



## Major Moves jobs backloaded to future

‘Jobs bill of a generation’ finds less work now, more economic development

By **BRYAN AULT**

FRANKLIN - Major Moves, the landmark legislation Gov. Mitch Daniels described as “the jobs bill of a generation,” is a work in progress, with most of the jobs beyond the horizon. In an exclusive interview with Howey Politics Indiana, Daniels said the further Major Moves goes, the better it looks.

“Some things, you look back and say they didn’t work out as well as you hoped or they seemed at the beginning,” said Daniels. “Not this one. It looks better in part because you can see that we’re able to turn the money into real assets for when your kids are looking for a job.”

With Indiana’s jobless rate hovering around 10 percent for the past year, the program may become a political battleground. This past week, the 8th CD campaign of Republican Larry Bucshon assailed State Rep. Trent Van Haften for voting against Major Moves as Gov. Daniels went to Evansville to say the I-69 link between



Gov. Mitch Daniels with Elkhart County Councilman Jon Letherman and Sen. Jim Buck at a September 2008 Major Moves groundbreaking on U.S. 31 at Kokomo. (HPI Photo by Brian A. Howey)

Evansville and Bloomington will be completed years ahead of schedule.

While House Speaker B. Patrick Bauer has dropped

**Continued on page 4**

## Sacrifice and journalism

“Last summer I wrote that I hoped the end of the war could be a gigantic relief, but not an elation. In the joyousness of high spirits it is easy for us to forget the dead. Those who are gone would not wish themselves to be a millstone of gloom around our necks.”

- Ernie Pyle, April 18, 1945

By **BRIAN A. HOWEY**

FRANKLIN - On this Memorial Day, along with all of our brave citizens who have defended our country or made the ultimate sacrifice, I’d like for you to remember the 1,113 journalists who have been killed over the past decade.



“We don’t share it with the public. We don’t release it to the news media. That’s confidential information.”

- IEDC Director Mitch Roob, on the release of IEDC job statistics

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Indianapolis, IN 46240 | 317-202-0210



## Howey Politics Indiana

is a non-partisan newsletter based in Indianapolis and published on the campus of Franklin College. It was founded in 1994 in Fort Wayne.

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### Subscriptions

\$350 annually HPI Weekly  
\$550 annually HPI Weekly and HPI Daily Wire.

☎ Call 317.627.6746

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They've died in the obvious places where war flares like Iraq, Afghanistan and Congo. But increasingly they are being assaulted or being killed in places like Russia, Mexico, Nepal and Honduras.

**On April 18** - 65 years after Hoosier journalist Ernie Pyle wrote the unpublished epitaph of war that was found on his body after he was killed by a Japanese sniper - reporter Azmat Ali Bangash of Pakistan's Samaa TV was killed by a suicide bomber. Forty-eight hours earlier at Quetta hospital cameraman Malik Arif was killed in the same manner while another five journalists were wounded.

On Jan. 7, Valentin Valdes Espinosa, a reporter for the Zocalo of Saltillo newspaper, and two other journalists were intercepted by two trucks full of gunmen, according to the International News Safety Institute.

Espinosa's body, bound, gagged and bearing five bullet holes, was found with a warning note to others who might take on the drug traffickers. Or there was Patient Chibeya, a cameraman for Radio Television Nationale Congolaise who was gunned down in front of his home by seven

armed men in military fatigues.

I write of these brave men and women at a time when the Indiana Department of Natural Resources is poised to close Ernie Pyle's historic home in Dana due to the budget cuts ordered by Gov. Mitch Daniels. This is a tough call because all sorts of other departments and programs are taking a hit during the Great Recession of 2009-10.

The purpose of this column isn't to beg the governor and legislators to keep the Pyle home open. It is a place I have yet to visit myself, though I should. My wife and I are both journalism graduates, having learned the craft in the classrooms of the IU School of Journalism's Ernie Pyle Hall in Bloomington. A collection of Pyle's books and writings are appropriately kept at our Nashville cabin.

**What the free** people of Indiana need to keep in mind is the fact that journalists are key to keeping them free. Many of you don't trust the government. Without a free press, government will run amok and when this occurs again, then truly the tree of liberty will need to be watered by the blood of patriots and tyrants.





This has been a brutal year for journalists here in Indiana as well as across the country. Many big urban newspapers are in bankruptcy, including the Chicago Tribune and Sun-Times next door.

Many editors and reporters have been forced to take unpaid furloughs and deep pay cuts. Many of the best who know the history of their communities are fleeing the profession. TV stations are talking about pooling resources with other news organizations. Some small dailies around Indiana are cutting entire editions on Saturdays or Mondays in a fight to stay alive.

Filling the void may be bloggers. Many are untrained journalists who have an opinion. Think about the consequences of trading degreed journalists and impartial analysts of information with Internet bomb throwers and rumor mongers.

I cannot begin to express how dangerous this is for the country. A recent American Journalism Review study found that just 355 newspaper staff reporters are covering the 50 state capitols full time - more than a 30 percent decline.

Many of you will remember in the late 1970s and early 1980s when the FBI was raiding Indiana Statehouse offices and several lawmakers went to jail.

As the newspapers and TV stations cut back, the more latitude there is for the corruption that vanished in after Senate leaders were convicted a generation ago.

**A vibrant 4th Estate prevents** and exposes scandal. In times of war journalists like Ernie Pyle, imbedded with troops on the front lines, convey the horror and write of the brave who leave their small towns and farms and fight in places like Khe Sanh, Normandy, Fallujah and the Korengal Valley.

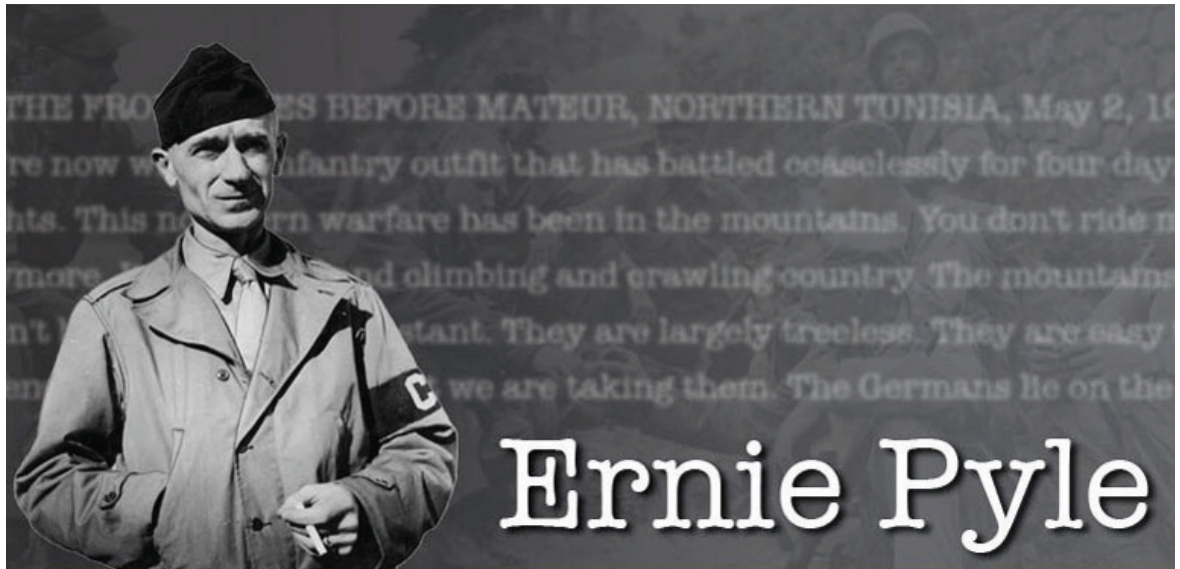
In Pyle's day, death for war correspondents came on or near defined front lines, in fox holes, or during invasions. Today, the front lines of corruption and terror are opaque and nebulous. Their dispatches are finding fewer and fewer news portals to convey the truth.

I had the opportunity to travel with C.J. Chivers of the New York Times when he wrote from Moscow, an

increasingly brutal environment for journalists. Chivers, a former Marine, is now reporting from places like Marja in Afghanistan. One dispatch last winter with a photo by Tyler Hicks showed an American GI crossing an Afghan bridge. Thirty seconds later, the soldier was dead, blown into a nearby tree.

**Since 2003, we've watched** 258 journalists die during the Iraq War and a steady drum beat of unarmed writers, photographers and audio guys have passed on: 30 so far this year, 133 in 2009, 109 in 2008, 172 in 2007 ....

In that unpublished column on Pyle's body, he wrote, "There are many of the living who have had burned



into their brains forever the unnatural sight of cold dead men scattered over the hillsides and in the ditches along the high rows of hedge throughout the world. Dead men by mass production - in one country after another - month after month and year after year. Dead men in winter and dead men in summer. Dead men in such familiar promiscuity that they become monotonous. Dead men in such monstrous infinity that you come almost to hate them."

So Ernie Pyle's historical home in Dana is on the chopping block, state government is in a quandary making other sacrifices, and the journalism industry is just trying to hang in there and can't come to the rescue.

**We wouldn't close a monument** honoring the Civil War dead or those on the USS Indianapolis. But that's what we're about to see happen to the historic birthplace of American soldiers' best buddy and a great American and Hoosier journalist.

Over this Memorial Day, we all ought to ponder that. ❖



## Major Moves, from page 1

rhetoric about "selling" the toll road to "foreigners," he still believes it "violated a trust" made by Republican Gov. Harold Handley to eventually make the road toll-free and questions whether Major Moves projects is employing enough Hoosier engineers and construction workers.

Daniels sold Major Moves as a jobs bill in September 2005. A formula used by the United States Department of Transportation estimates \$1 billion in infrastructure supports 47,000 jobs.

"The number thrown around the Statehouse was 2.5 times 47,000," said Dennis Faulkenberg, president and CEO of Appian. That equation equals 117,500 projected jobs, of which one-third would be direct, on-site construction jobs. "The latest estimate is 28,500 jobs," Faulkenberg said.

If these numbers are correct, Major Moves will create about one-fifth of the construction jobs its supporters projected it would create.

"That was never the central point," Daniels said. "It was never about construction jobs. It's about having a first class infrastructure over which the private sector over the long haul will invest and create the big number of jobs."

"I am confident that there will be future job development," said Cam Carter, the Indiana Chamber's vice president for economic development and small business affairs. "It sets the table for the future. Every study shows these investments spur jobs and growth."

### Six months from introduction to passage

Daniels introduced Major Moves in September 2005. The key projects were the construction of U.S. 31 from Plymouth to South Bend and an extension of Interstate 69 through Southwest Indiana.

It also called for a 75-year, \$3.85 billion lease of the Indiana Toll Road to Cintra Macquarie, at the time

described by Bloomberg News as the largest amount ever paid to a U.S. state or municipality for an asset.

"We hit the absolute sweet spot in terms of the value we got," Daniels said. "It was really important to move fast at the time."

"It's amazing to me when I go to the meeting of the National Association of State Treasurers how many of my counterparts will say to me, 'How the heck did Indiana do that?'" State Treasurer Richard Mourdock said. "It was recognized as the deal of the year. It was just a great model."



Gov. Daniels attends a Statehouse rally for Major Moves in February 2006. (HPI Photo by Brian A. Howey)

After passing the Indiana Senate by a 29-20 vote on March 2, 2006, Major Moves ran into strident opposition in the Indiana House. There was talk of a special session.

House Speaker B. Patrick Bauer, D-South Bend, who was the minority leader at the time, said the bill was "conceived in sin" and cast the legislation as selling Hoosier assets to "foreigners." Legislative attempts were made to mandate that American flags would fly at Indiana Toll Road booths. That attempt failed.

"Don't do it," Bauer told the assembly as the bill came up for a vote. "We are about to make the toll

road a cash cow." Bauer cited constituent concerns over the lease of the toll road to a foreign company as a source of opposition. "They know it's a bad deal," said Bauer. "They know we're outsourcing our money and that we're tying up something for 75 years. That company's going to make a lot of money."

Bill Oesterle, Daniels' 2004 campaign manager, told HPI at the time, "The polling they are looking at asks questions like, 'Do you favor selling the toll road to foreigners?' There's been no messaging into their districts. The southern Indiana legislators will get hung out to dry when we come back and say, 'The governor delivered I-69, or the Ohio River bridges, and your guy voted against it.' They are grossly misreading the situation."





Daniels positioned it as “asset management.” He was faced with a number of big projects like I-69, the Hoosier Heartland Corridor and the U.S. 31 freeway that the governor said would never be built without leveraging assets like the toll road. He also noted that there wasn’t the political will for legislators and governors to even raise tolls, which were the same in 2006 as they were in 1985.

House Minority Leader Brian Bosma, R-Indianapolis, who was speaker in 2006, said at the time of passage the bill is about jobs. In December 2005, Indiana lost 2,800 jobs, which led the nation.

“It’s not about roads,” Bosma said on the House floor. “It’s about families. It’s utilizing the asset. It’s about leadership.”

State Rep. Terri Austin, D-Anderson, told HPI that Major Moves was rushed through the assembly. “It was debated in 30 days,” said Austin, even though it was introduced six months earlier. “There was no real time to develop a robust examination on policy issues. We knew very little about it. Not all public private partnerships are a silver bullet.”

Democrats in the House complained that the Daniels’ administration was “moving too fast” as time ticked into the governor’s first mid-term. All was underscored by the Iraq War and as the unpopular Bush presidency forged what would ultimately be a Democratic year that resulted in a takeover of the House.

Despite challenger campaigns aimed at toll road county Republican incumbents such as Reps. Don Lehe, Tim Neese, Jackie Walorski and Marlin Stutzman, none were defeated that November.

Mourdock said the speed of the toll road bill’s movement was a lesson learned. “Timing and leadership to say that we’re going to pull the trigger and pull it now has been a real lesson from this,” he said.

Mourdock said the speed of the toll road bill’s movement was a lesson learned. “Timing and leadership to say that we’re going to pull the trigger and pull it now has been a real lesson from this,” he said.

Major Moves passed the Indiana House by a 51-48 vote in mid-March 2006.

“The governor and Republicans don’t listen,” Bauer said after the vote. “In every possible way, the people of Indiana spoke loudly and clearly on Major Moves: They didn’t like it and they didn’t want it.”

The assembly created a \$500 million trust, known as the Next Generation fund. Mourdock said the interest and earnings are scraped off every five years and given to INDOT. The state starts off with a new \$500 million at the start of a five-year period.

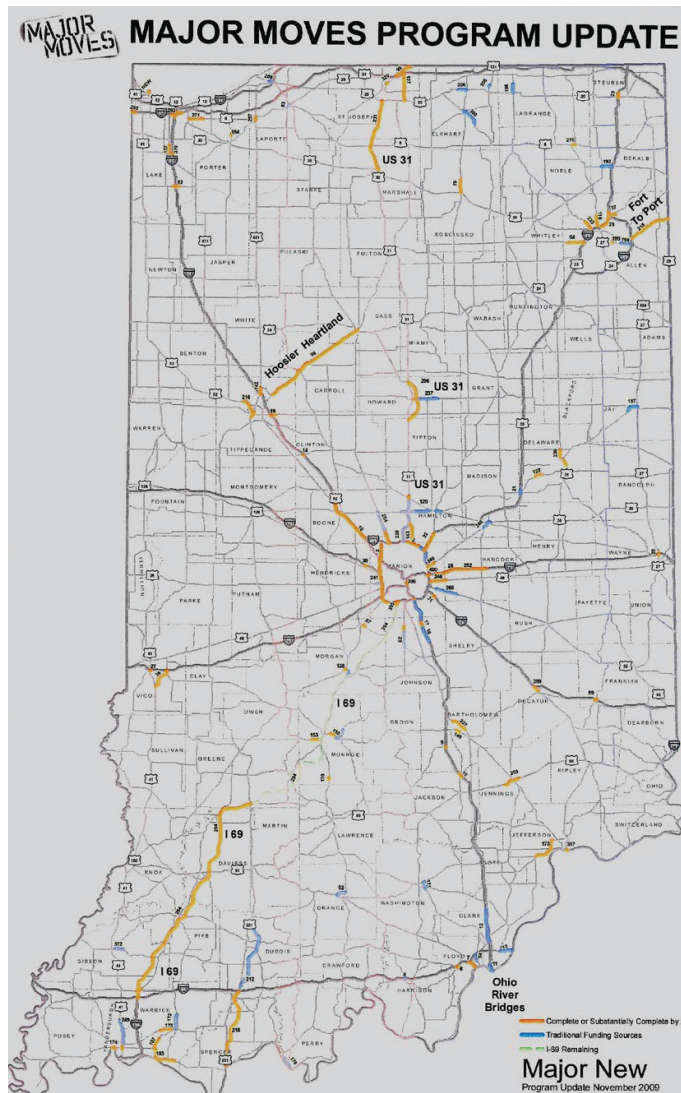
“Putting money aside was a good idea, but the assumption on the rate of return was unrealistic,” said Austin, who in 2009 sponsored a bill that would have siphoned Major Moves money into other job creating legislation as the Great Recession gripped Indiana. The state received more than \$4 billion in federal stimulus funds that became the Obama administration’s first big policy push. “We have an obligation to continually monitor it and get a better return for taxpayers,” Austin said.

Daniels says most of the trust fund money is being invested and used if the gas tax keeps underperforming. Next Generation is not constitutionally protected, which means the General Assembly can tap into its funds at any time. That has not happened, but it doesn’t stop Mourdock and Carter from worrying.

“If we’re not good stewards of the funds, shame on us,” Carter said. “We will be defending Major Moves until there’s not a dime left.”

“To this point, to the credit of both Republican and Democrat leadership, neither party has said, ‘We want to get in there and rob that fund,’” Mourdock said. “I hope it stays that way.”

Rep. Neese, R-Elkhart, said constituents have come to understand Major Moves since its approval. “I’ve found it to be more advantageous now than ever before,” Neese said. “It is virtually non-political because it is a private entity. Once the legislation was approved, they





largely think it's in the right direction."

After approval, \$40 million was given to Elkhart, LaGrange, LaPorte, Porter, Steuben and St. Joseph counties and \$15 million was given to Lake and Porter counties while the Northwest Regional Development Authority was created.

### Current state and future growth

An INDOT update in November 2009 shows 34 roadways have been completed, with 16 more under construction and 650 bridges around the state are expected to be rehabilitated or replaced.

"Transportation infrastructure has a multiplier effect," Carter said. "It's very well established. I think future economic growth will be profound. Projects that were on a slow walk were accelerated."

According to INDOT spokesman Will Wingfield, \$1.2 billion has been spent on the major projects, such as Hoosier Heartland, Fort-to-Port (from Fort Wayne to Toledo, Ohio), U.S. 31 and I-69. According to the state government website, between 2001-2005, Indiana averaged nearly \$750 million in highway investment, with \$250 million spent on new construction and the remaining \$500 million on preservation projects.

The state is now averaging \$1.5 billion in construction dollars annually. There is speculation that construction of the major projects never would have happened without Major Moves. "On the track we were on, never would there have been a Hoosier Heartland, never would there have been a U.S. 31, never would there have been an I-69, never would there have been a U.S.24 - these are the big ones," Daniels said. "And I mean never."

Construction of the northern half of I-69 between Bloomington and Indianapolis has not begun, but Daniels is confident that the project underway will be finished on time and on budget.

"We've been working really hard for it," said Daniels. "It is true that because so much of the Major Moves money is being spent elsewhere in the state, it's not enough to pay for all of I-69. So what's going to happen with I-69? We're going to build a whole lot of it."

Daniels said he expects to finish a substantial amount of I-69 under his watch, but also says a future governor will have to decide how fast to finish what is left.

"Everything is moving in the right direction," said

Daniels. "We've been working with highway people. They found some really good ways to move faster and save money, and moving faster saves money by itself. Things like speeding up the land acquisition, or going to some of these folks early and giving them some certainty, things we didn't used to do."

"Look, I-69, for a long time, will have a moderate traffic level," Daniels added, noting that early pavement depths will not be as thick as they will when the entire project is closer to completion. "In 20-25 years, it'll have a much higher traffic level."

Daniels says the future economic impact of Major Moves is large because other states are crumbling and spending less. The state has made \$639 million off the



Gov. Daniels attend a ribbon cutting near Kendallville in one of the first Major Moves projects on U.S. 6. (Kendallville News Sun Photo)

\$3.8 billion lease, according to the state treasurer's office.

"There are dimensions of competition between the states in which I've often pointed out that if we don't move and move fast, we will be passed by or left behind," said Daniels. "In infrastructure, there's a little luck for us. Other states are falling behind. I do believe that we have a chance to open up a very large advantage over other states in part because of what we're doing, in part because they're struggling the way they are."

Wingfield agrees, also citing the struggles of neighboring states.

"Major Moves is innovative in coming up with public-private partnerships to build infrastructure," Wingfield told HPI. "Once these roads are built, they will reap rewards for years to come."

Just this past year, both Indiana and Illinois legisla-





tures passed the Illiana Expressway, another public-private partnership. "That's the beauty of the private sector," Faulkenberg said of public-private partnerships. "They come in and do things that government never gets done. They are able to do that kind of thing faster than government."

According to Wingfield, the Indiana Toll Road generated approximately \$254 million in profit during its initial 50 years before the lease. Since the lease in 2006, it has generated \$650 million.



"A lot of the deferred maintenance of the road has been brought up to speed," Elkhart County Council President John Letherman said of the toll road. "The electronic road is completed and has made it much more functional and much more efficient, leading to travel up here. People are impressed with the speed they can get on and off."

"I'm thankful we have Major Moves," added Letherman, a Republican who was a key member of the U.S. 31 Coalition advocacy group. "If we didn't, most of us would be in dire straits to support our local projects, much less the major projects."

Businesses, such as Honda in Greensburg, have come to Indiana as a result of Major Moves. Nestle at Anderson and Medco at Whitestown are other examples. The Indiana Economic Development Corp. (IEDC) told HPI that phase two of the Nestle expansion created 134 jobs and the Medco expansion will create 1,300 jobs.

"It's been helpful to do projects to allow us to compete for distribution and manufacturing centers," IEDC Director Mitch Roob said. "When companies decide to expand, we'll have roads that other states don't have."

Mourdock and Daniels cite quick and

low-cost transportation as key reasons for businesses coming to Indiana. "Time is money," said Daniels. "It's just that simple. Other states didn't have enough money. We were able to say yes. It's the commerce that can happen when you have great infrastructure like that, so the faster you get it there, the sooner businesses say, 'Okay, I pick Indiana.'"

"As Realtors always say, 'location, location, location,'" Mourdock said. "We have that advantage in this state. We're called the Crossroads of America for that reason."

Coupled with the major projects are more than 200 local projects, such as the re-routing of US 31 through Kokomo.

"A lot of people are pleased," Kokomo City Engineer Carey Stranahan said. "We are still looking for ways we can maximize the benefits of this project. For Kokomo, it has been a benefit."

Mourdock said local projects are helping local businesses get their products in and out of the door more efficiently.

"If a plant wants to come in and locate, they need to widen the road so that trucks can turn in and out," said Mourdock. "It gets used for projects like that, as well as for the brief paving of existing state roads, like I-69."

Mourdock also says Major Moves has emerged as a model future public-private partnerships can look toward.

"Indiana is at the cutting edge," said Mourdock.

"The economic results that we've achieved demonstrate why it's such a good idea. It

requires private management, which is done more efficiently than the government can do it."

On Tuesday, Speaker Bauer was asked to give an assessment of Major Moves four years in. "We get hundreds of millions of dollars from the federal government every year and we got \$800-\$900 million in stimulus money. Major Moves would not have precluded I-69," he said.

Bauer added, "Major Moves first broke a promise by a Republican governor (Handley) in 1958 that it would be a free road. Every governor since knew of that. The only toll on that road was supposed to be



Sen. Tom Weatherwax and State Rep. Rich McClain (top) of Logansport attend the \$3.8 billion lease signing in June 2006. In the bottom photo, work continues on SR 44 near Shelbyville. (HPI Photos by Brian A. Howey and Steve Dickerson)



for maintenance, egress or ingress, upkeep and things like that. That violated a basic trust. Kentucky built a road similar – same thing, a toll road – and it became a free road. That, too, raises the ire on those who aren't Irish. Because of that, he (Daniels) chose what he says was an 'under-performing asset,' was an asset that was not supposed to perform in a profitable manner. So I think there were other forms and other ways of doing that.

"On the whole road program, our concern is that it is Indiana workers who work on these roads," Bauer continued. "For the last couple of years we've been trying to keep out an Ohio company. They seem to be one of the favorites for the governor. In many cases there are hundreds of Hoosiers – if not thousands – who don't get jobs. I think we have to do some reconstruction of that whole highway operation to try to give preference to Indiana workers."

## Challenges

Letherman said a challenge Major Moves faces is a drop in the gas tax revenue. Due to the economic recession, fuel consumption has fallen, resulting in a lower gas tax income. Letherman said the state should find a different way over time to support highway systems.

"Whether that is additional polling or mileage taxes as opposed to gasoline taxes, I don't really know what all of the opportunities are because it's not my business," Letherman said. "But the one we've got right now is probably seriously flawed."

Mourdock said the state is operating with "extreme caution" as it continues to invest.

"Anybody who's not fearful of a double-dip recession isn't watching the signs," said Mourdock. "All of the investing we're doing is very much with the safety of those funds involved."

According to Wingfield, the state received \$658 million via the American Recovery and Reinvestment Act of 2009 for highways. Of that, \$440 million was spent on highway investment.

Wingfield said stimulus money went to economically stressed counties. He also said half of the funds received had to be assigned to roads within 90 days. The other half had to be assigned within a year.

Indiana met both requirements. Wingfield said Indiana has more recovery projects than any state.

"A lot of the projects (that received stimulus money) were shovel-ready," Wingfield said.

Still, there is concern that certain projects will be cut as a result of the severity of the recession.

"Certain projects lend themselves better than others," Wingfield said. "It's not specifically due to funding. As conditions on the ground evolve, we need to be able to respond. Our forecast is only as good as the facts we have today."

## Epilogue

Near Peru, the Hoosier Heartland Corridor (U.S. 24) intersects with U.S. 31. A few miles south lies the Grissom Aeroplex and the state's longest runway that the Pentagon turned over to civilian control in 2009.

Beyond Honda at Greensburg, this could be the classic example of improved roads matching up with existing infrastructure to create the jobs for the next generation of Hoosiers. The area took big hits when the Norfolk & Western and the Chesapeake & Ohio railroads left, along with the U.S. Air Force while Chrysler and Delphi Corp.



**Gov. Daniels at the Grissom Aeroplex in September 2008 celebrating civilian control of the state's longest runway near the intersection of U.S. 31 and U.S. 24 at Peru. Both highways are being upgraded with Major Moves funds. (HPI Photo by Brian A. Howey)**

teetered in bankruptcy at Kokomo. "It takes a special kind of business that wants to use the incredible airfield that's there," Daniels said. "There's no question, in my mind, that the two corridors all become more attractive now."

The area could use the boost of Major Moves. Department of Workforce Development jobless statistics in April reveal the need. Cass County has 10.1 percent unemployment; Miami County stands at 11.6 percent and Howard County has an alarming 12.2 percent, the seventh-highest in the state.

Major Moves' impact on the two corridors could change that.

"It's not a complete answer in and of itself, but if you go talk to the people at Delphi in Logansport or some of these communities that have lost a lot of jobs, they know and they believe that being so much more convenient to the rest of the economy is going to be a big plus for them," Daniels said. ❖





## Roob says IEDC job stats are state secrets

**By BOB SEGALL**  
**WTHR 13 Investigates**

INDIANAPOLIS - Indiana has created more than 100,000 new jobs in the past five years – at least that’s what the governor and Indiana’s Economic Development Corporation want you to believe. But 13 Investigates discovered Indiana’s real job numbers are a tightly kept secret. And the governor and IEDC want to keep it that way.

Indiana’s much-publicized job numbers don’t add up.

Where the Indiana Economic Development Corporation claims tens of thousands of new jobs, 13 Investigates documented empty factories and undeveloped corn fields all across the state. WTHR’s investigation found at least 40 percent of Indiana’s 100,000 “new jobs” promoted by the IEDC and Governor Mitch Daniels have never come, drawing the governor’s ire.

“You seem to have a blindingly clear view of what is perfectly obvious,” the governor said of the Eyewitness News investigation. “In a recession, a lot of businesses have to change their plans.”

But the governor did not explain why a state economic development agency that he created and oversees continued to promote Indiana’s job commitment (promised jobs) statistics instead of its job realization (actual jobs) numbers long after it became “perfectly obvious” that thousands of promised jobs would not materialize. And when asked to provide the state’s real job numbers and to explain which companies followed through on their job promises and which ones did not, Daniels directed WTHR to attend an IEDC board meeting.

“The IEDC board meetings are public and a lot of enterprising reporters choose to attend them, and the those numbers are available there,” he told WTHR in March.

13 Investigates accepted the governor’s invitation.

### **Governor walks out**

WTHR attended IEDC’s spring board meeting, where board members reviewed charts and graphs showing summary job information. But despite the governor’s

invitation, the board offered no job realization numbers to support specific job commitments previously promoted by Daniels and the IEDC. So after the meeting, WTHR again asked the governor to provide that information and, this time, he simply walked out.

IEDC director Mitch Roob (pictured) explained the governor and IEDC will not release Indiana’s detailed job numbers to anyone. While the state uses Hoosier tax dollars to help attract new jobs, Hoosier tax payers do not get to see what they’re paying for.

“We don’t share it with the public. We don’t release it to the news media. That’s confidential information,” Roob said.

What Indiana keeps confidential, other states make very public. Nearby states such as Ohio, Illinois, Michigan and Minnesota offer detailed economic development information to anyone who wants to see it.

“Just common sense”

“We think it’s good public policy and, frankly, just common sense,” said Warren Ribley, director of the Illinois Department of Commerce and Economic Opportunity.

Under the Illinois Corporate Accountability Act, all Illinois companies that receive state economic development incentives must file a detailed report with ID-CEO, and that information is then posted online.

Illinois tax payers can see how many jobs were created by a company compared to the number of jobs it promised; how many of the new positions are full-time, part-time and temp; starting dates for the new positions; salaries and total payroll created; and how much public tax money was provided to each company.

Roob sees the issue very differently.

“That’s just not the way Indiana has done it – ever,” he said. “People in Indiana -- the businesses of Indiana -- feel very strongly that their relationship with state government is between state government and that company.”

Getting information about those relationships is not easy. Even the most basic public records from IEDC can take weeks or even months to get. When 13 Investigates did receive the records it requested, wage, tax credit, employment, and job realization information had been crossed out. “That’s not a mistake,” Roob said. “That is a competitive weapon that companies believe can be used against them by their competitors.” ❖





## Health care battle brewing between Bauer, Daniels

By **BRIAN A. HOWEY**

FRANKLIN - This question to Gov. Mitch Daniels on the American Affordable Health Care Act was different. The governor had been ardent in his outspokenness on the impact of the health reforms on state budgets.

U.S. Reps. Baron Hill and Andre Carson had sent Daniels a letter earlier the day I talked to him, asking him to be forthright in detailing the costs of the new law on Indiana. You are concerned about the impact on Medicaid and Medicare that goes from 100 percent to 90 percent federal reimbursements to the states between now and 2020. At what point should we be looking at it and saying covering more people might be worth paying a little bit more in taxes? Or are we against any kind of tax increase? Since George H.W. Bush said in 1988. 'Read my lips, no new taxes' there hasn't been a general tax increase in Indiana since Gov. Orr's A Plus reforms.' Is there a trade off between bringing more people into the successful HIP program and expanding Medicaid out to 133 percent of poverty level?"

"First of all," Daniels began, "If I thought this was good for the health care system of America, I'd be for it. I support this administration when I think they've got it right. I'm aligned with President Obama on education reform. It's very ironic, right? If they're very good on it, I always say so. Many of the things we're for they are very good at. (Indiana) House Democrats disagree with their own president. But in the case of health care, I just can't say that. It takes all the worst features of the current health system and makes them worse. Don't take it from me. Every independent analysis done recently comes up the same way."

Daniels added, "It's going to raise health care premiums. It's going to raise taxes. It will be exposed that it doesn't pay for itself. It doesn't come within a trillion or two dollars of that. The bill's going to get handed to" the

next generation. "And here inside the state is a massive unfunded mandate," Daniels said. "We were talking about Major Moves and the further we go, the better it looks. This is exactly the reverse. It won't happen on our watch, but the whopping big bill coming to the taxpayers of every state and here in Indiana will be just the same."

"**We're not going** to get our money's worth," Daniels said. "If we were getting a health care system based on consumers, if there was a new approach over time that would slow down the growth of health care, it would be worth it. It would be worth it at some price. We're not. We're going to get a worse health care system and it's going to cost more money. I understand Congressman Hill is nervous and he ought to be. Some two-thirds of Hoosiers say it's going to be a terrible idea. And they were right. And so he's got a problem. And so do we."

On Tuesday, House Speaker B. Patrick Bauer

weighed in, saying that Gov. Daniels had "obliterated" the Healthy Indiana Program, denying coverage to 30,000 Hoosiers who had recently applied or been accepted to the program. He acknowledged that the suspension just dealt with recent additions to HIP. "Some who were notified they were once on it are now off," Bauer said.

"It's been a little bit of time to last having the honor to be before you. The last little bit of history that occurred after our separation is when the

governor cancelled a bipartisan health care plan I think we all took claim to have pride in. It actually happened when we were in the majority, just for the record. He obliterated it after his disappointment in a national program."

Bauer said that at a recent public event people who were being denied coverage told him the cancellation was "traumatic."

"**That program was essential** to a lot of people who cannot get health care," Bauer said. "That was a very cruel thing to do. I don't know if he really realized the number of people who were hurt. Thirty-thousand people were cut off and we know where some of that money went. Nowhere. It's sitting there. About \$200 million. This leads into the misrule. He did not answer the questions every legislator has the right to know. Where did the money go?"



Speaker B. Patrick Bauer spent his "29th birthday" blasting Gov. Daniels over suspending enrollment in the Health Indiana Program and other fiscal manners. (HPI Photo by Brian A. Howey)





Bauer charged that Daniels and State Budget Director Chris Ruhl's response to House Ways & Means Chairman Bill Crawford was "less than respectful."

"We are the legislative branch of government," Bauer said. "If we had to make these cuts, essential services would be protected as much as we could. I think we need to know more information about where the money went. Where the money is left in like the cigarette fund. We know it's \$200 million. And I think there needs to be greater clarity in where the \$4.6 billion federal (stimulus) money may go and has gone. We have some information on where \$1.2 billion (went), but the rest of it is still hanging out there."

Asked if the governor had the authority to spend the cigarette tax money in any other way, Bauer said, "I don't know if he has the authority to do a lot of the things he's doing. He said one time to me when he created a tax, he said, 'What are they going to do? Sue me?' I don't know for sure. I don't think so. He can do anything he wants if somebody doesn't take him to court to stop him."

Bauer promised "a review" on the national health care program "and there will be greater inquiry on the budget committee. Normally there would be public testimony about a cut. All these questions would be asked and it would be probing and it would be open."

**"But right now we are** just trying to get him to respect the equalness of our branch," Bauer said. "The executive branch is not the dictator of the state."

As for studies the State Budget Committee heard that put the eventual impact of the reforms between \$3-\$4 billion, Bauer said, "They are using an extreme example. Extreme examples are never a reality. As I understand Medicaid itself is utilized by only 70 percent. I think you have to go backwards and into reality, 70 percent would be the model you begin with. You have to think about all the people who are helped, and what price saving lives" is worth.

"I don't think the positive side of that has even begun to come out," Bauer said. "For instance, the preexisting conditions being covered is huge. The fact that we can't get jobs for people under 26 and they can be covered, that's huge. Closing the doughnut hole on Medicare, that is huge. That has been put into obscurity by all the louder voices. A quieter debate, a quieter discussion will help everyone. If modifications have to be made they can be made in an intelligent manner."

Bauer was asked by HPI if there was a trade off between the towering deficits that have been run by urban hospitals such as Wishard in Indianapolis and the costs to Indiana taxpayers. When HPI asked Health and Hospital Corporation chief Matt Gutwein about the trade-off there, he said he didn't know.

"If you notice hospitals tend to leave the urban setting for the suburbs, because they'll get less poor at their

door," Bauer said. "Sometimes those hospitals will take as much as \$400,000 in debt" from a single case. "We have state plans that help with that debt but you can't keep up with the funding. That's one thing that has to continue to be addressed. This health care plan is not perfect but it's the first significant step from many debt."

Gannett News Service reported today that Indiana's Medicaid program costs could increase by as much as 5 percent under the federal health care overhaul, even as the state's Medicaid enrollment climbs more substantially, according to estimates released Wednesday by the Kaiser Family Foundation. That's because the federal government is picking up most of the additional cost for the required expansion. The study by the nonpartisan health policy research group found the number of Hoosiers on Medicaid could jump between 29 percent and 42 percent as the program is fully implemented.

"For a relatively small investment of state dollars, states could see huge returns in terms of additional coverage for their lowest-income residents, with federal dollars covering the bulk of the bill," Diane Rowland, executive vice president of the foundation told GNS.

**In the current political** state of affairs, the battle between insuring more people and addressing the huge, ongoing debts of urban hospitals against higher taxes in the future is an advantage for the Republicans.

A recent Rasmussen Reports poll shows nationally that 63 percent favor repeal of the health care act, and one earlier this month in Indiana revealed 59 percent of Hoosiers felt the same way, with 48 percent feeling strongly.

A repeal is unlikely as long as President Obama is in office. If that's just two years, the historical footnote is the Reagan-Bowen health reforms were quickly cast aside by the first Bush presidency.

Republicans will certainly make the health reform repeal a major issue this fall. Democrats from Bauer and his embattled caucus to Reps. Hill, Donnelly and Ellsworth will have to articulate the "positives" that Bauer insists haven't come to the forefront of the debate.

It was interesting this past week that Republicans Dan Coats and 9th CD Republican nominee Todd Young both were endorsed by former Massachusetts Gov. Mitt Romney.

Asked about Romney's health overhaul and its similarities to those signed by President Obama, Young told HPI, "There are some similar provisions. I'd have to study it in detail to answer that. The fact that he endorsed me doesn't mean that I support state-based reforms that might have similarities to national reforms. That seems a bit tortured to me. I don't expect to embrace the Massachusetts plan. If someone wants to make an issue over someone who endorsed me, I'll let them make that comparison." ❖



## 3rd CD race getting crowded; Hayhurst seeks early election

By **BRIAN A. HOWEY**

INDIANAPOLIS - Remember that 14-candidate 4th CD Republican primary?

Well, they don't have anything on the freshly open 3rd CD vacated by U.S. Rep. Mark Souder.

Today, it will be State Rep. Wes Culver who will announce his campaign.

On Wednesday, former Allen County sheriff candidate Mike Foster and Lonnie Powell of The Chapel recovery ministry entered.

Tuesday, it was Bob Thomas and WPTA-TV anchorman Ryan Elijah who declared.

On Monday, it was Phil Troyer, who not only got into the race but told the Elkhart Truth his wife had filed for divorce.

Last week, State Sen. Marlin Stutzman, State Rep. Randy Borrer and Fort Wayne Councilwoman Liz Brown took the plunge. In the wings is 1989 nominee Judge Dan Heath. That makes 10 candidates and it reinforces HPI's early assessment that this race will come down to Stutzman and Borrer. Stutzman has much support outside of Allen County and a good foothold there. Borrer will be able to count on a good level of support from his relationship with the precinct organization he was a part of for 15 years.

Borrer officially filed his candidacy for the GOP caucus that is expected to take place on June 12 in Columbia City.

"Our nation is in serious need of real leadership," said Borrer, who authored the Major Moves legislation. "I have demonstrated my ability to tackle the big issues in the Indiana Statehouse on behalf of Hoosiers."

Borrer as part of the Ways and Means Committee and State Budget Committee has been a key part of the improvement of Indiana's fiscal outlook.

Borrer added that Major Moves "will create over 100,000 jobs."

Culver announced today, saying, "I will be a voice for freedom and constitutional government when elected. With me the 3rd Congressional District will have a representative who fights for their liberties and for policies and strategies that make Northeastern Indiana attractive for business and family."

Thomas, who finished second to Souder in the May

4 primary, told the Fort Wayne Journal Gazette, "I'm in pretty good shape. I think this is going to favor me."

Elijah told the Journal Gazette he had moved into the district intending to run. "I have absolute faith in my ability to restore trust," he said. He has taken a leave of absence from WPTA.

### Hayhurst presses for early election

Former Fort Wayne Councilman Tom Hayhurst officially announced he would be a candidate in a special election. He pressed for an election this summer. "The best situation would be to have someone elected in office right now," Hayhurst told the Fort Wayne Journal Gazette. He also said that Souder should pay the estimated cost of \$540,000 to conduct the eight-county special election.

The school of thought is that Hayhurst, sitting on \$250,000, would be in the best shape in a campaign sprint.

### Young seeking Sodrel through friends

Republican 9th CD candidate Todd Young told HPI that his campaign is seeking to repair primary campaign damage with former congressman Mike Sodrel. "I have not heard from him directly," Young said. "We are talking with his friends." Asked if he thought Sodrel would endorse his campaign, Young said, "I think so."

Young told HPI that his war chest was down to "zero" after the primary which he won with 34 percent. He, Sodrel and Travis Hankins spent an estimated \$900,000 on the primary, with Young mowing through \$500,000. "We're in a process to replenish," Young said.

### No Bayh money for Bauer

While Indiana Democrats have insisted that retaining control of the Indiana House is the party's top priority, thus far none of U.S. Sen. Evan Bayh's \$13 million war chest has been given to the House Democratic caucus. Bayh, who dropped out of the Senate race on Feb. 15 and appears to be a likely 2012 gubernatorial candidate, gave Indiana Democrats \$1 million earlier this spring. Indiana Democratic Chairman Dan Parker told HPI that money is going to the Senate campaign of U.S. Rep. Brad Ellsworth.

HPI asked Bauer on Tuesday morning if he expects Bayh to give to House Democrats, which while maintaining a 52-48 majority, are facing an onslaught of two dozen Republican challenger campaigns, including six aimed at House Democratic leadership. Bauer laughed after the question and responded, "We can only hope." HPI followed up: Have you asked? "Perpetually," Bauer responded. What has Bayh's answer been? "He's got to review the situation." Bauer said with another laugh. Another reporter asked how much does Sen. Bayh need to run for governor? "Oh, you sly fox," Bauer said. ❖







## Rand Paul flap exposes Tea Party extremism

By **CHRIS SAUTTER**

WASHINGTON - The political parties are sifting through the wreckage of Rand Paul's first week as Republican nominee for the U.S. Senate in Kentucky to determine what impact Paul and his Tea Party may have on this year's off-year election. Politicos want to know whether Paul's extremist views and by extension the Tea Party he has embraced will be a drag or a boost for Republicans in November.

The flap over Rand Paul and his statements on civil rights laws should lay to rest doubts about whether the views of the Tea Party are outside the mainstream of American political beliefs. Whether that fact undercuts the chances of Republicans to retake control of Congress in the November election remains to be seen.



Chris Sautter  
Column

A day after excruciatingly painful evasions and vacillations during interviews on both The Rachel Maddow Show and National Public Radio, Paul finally answered the question he had been carefully avoiding. His libertarian philosophy

notwithstanding, Paul reluctantly promised if elected to the Senate not to vote to repeal the 1964 Civil Rights Act.

Paul claims the question was a trap and a canard. There are no pending proposals to repeal what many consider the most important legislation passed by Congress in 150 years.

But Paul invited questions about whether he supports the 1964 Civil Rights Act by repeatedly arguing federal laws that prohibit certain forms of invidious discrimination impinge upon the rights of private businesses. Paul has criticized both the Americans for Disability Act and the Fair Housing Act as overreaching by the federal government. These are views he has expressed for years.

**When boiled down,** Paul's position is this:

Although there should be laws to prohibit government discrimination on the basis of race (he didn't mention discrimination based on gender or disability), such laws should not be applied to private businesses. Paul said while he personally finds racial discrimination abhorrent, concerns about such discrimination in the private sector should be handled locally and not with the force of federal law.

As Paul's statements ricocheted in the news, party officials couldn't distance themselves from him fast enough. Not one Republican leader said he agreed with those views,

although several argued Paul had become the victim of a "liberal media" ambush. Corporate American has no use for Paul's views in opposition to anti-racial bias laws either since discrimination in the private sector makes for bad business.

Establishment Republicans have tried to characterize Paul's statements as the mistake of a political rookie. But those views are an integral part of Paul's often-stated and well-articulated paleolibertarian philosophy. Clearly, Paul considers more debate over repealing the 1964 Civil Rights Act not worth the further political damage it would cause his campaign. But there is no evidence he has changed his mind about his fundamental beliefs on the subject.

**Paul began his victory** speech to a raucous election night crowd by saying "I have a message from the Tea Party. We've come to take our government back." Such braggadocio begs the question—back to what?

Paul's general campaign themes are consistent with conventional national Republican messages. It is when Paul gets specific that his views are seen as troubling. And, Paul doesn't seem to mind spelling out in detail his extreme anti-government views—until last weekend anyway when he cancelled an appearance on Meet the Press.

For starters, Paul would eliminate entirely the Departments of Education and Energy and shut down the Federal Reserve. In the wake of the West Virginia mining disaster, Paul believes the federal government should get completely out of regulating mine safety, leaving it to the states. And, Paul left little doubt by week's end where he stands on environmental protection as he attacked President Obama's attempt to hold BP accountable for the oil spill in the Gulf of Mexico, calling Obama's criticism of BP "un-American." Paul also has said he believes in a conspiracy between Canada and Mexico to turn North America into a "borderless mass continent."

Paul's philosophy is representative of the radical wing of the Republican Party that has its roots in the extremism of the John Birch Society from the 1950's and 1960's and anti-New Deal constitutionalist groups from the 1930's. When Paul and other Tea Party members say they want to take America back, they mean way back—before the civil rights era of the 1960's, before FDR's New Deal, before the Progressive Era of Teddy Roosevelt, even before passage of the post-Civil War 14th Amendment which gave the federal government the power over states to enforce substantive and procedural due process rights as well as equal protection of the law.

**In effect, Paul and** his Tea Partiers are neo-Confederates, resurrecting the states rights philosophy that was used to justify Jim Crow laws in the South. Their spiritual kinship with the rebels from the Boston Tea Party and their often-professed commitment to the original intent of



the Founding Fathers is a bit contradictory if not disingenuous. James Madison and the Founding Fathers considered the Tea Party crowd dangerous anarchists and the confederation created after the Revolution exceedingly weak. Madison insisted on a strong central government because he knew the Republic was doomed without strong federal governmental powers.

**The commitment of** Tea Partiers to states rights is so wacky many support repeal of the 17th Amendment, which provided direct election of US Senator.

Paul seems sincere when he says he doesn't have a racist bone in his body. But Paul shouldn't be surprised he and his Tea Party cohorts come across as out-of-touch on

racial issues since they champion a philosophical framework grounded in a time in American history before racial equality had become a firmly settled federal right.

**Most voters would probably** consider such an analysis too much information to matter when making election decisions. But the lesson of last week's special election in Pennsylvania 12 is that voters this year are inclined to gravitate to those candidates most focused on the issue of jobs rather than those mired in ideology or politics.

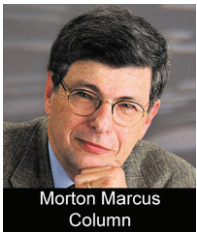
The radical ideology of Rand Paul and his Tea Partiers just may scare enough swing voters back to the Democratic column to prevent the big Republican year so many were predicting before last Tuesday. ❖

## Health care bill opens doors of old structure

By **MORTON J. MARCUS**

INDIANAPOLIS - Several readers have asked for my take on the health care bill passed by Congress. For what it's worth:

The Patient Protection and Affordable Care Act (PPACA as it will lovingly be known henceforth) is a major step forward. It widens the door to health insurance for those with pre-existing conditions, for employees of small businesses and others currently not covered. This was achieved in the face of great opposition from health industry forces that stand to lose some of their economic power. In the fight to defeat PPACA, many lies were told and too often believed by decent people.



Morton Marcus  
Column

The U.S. will continue to rely on employer-financed policies written by private insurance companies. Small companies will be subsidized to offer their workers health insurance. To supplement these we will expand Medicaid.

This approach maintains the existing, unsatisfactory insurance system we have had for three generations. We could have private companies that process payments to health care providers, root out fraud, and limit misuse of the system. These need not be insurance companies. Do we want insurance or do we want health care?

**The trend in medicine** seems to be recognition of how we induce our disorders and how we inherit tendencies for them. The insurance companies would like to match our insurance policies to our behavior as well as to our inherited characteristics. That's why they want to know if you smoke or if your father had heart disease. Knowledge reduces their risks and protects you and me from

paying the bills of high risk people.

That's why, when we applaud insurance for people with pre-existing conditions, we should understand that those of us without such conditions will pay higher premiums. Insurance ties us together. To some folks, insurance is a means of avoiding responsibility.

**The essential questions have** not been answered by the current health care legislation. Since we cannot provide unlimited services to all, we will need Sarah Palin and her "death panels." That is, we will require explicit standards of care which reconcile the scarcity of resources with the expectations of the sick and their families.

Which is it to be? Will we have universal service available to all and paid for by all? Or will we have a health care system based on individual needs and individual savings? Is there a middle way?

The new legislation is another step toward recognizing our interrelationships. If we focused on the individual rather than the society, your behavior and your genes would determine your premiums. You would be free of the pregnant women in your office and their innumerable sniffing offspring. No longer would you pay for the hypochondriac retiree who virtually lives in the doctor's office.

**The question is:** Can we turn our backs on those in need who cannot provide for themselves? The civilized, compassionate answer is NO, but the rhetoric of individual responsibility cries YES WE CAN.

PPACA also does little to curb the growth of health care costs. For too long we have seen the health care system grow obese, fed by the virtually unrestricted flow of funds from the public and private sectors. We now have hospitals that are indistinguishable from resort hotels; we see medical offices and professional incomes beyond the dreams of modestly avaricious attorneys. The insurance companies have been conduits for these funds, absorbing their share for their self-glorification.

Little in PPACA increases consumer choice. The





insurance oligopolies will persist. The hospital empires will expand. The medical profession will continue to block recognition for lesser mortals who are competent to provide

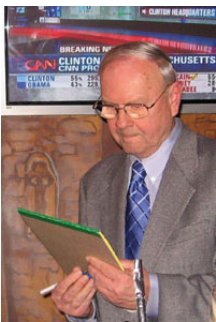
selected medical services. Nor will medical schools restrict the numbers who would be highly-paid specialist while the need for general practitioners goes unanswered. ❖

## Souder's meltdown at sad affair

By JACK COLWELL

SOUTH BEND - The political and personal meltdown of Mark Souder is a sad affair. Affair? Obviously. Sad? Not everybody finds it so.

Some laugh as Souder cries, as he did in reading his statement of resignation, choked up and beaten down, coming clean about the dirty little secret now known by family and friends as well as foes.



Should joy and hilarity be the response by folks on one side in politics when someone on the other side self-destructs in public disgrace? Yes, probably, if the fallen public figure has been a mean, vicious practitioner of the politics of destruction. But I never put Souder in that category.

We see or read about the video featuring Souder and that staffer, the one identified as his mistress by the national news media, from Fox News to the Washington Post. They preach belief in teaching only abstinence in sex education.

Hypocrisy?

Yes, although I suspect he really, deeply believes in teaching abstinence to the young, no matter how he slipped from other professed beliefs in his own life.

Perhaps Souder deserved defeat at the polls. Opponents in the recent Republican primary thought so. Democrats looking to the fall election thought so. But the way he was defeated, with his confession making clear he deserved his fate, provides another blow to our political system. That's sad, whether it's a Republican or a Democrat involved.

**Souder's public confession** surely brought some measure of sadness for him by those who watched, except for people who enjoy seeing a grown man cry or get a kick out of witnessing self-immolation.

In one place, Souder deviated from blaming himself and sought as so many politicians do to blame Washington. Said Souder: "In this poisonous environment of Washington, D.C., any personal failing is seized upon, often twisted for political gain."

Washington is a city of magnificent buildings and monuments that is named after a guy hailed as father of our country. It's where people we pick go to make our laws. If we don't pick the right people, it isn't Washington's fault.

**And if Souder had been** an official back home in Indiana, not in Washington, say mayor of Fort Wayne, and he was found to have a mistress on the city payroll, that "personal failing" would have been "seized upon" there as well. To say otherwise is to say that moral expectations are less stringent in Indiana than in Washington.

Another looming affair, strictly political, involves maneuvering to replace Souder that began before a decent wake for his congressional demise.

In one maneuver, Gov. Mitch Daniels, with power to call a special election, could refuse to do so this summer, leaving the 3rd District unrepresented until a special election on the same date as the general election. A replacement for the remainder of Souder's term then would serve only in any lame-duck session at year's end.

A special election this summer could bring selection of Democrat Tom Hayhurst, that party's nominee for the full term. He's the only candidate now with a congressional campaign organization and fund-raising in place, and he could benefit from what Souder did to the Republican brand.

However, putting the special election off until Nov. 2, when there is expected to be a Republican tide, with Hayhurst deprived of any chance to run as the incumbent, could ensure continued GOP control of the congressional seat.

**The governor could claim** he was saving money rather than just saving the seat.

Souder's downfall reminds us of the falling down by other House Republicans who, like Souder, came into office in the GOP landslide of 1994. Landslides in those times of change often bring in newcomers who provide a change other than what the voters intended.

Will we see a similar pattern with some Democrats swept into office in '06 and '08? Or with newcomers to be elected as agents of change this fall?

Souder didn't seem the type to fall into the pattern.

A keen observer of politics sent an e-mail with this challenge: "If you can name a more unlikely Lothario than Mark Souder, you win a free trip to Las Vegas."

No Vegas trip. So unlikely. Another reason why it's a sad affair. ❖



**Stephanie Salter, Terre Haute Tribune-Star:**

**Star:** Stephanie Salter, Terre Haute Tribune-Star: If Mark Souder is capable of sexual misconduct, it could happen to anyone. - Penny Nance, Concerned Women of America. Actually, no, it can't happen to anyone. Sexual misconduct - a.k.a. cheating on your wife for several years with a woman who is cheating on her husband - is not something that "happens" to a person. Catching a cold happens to you. Being broadsided by a texting driver happens to you. Getting food poisoning in a 5-star restaurant happens to you. Discovering that your husband - the one who makes speeches about God, family values and the virtues of sexual abstinence - is a cheater? That also happens to you. But cheating requires a transitive and active verb. Cheating is predicated on a conscious choice and action. Each and every time an adulterous assignation is made, kept and not revealed, deliberate choices are made. Penny Nance, the CEO of the conservative Concerned Women for America, was not alone in her misuse of verbs when she talked to the Indy Star about the resignation of U.S. Rep. Mark Souder. The 3rd District Indiana Congressman has had trouble, himself, articulating what happened versus what he consciously chose to do on his own. From the get-go of his May 18 news confessional in Fort Wayne, Souder seemed disinclined to use the active voice. Ten sentences into his resignation speech - half way - he finally got around to saying he'd done something wrong: "I sinned against God, my wife and my family by having a mutual relationship with a part-time member of my staff." No "extramarital affair" or "infidelity" for Souder. Typical of the tone of his entire statement, he euphemized his sin into "a mutual relationship." Worse, the revelation was preceded by a fair amount of self-aggrandizement, including the declaration that the "honor" of his eight terms in Congress was "a blessing and a responsibility given from God." All of that, however, was just a warm-up for the blame-shifting, full-blown victim-speak that Souder employed in the second-half of his statement. "In the poisonous environment of Washington, D.C., any personal failing is seized upon, often twisted, for political gain," he said. "I am resigning rather than to put my family through that painful, drawn-out process." Wrong voice again. The poisonous atmosphere of Washington did not cause adultery to happen to Souder and his girlfriend, Tracy Meadows Jackson. Souder did not choose to resign because Washington's partisan politics seize upon and twist any personal failing. Like South Carolina Governor Mark Sanford (who doesn't live in Washington), Souder chose to resign because the options are few when somebody squeals on a holier-than-thou, family-values zealot and outs him as a cheating, lying, hypocritical politician. ❖



**Sylvia Smith, Fort Wayne Journal Gazette:**

Should the special election to replace Mark Souder, who resigned last week after admitting to a sexual affair with an employee, be sooner rather than later? The savvy Republican will push for as far from now as possible. The politically smart Democrat wants it ASAP. The ick factor is just too big right now for Republicans to risk having the special election before there's time for the revulsion to fade. When a popular lawmaker dies in office, the candidate most closely associated with him or her has a huge advantage. Think of the special election won by Andre Carson, the nephew of the Indianapolis congresswoman who died in 2007. In Pennsylvania last week, the protege of the late Rep. John Murtha won a special election despite the anti-Washington atmosphere. In both cases, voters were motivated more by whether they liked the lawmakers who died in office than by what they thought of the potential successors. An admitted affair from a conservative "family values" pol taints the Republican brand. Some Republican voters would just stay home in disgust with 'em all. Republican-leaning independents would be much more open to a Democrat. And Democrats would vote with glee. That's a recipe for Democratic victory. So from the Republican perspective, it's best to put as much distance as possible between the memory of a tear-stained Souder reading his mea culpa from a podium and the special election to replace him. Gov. Mitch Daniels is the sole decider about the timing of the election, and he is savvier than most. So it would be surprising for him to set the date by early summer. Folks who push for a later date - or even a double election on Election Day - will have other stated reasons for saying so. Most prominently is the cost. ❖

**Rich James, Post-Tribune:** So Mr. Family Values got caught in the sack with one of his staffers. Sounds more like The Family Guy. We're talking about Rep. Mark Souder, the Fort Wayne Republican congressman who announced Tuesday that he was resigning from the House of Representatives because, well, because he got caught. It's the same Mark Souder who is an evangelical Christian who wears his religion on his sleeve and invokes it most every time he votes. I think I'm going to scream if I hear one more Republican -- although there are some Democrats guilty as well -- run on a platform of family values. They give the impression that they are better than the rest of us. That they are holier than thou. More pious than the pope. Family values is a nice-sounding phrase. When it comes right down to it, they have no business sticking their noses into the lives of other people. Stop trying to play God. They are living in a fairy tale world. In the family values family, nothing goes wrong. ❖





## Former Speaker

### Burrous dies

INDIANAPOLIS - Former House Speaker Kermit Burrous died today. Burrous, 78, farmed in Miami County for 45 years; he lived in Mexico for 23 years, then on a small farm west of Mexico, Indiana for 25 years (Howey Politics Indiana). He was active in the Mexico United Methodist Church and also served the church through District, Conference and National Boards and Agencies. In 1960 he was elected as State Representative to the Indiana General Assembly and served for 18 of 20 years. He was chosen by his peers to be Caucus Chairman for four sessions, and then Speaker of the House of Representatives for six sessions., following Otis Bowen, who was then governor. During his years of service he was the recipient of many awards from various groups, in recognition of his concern for their interests. Governor Bowen awarded him the Sagamore of the Wabash. While in the legislature, he was elected vice-chairman of the National Council of State Legislators. A few years after leaving the legislature, he was employed as a legislative representative for several organizations. He was appointed by Gov. Frank O'Bannon as a member of the Indiana State Rural Development Council and served as chairperson until 1995 and continued for several years as an ex-officio member. Following an injury from a fall in 1995, he and Anita moved to Indianapolis where their three children reside.



## Obama does poor in Gallup poll

WASHINGTON - More than half of Americans think President

Barack Obama's response to the oil spill off the Gulf Coast has been "poor" or "very poor," according to a new USA Today/Gallup poll out Thursday. Obama got higher marks than the federal government at large and British Petroleum in handling the spill, but 53 percent of the 1,049 adults polled nationwide gave the president a low rating for his response. Forty-three percent said the president has done a "good" or "very good" job in responding to the spill. The federal government was rated favorably by only 35 percent, while BP received a "good" or "very good" rating by only 24 percent of those polled. Sixty percent said the federal government's response has been "poor" or "very poor" while 73 percent said the same of BP.

## State delegation split on DA/DT

INDIANAPOLIS - Rep. Andre Carson, D-Indianapolis, says the military's "don't ask, don't tell" rule has been "bad policy since Day One." Indiana's House Republicans say there's no reason to repeal the ban on gays serving openly in the military (Groppe, Indianapolis Star). Advertisement "Republicans will stand firmly on principle that the American people don't want to see the American military used to advance a liberal political agenda," said Rep. Mike Pence, R-Columbus. The state's senators and some Democratic House members have not said whether they would support the change that the Obama administration backs. The full House and a Senate panel could vote today on whether to repeal the ban after certain conditions are met. The Pentagon would have to complete a review of implications of the change, due in December, and would have to conclude that a repeal wouldn't hurt the military. Carson and Rep. Pete Visclosky, D-Merrillville, are the only Indiana lawmakers who have signed

on to legislation that would repeal the ban outright. Rep. Joe Donnelly, D-Granger, said Wednesday that he will oppose efforts to change the law before the Defense Department has finished its review. "I value the expertise and experience of our military leaders and first want to know their thoughts on the matter," Donnelly said. Rep. Baron Hill, D-Seymour, said his vote will be based on whether the amendment "places a strong emphasis on taking into account the Pentagon's current review of the policy and the advice and recommendations of top military leaders." Rep. Brad Ellsworth, D-Evansville, who sits on the House Armed Services Committee, did not respond to a request for comment. Sen. Evan Bayh, D-Ind., who sits on the Senate Armed Services Committee, which is expected to vote on the change today, also declined to say how he will vote.

## Dominguez backs embattled Seaton

CROWN POINT - Lake County Sheriff Rogelio "Roy" Dominguez is voicing support for the embattled Democratic nominee for county assessor. "Carol Ann Seaton won. She got the most votes. I would encourage her to stay on the ballot," Dominguez said Wednesday (Dolan, Times of Northwest Indiana). A Bureau of Motor Vehicles investigation continues into whether she violated state law by holding multiple driver's licenses from Indiana and Michigan, in apparent violation of both state's laws. Dennis Rosebrough, a BMV spokesman, said his agency could complete its investigation before the end of this week, deciding whether they have evidence of civil or criminal wrongdoing. It is a Class C infraction, punishable by as much as a \$500 civil fine, to hold more than one state's driver's license. But the BMV also is investigating whether Seaton committed a felony by failing



to disclose her Michigan license when obtaining her latest Indiana driver's licenses. Indiana BMV employees are supposed to require applicants to truthfully swear under oath whether they hold out-of-state driver's licenses. An anonymous letter addressed this week to the FBI, state police and local newspapers alleges more wrongdoing by Seaton and is urging authorities to investigate Seaton "before the November election takes place."

## **Ex-Lakeville clerk Grove guilty**

SOUTH BEND - Lakeville's former clerk-treasurer pleaded guilty Wednesday to breaking into a man's home, possessing illegal drugs and stealing town money (South Bend Tribune). Casey Grove, 30, dressed in a black suit and tie, spoke little as he stood before St. Joseph Superior Court Senior Judge William Albright. In a low voice, he answered "yes" repeatedly as Albright ran through the list of procedural questions a defendant must answer when pleading guilty to a crime. A grand jury had indicted Grove on four counts of official misconduct and a count of theft, Class D felonies, alleging he spent about \$30,000 in town money for personal use.

## **Evansville/Vandy merger outline**

EVANSVILLE - The outlines of an election schedule emerged Wednesday from leading members of the committee charged with crafting a proposal for Evansville-Vanderburgh County consolidated government (Langhorne, Evansville Courier & Press). The elections would be held in even-numbered nonpresidential election years, so voters could focus on local issues. If a consolidation referendum question were on this year's general election ballot and if it were to pass, partisan special elec-

tions to three-year terms would be held in 2011. The first regular election cycle would begin in 2014. If the consolidation referendum question were on the 2011 ballot and it passed, a significantly slower transition would result. Special elections to five-year terms would be held in 2013, with the first regular election cycle beginning in 2018. "Anyone running for any office in 2012 would do it with their eyes wide open that it's a one-year term," said Chuck Whobrey, a member of the reorganization committee's subcommittee on governance.

## **Kokomo/Howard merger ideas heard**

KOKOMO - Reducing the cost of government services and accomplishing some form of service consolidation were listed as goals by members of the Citizens Committee for Consolidation. The committee, consisting of 12 members appointed by the Howard County Commissioners, Kokomo, Greentown and Russiaville, conducted its second meeting on Tuesday. President Isabella Chism, representing Howard County, asked the 11 members in attendance to talk about what they hope the group will accomplish. Yvonne Edington, representing Kokomo, said she hopes the group can move forward without bickering and work together. John Newlin, representing Russiaville, wanted the committee to find the best way to save taxpayer dollars. Vice President Dick Davis, representing Howard County, said there are two choices, raising taxes or reducing services and he favored reducing costs.

## **Councilman lauded in Evansville**

EVANSVILLE - In an informal ceremony frequently punctuated by laughter and applause, the County Council said farewell Wednesday to

member Royce Sutton (Evansville Courier & Press). Sutton, a veteran of nearly 18 years on the council, will resign effective Monday to take an executive position in Fifth Third Bank's St. Louis corporate office.

## **Jobless claims drop but still high**

WASHINGTON - The number of newly laid off workers filing claims for unemployment benefits dropped last week but the level still remained higher than expected, indicating only modest improvements in the job market (Associated Press). Applications for unemployment benefits fell by 14,000 to 460,000 last week, the Labor Department reported Thursday. Economists had expected the level would fall further to 455,000. The decline came after claims had risen by a revised 28,000 in the previous week, the largest gain in three months. The latest level of claims is slightly higher than it was at the start of the year, underscoring that the nation's workers are still facing tough times even though the overall economy is growing again after enduring the worst recession since the 1930s. In a separate report, the Commerce Department said Thursday that the overall economy, as measured by the gross domestic product, grew at an annual rate of 3 percent in the first three months of the year, slightly slower than the 3.2 percent initially estimated.

## **160 Guardsmen return from war**

HAMMOND - About 160 Indiana National Guard troops marched into a ceremony where they reunited with family members after 10 months in Afghanistan. The members of a Hammond-based unit of the 151st Infantry arrived Thursday morning at Stout Field in Indianapolis.