going to be in a position of voting for five tax increases, but we're not going to control the governing authority," President Steve Talley said of the plan the Indiana Senate approved last week. "To me, that's a deal breaker."

## Six mayors backing Stiglich

GARY - Lake County's
Democratic mayors have lined up
behind Stephen Stiglich (*Post-Tribune*).
The six mayors — of the cities of Gary,
Hammond, East Chicago, Whiting,
Hobart and Lake Station — all signed a
letter endorsing Stiglich for chairman of
the Lake County Democratic Party, and
faxed the document Wednesday to state
party officials. The Indiana Democratic
Central Committee will meet Tuesday in
Indianapolis to appoint a Lake County
chairman. ❖