



Boss Bayh

Evan Bayh's grip on Indiana Democrats has been emphatic and 'benevolent'

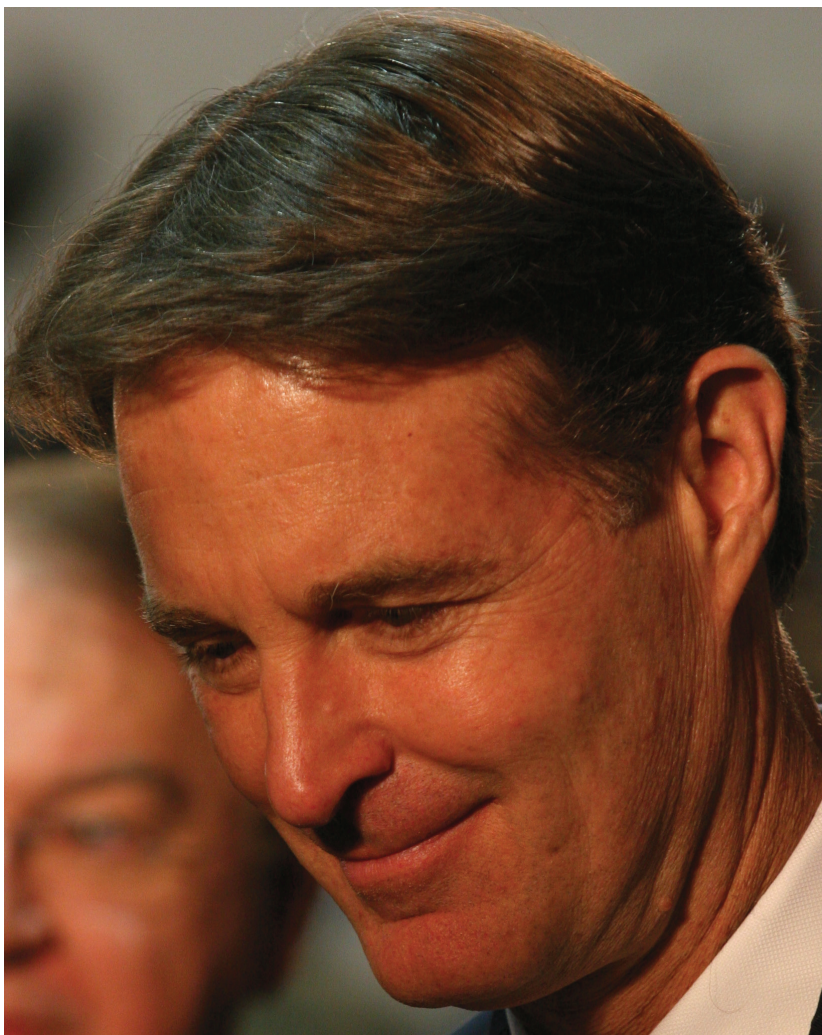
By **BRIAN A. HOWEY**

INDIANAPOLIS - Boss Bayh?

You've known him as a secretary, as a governor and as a senator. But when it comes to the Indiana Democratic Party, Evan Bayh has had a profound impact, first delivering it from the wilderness in 1986 and 1988, then reclaiming his father's U.S. Senate seat a decade later.

And with a single decision late this year,

Continued on page 4



McIntosh gauges 2012?

By **BRIAN A. HOWEY**
and **BRITTANY BROWNRIGG**

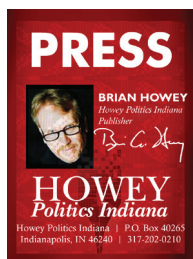
INDIANAPOLIS - Former congressman and 2000 gubernatorial nominee David McIntosh addressed the Indiana chapter of the Republican National Lawyers Association at the Conrad on Wednesday, spurring speculation that he might be rekindling support for either a 2012 gubernatorial or 6th CD run.

As the speculation goes, both could be in play depending on what U.S. Rep. Mike Pence does. If Pence were to decide to seek the Indiana gubernatorial nomination, that would open up McIn-



"I'm glad we passed health care. They want to repeal the thing. Let's have that debate. Bring it on."

- U.S. Rep. Baron Hill





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.

Brian A. Howey, Publisher
Mark Schoeff Jr., Washington
Jack E. Howey, editor
Beverly K. Phillips, associate editor

Brittany Brownrigg, intern

Subscriptions

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

☎ Call 317.627.6746

Contact HPI

Howey Politics Indiana
6255 N. Evanston Ave.
Indianapolis, IN 46220

www.howeypolitics.com
bhowey2@gmail.com

☎ Howey's cell: 317.506.0883

☎ Washington: 703.248.0909

☎ Business Office: 317.627.6746

2010, Howey Politics Indiana. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, whole or part, is a violation of federal law without permission from the publisher. ❖



tosh's old 6th CD seat. McIntosh lost to Gov. Frank O'Bannon in 2000. If Pence passes on a gubernatorial run, McIntosh might consider a run there. Currently Lt. Gov. Becky Skillman is the only potential candidate with an organized committee.

"At present, there is no current political opening in Indiana," said McIntosh spokesman Derek Gianino in response to questions whether McIntosh will rekindle his political career in Indiana. "Congressman McIntosh is committed to helping Congressman Pence with whatever political ambition he has, in any capacity Congressman Pence wishes. For the 2010 election cycle, Congressman McIntosh is focused on helping genuine conservative candidates get elected in Indiana since it is such a crucial year to fight back against the encroaching and economically devastating policies of the Obama administration. Right now, Congressman McIntosh believes that he can help Hoosiers best by working with local, state, and federal candidates and officials in Indiana to secure jobs and create an environment where citizens are free from excessive government

mandates."

McIntosh, who writes a column for Howey Politics Indiana, said earlier this year his political activities are limited to helping over GOP candidates.

Wednesday, McIntosh lauded Pence before the lawyers. "Mike Pence has done a great job of being a voice in Washington saying, 'We can't accept this,'" McIntosh said of the trillion dollar deficits. "As a quiet but steady voice in the Republican leadership he rallied the Republican Party to unanimously in the House on a couple of bills and near unanimously on others, say 'No this is the wrong direction.' I think we can be proud that we've got that type of leadership in Washington speaking up for us."

Speaking of debt ratio to the gross domestic product, McIntosh explained, "If we continue with these annual deficits of a trillion dollars a year and sluggish economic growth pretty soon we'll be at a hundred and we're getting close to that range where the experts say it is impossible to have economic growth that restores the right balance and leads you out of



it. That's tough medicine."

McIntosh also praised Gov. Mitch Daniels. "I'm really proud that Gov. Daniels who is not up for election for anything is taking time now to go over and spend time in Washington wherever they need to hear it but also around the country talking about the seriousness of that issue and the need to do something."

As for this election cycle and the Tea Party movement, McIntosh said, "I think you have a huge opportunity to have an impact on the future of our country. Let me urge you for the next five months please find a candidate and find a campaign, someone you believe in and get engaged because you can make a huge difference in the outcome of this election. People are going to be watching Indiana not only because we have all of these leaders but we are now a blue state in the '08 election. Our polls close early enough that national news is going to turn to Indiana and say 'What is the reaction from the heartland? Is it still a blue state?'"

"My goal is that we become a bright shining red beacon for the rest of the country and tell them no, that is not the change we wanted," McIntosh said.

McIntosh's political future is inextricably linked to Pence, who followed him into Congress after McIntosh unsuccessfully challenged Gov. Frank O'Bannon.

Hoosier Republicans have two schools of thought on Pence, who is keeping his cards close to the vest:

1. Pence is the third ranking House Republican and is on track to be House Speaker. However, Minority Leader John Boehner and No. 2 Eric Cantor are still relatively young. Cantor was described in Politico Wednesday as being "hyperambitious" and there is a chance he might opt to run for governor of Virginia. Boehner found himself in a firestorm today when he likened the financial reform bill

as "killing an ant with a nuclear weapon." Another scenario the Pence must weigh is that if Republicans don't regain the majority this cycle as conventional wisdom has it, Boehner's leadership could be challenged.

2. Many believe that if he wants to be president, the better path for Pence would be via the Indiana governorship.

Pence has been active this cycle. He announced his endorsement of several Republican nominees in open seat and challenger races in Indiana, giving the maximum \$5,000 to Dan Coats, Marlin Stutzman, Jackie Walorski, Larry Buchson, Todd Rokita and Todd Young this past week.

The other aspect of the 2012 equation is Lt. Gov. Becky Skillman, who has formed the Skillman for Indiana Committee and is beginning to test the waters. The committee reported \$135,000 at the Dec. 31, 2009 reporting period.

Sources close to Skillman tell HPI she is talking to many Republicans to learn the lay of the land and who else might have support. But the ultimate question that will decide her candidacy will come down to this: "Do I want the job?"

Many observers believe the key period will come between Election

Day and Christmas, when 2012 hopefuls must begin to signal their intentions. Daniels has asked prospective Republicans to tamp down their campaigns until after the 2011 legislative session, or what is being called the "Session of Reforms" should he win a Republican House.

A formal Skillman candidacy would not likely be declared until after the legislative session.



David McIntosh (top) at the Conrad on Wednesday where he spoke to GOP lawyers. Lt. Gov. Becky Skillman speaks at the Indiana Republican Convention on June 19. (HPI Photos by Brittany Brownrigg and Steve Dickerson)



Bayh, from page 1

Bayh could sweep away the Democratic gubernatorial field and become an instant frontrunner.

During the past quarter century, he's helped keep the party competitive at the Congressional level and has had long coattails in the Indiana House, where he helped the party take control in critical elections cycles like 1998. There are those such as Frank O'Bannon, Bart Peterson, Jeff Modisett and Joe Hogsett who were launched into their own orbits from the Bayh solar system.

Those who overtly cross the Bayh machinery, like former Kokomo Mayor Steve Daily who ran against him in 1988 or former clerk of the courts Dwayne Brown, were quickly cast into oblivion. Brown's floor demonstration at the 1992 convention during the governor's keynote drew a glare still seared into memories of those who saw it to this very day. Bayh's candidate - Pam Carter - easily won the nomination and became the first African-American attorney general. Brown is a mere footnote in history.

And there are Democrats who weren't necessarily part of the Bayh machinery, most notably Gov. Joe Kernan, who didn't fare so well when his campaign political apparatus in 2004 excluded the Bayh inner circle. Frank O'Bannon, who sidelined his own gubernatorial aspirations in the wake of the gathering Bayh juggernaut in 1988 (despite the "deal" when O'Bannon's name actually appeared on the primary ballot against Bayh) was a classic example of the wisdom of joining the team rather than fighting it and was amply rewarded.

As one long-time Democrat told HPI, "Nobody breaks out on their own without being part of the Bayh group."

And Bayh has always had loyalty in the state party, including current Chairman Dan Parker, who's been at the helm for six years now. He's quickly honing in on the modern chairman mark of seven years set by Republican Mike McDaniel. Republican Chairman J. Murray Clark has been at the GOP helm since 2005, almost as long as Parker, at the behest of Gov. Mitch Daniels. This era marks one of the longest in parallel continuity in modern party politics. But the true power centers are Daniels and Bayh.

Is he a party boss?

So does the election record and control make Evan Bayh a "party boss?"

He doesn't act like a Bob Pastrick or a Stephen Stiglich, a Keith Bulen, or the most epic of bosses, the first Chicago Mayor Daley. There were no entourages and henchmen conveying subtle threats or pictures of road graders ("you'll never see one of these in your district") in his top desk drawer that could be shown to recalcitrant legislators.

But his fingerprints of how the party functions, what it does and its electoral success are emphatic. It just comes under the boy-next-door veneer that Bayh introduced to the party in 1984 after he got his University of Virginia law degree and came back to stump for Wayne

Townsend's gubernatorial campaign. There was little doubt that fall that Bayh was the future of the Indiana Democrats.

"The mid-1980s were a challenging period," Bayh told HPI last week. "We hadn't won a governor's race since 1964. We hadn't won a Senate race since 1974. The Statehouse and Senate were both dominated by the Republican Party. We had some good congressmen, Lee Hamilton and Andy Jacobs

come to mind, some great mayors, but on a statewide basis we had a tough time."

There had been other up-and-comers who tried to tame the Hoosier rooster, but Bayh had the pedigree. His first state convention came when he was six years old in 1962 as his father, House Speaker Birch Bayh, fended off two opponents to win the Senate nomination on the way to an upset of U.S. Sen. Homer Capehart. It's important to understand what a long shot that was. Capehart had actually warned President Kennedy shortly after he took office of Cuba as a potential haven for Soviet missiles. That Capehart would lose to Birch Bayh just weeks after the Cuban Missile Crisis is a stunning historic footnote that launched the aura of this Hoosier dynasty.

"I've got pictures of me wearing one of my dad's campaign hats, sitting with my mom in the bleachers," Bayh recalled of the 1962 convention.

It was his father's final political campaign in 1980 - which Bayh managed - that was the stinging reminder of defeat, the only blotch on the Bayh electoral record. Six years later, he evolved out of his father's Great Society liberalism class and established himself as a pioneering blue dog.

"There are three things to being competitive," Sen.





Bayh explained of the Hoosier Democratic renaissance he led. "By far the most important is what you stand for. Whether your ideas resonate with people across the state. The fact that as governor we concentrated on fiscal responsibility and creating jobs, those mainstream bread and butter issues, conveyed to the public that we were pragmatic and cared about the same things they did. We weren't just a collection of interest groups. You've got to be more than that."

With only a proposed 1993 hospital tax that Bayh sought in an effort to close a budget gap, the Bayh mantle has been one enunciated by President George H.W. Bush in 1988: "Read my lips: no new taxes." That Bush lost in 1992 because he went back on his word was a lesson not lost on Hoosier Democrats. Govs. Bayh, O'Bannon and Kernan never sought a general tax increase. The party's legislative hierarchy adhered to that dogma and actually was more pro life than Republican leadership at the time. And out of this Bayh legacy came today's Blue Dogs - Baron Hill, Brad Ellsworth and Joe Donnelly.

Longtime Bayh Senate chief of staff Tom Sugar describes the policy stances as providing a benevolent political platform.

"Most political leaders find success by leading example," Sugar said. "Success begets success. Most saw the tremendous popularity that Evan enjoys. Hoosiers aren't fools. Evan always honored that. Voters always rewarded him for that. It's pretty clear Evan earned that support and respect by example. He delivered what he promised. He never forgot how difficult it is to earn a wage in these days. How important those tax dollars are these days. They just don't want the money wasted. That is the best political power."

And that third point? "The third thing was candidate recruitment," Bayh said. "I remember Mike Phillips asking me to call someone thinking about running and taking the plunge and I was always happy to do that. I tried to encourage other good people to run for office. Then there were radio and TV advertisements that I was happy to help with. But it all comes down to what you stand for and whether that makes sense for the people of the state."

To a man, the Bayh loyalists and the senator himself paint an interest by a largely hands off approach to party affairs.

"I really don't," Bayh said of speculation that he keeps a close tab on the party. "I've got a pretty busy day job. Back when I was thinking about running for reelection I would talk to Dan from time to time to just get the political lay of the land. It was usually with regard to my own political situation and just keeping up-to-date about what was going on. But I can't remember the last time I asked the state central committee to do anything regarding the senatorial nomination."

That includes the fallout from his Feb. 15 decision not to seek reelection.

Party discipline

This era in Democratic politics has been known for conservation of resources. Until the Vop Osili vs. Tom McKenna floor fight at last Saturday's Democratic Convention, there hadn't been a similar showdown since Alison Wharry/Doug Leatherbury in 1994. Donnelly, Hill and Ellsworth were party recruits. Andre Carson used the thrust of his grandmother's organization to win the 7th CD caucus. The 14- and 15-man primaries tend to be Republican spectacles and that fueled the speculation that Bayh's late retire-

ment in February was designed to maintain party order.

Hill learned about it aboard a military transport plane 30,000 feet above Afghanistan when a soldier relayed the news via his Blackberry. Ellsworth said he found out about it after his first appearance at a series of 8th CD town halls. There were rumors that Bayh anointed Ellsworth,

just as he had in 1992 when Secretary of State Hogsett was nominated to challenge Sen. Coats despite Hill's credible race against the senator in 1990.

Ellsworth has said on the campaign trail that Bayh asked him to run. "It is true, I talked to Brad," Bayh said. "I also talked to Baron Hill. I told both of them as forcefully as I could and I told them I would be scrupulously neutral in that. I encouraged both of them to run if it was the right thing to do. But only they could make that decision. It was my understanding that both were contacting the state central committee. They each made a decision based on a variety of factors. I think highly of both of them. That situation sorted itself out without my involvement in any way whatsoever."



Bayh's team over the years included (from left) Tom Sugar, Joe Hogsett, Fred Glass and Bill Moreau Jr. (HPI Photo by Steve Dickerson)



Other aspects of so-called brass knuckle interparty discipline are legendary. The major personnel blowups during the Bayh governorship involving lottery director Jack Crawford's affair and the Lawrenceburg casino controversies bounced players like Fred P'pool and Lacy Johnson out of the inner circles.

But the Bayh circle paints a more genteel picture. There were enforcers such as Ed Lewis, Ann DeLaney and Bill Moreau Jr. There was his 1995 appearance before the House Democratic caucus wavering on a biennial budget that brought Gov. Bayh in for a dressing down that included ... profanity.

"Evan was never into retribution," Sugar said. "There was never a 'I'm gonna get this guy' attitude. There were few of us who were as behind-the-curtain as I was. I've seen the dirty laundry and unguarded moments and I've seen him be let down by people who he trusted. But he always rose above it."

Sugar recalled the 1995 House caucus appearance, though as communications director at the time he wasn't in the room, but he heard about it from Bayh and Hogsett. "Even in that case Evan was expressing his strong convictions on where we should head and there were those who he supported who had a difference of opinion. He was wound up, but he didn't go in half cocked."

Bayh and 2012

There's another way to gauge clout and it is how people react to talk, such as the immediate aftermath of the Bayh retirement and the immediate speculation of a subsequent 2012 gubernatorial run. There was almost instantaneous deference to Bayh on that count.

"If he decided to run for governor again, I would be his biggest supporter," said Evansville Mayor Jonathan Weinzapfel, on Feb. 16, a day after the Bayh bombshell. Weinzapfel was once seen as a front-runner for the post. Lake County Sheriff Roy Dominguez, who spent much of 2009 gauging statewide support for a gubernatorial run, said, "If Evan Bayh were to run for governor I would never run against Evan Bayh, and I would be honored to serve as his lieutenant governor -- if Evan Bayh were to run."

Hammond Mayor Tom McDermott added, "I'm just running for re-election as mayor." The Lake County Democratic chairman had said before the Bayh retirement that he would explore a run. It wouldn't be surprising to see Rep.



Evansville Mayor Jonathan Weinzapfel (left) has said he will support a 2012 Bayh gubernatorial run. Hammond Mayor Tom McDermott has also expressed interest in a run but would unlikely challenge Bayh. (HPI Photo by Steve Dicker-

Hill take a similar stance.

"Why do you think those guys see the world that way?" Sugar asked. "Because Evan has enjoyed extraordinary support and affection from Hoosiers. He delivered what he promised. That is the best political power. I'm not surprised that Jon and Tom and Roy understand that."

For his part, Bayh told HPI that he is committed to "running through the tape on my current job" and added, "I haven't made any decisions. I'm

not ruling anything out. I won't keep people waiting. I'll have a chance to get with my family over Thanksgiving and Christmas. I'll make a prompt decision. I won't keep people waiting."

The Boss misses the confab

Missing from last weekend's Democratic convention was "Boss Bayh." His absence allowed the bright lights to shine on Ellsworth and Hill.

There were some rumblings in the hallways that Bayh hasn't given Speaker Bauer and House Democrats some of his campaign war chest. His name was missing from the Victory2010 PAC formed by Judy O'Bannon, John Gregg and Lee Hamilton to bolster House campaigns.

And there is concern that in a tough year brewing for Democrats, his presence is missing. "He's not on the ballot," Chairman Parker acknowledged. "What is the impact? Obviously his being on the ballot would be a good thing for Democrats. He's trying to be supportive as possible." He will likely stump for Ellsworth and Hill. He's open to radio and TV ads for other down ballot candidates.

"I've got an open mind about that but haven't made any decisions," Bayh explained of House Democrats. "It's only June. It's not like it's September or October. I understand those are questions on people's minds, but we've got plenty of time. A million dollars isn't a bad place to begin. I think that's the largest contribution to the Democratic Party in the history of the party."

Sitting on that \$12 million warchest has, however, caught the vivid attention of big players and big firms as Bayh makes up his mind.

"I can tell you this," the benevolent boss said. "Nobody ever gave me a million dollars or anything close to that." ❖



Voter ID could be defining issue in secretary of state race

By **BRIAN A. HOWEY**

FRANKLIN - While Republicans hailed Wednesday's Indiana Supreme Court ruling that upholds the state's pioneering Voter ID law, Democrats see it as a debating point in the secretary of state's race between Democrat Vop Osili and Republican Charlie White.

"It will be the defining issue in the secretary of state's race," said Indiana Democratic Chairman Dan Parker shortly after the 4-1 ruling was announced. Retiring Justice

Ted Boehm dissented.

Parker said that his read of the case is that the high court left the door open for individuals to challenge the law.

Parker said the next secretary of state must convince voters that they ensure that no voter

is disenfranchised and that "voter ID is done appropriately."

Parker added, "Todd Rokita has done everything he could to restrict the voter pool."

The Supreme Court majority ruled, "It is within the power of the legislature to require voters to identify themselves at the polls using a photo ID."

White hailed the ruling. "Now that the U.S. Supreme Court and the Indiana Supreme Court have ruled, in separate lawsuits, the Voter ID Law is, in fact, Constitutional, it is time for the other side to put this issue to rest for good," White said. "With a (WTHR-TV) poll showing 75 percent of Hoosiers in favor of the requirement to have a photo ID at the ballot box, this is clearly not a Republican or Democrat issue. It is a common sense issue that validates one of my campaign's core principles-to protect and defend Indiana's Voter ID law. This clearly distinguishes me from my opponent."

White added, "My Democrat opponent, who is in opposition to the photo ID law, stated in a newspaper recently that 40,000 to 200,000 people were unable to vote that wanted to and a big reason for this was the photo ID law. There is no credible evidence of this. Both the U.S.

Supreme Court in a separate lawsuit and today with the ruling by the Indiana Supreme Court stated that not one plaintiff could be brought forward as a victim of this law. The ruling demonstrates there is no credible evidence of disenfranchisement."

White called photo ID "a mainstream idea, demonstrated by the over 25 states which have laws that require a picture ID at the voting booth."

Secretary of State Todd Rokita reacted by saying, "Hoosier commonsense prevails again. One of the key tools we have put in place to improve elections and protect the strength of our republic - our Photo ID requirement at the polls - has once again been upheld. I've stood up for Hoosiers and this law ever since we helped write it and began implementing it five years ago and through seven elections and numerous special elections. It is overwhelmingly supported by voters and taxpayers, despite a very small but vocal partisan minority."

Rokita, the 4th CD Republican nominee, added, "Protecting the votes of honest people from being diluted by those who have no respect for the franchise is the right thing to do. And I will continue to stand up for the rights of Hoosiers so we can continue to have fair and accurate elections."

Osili won the Democratic secretary of state nomination in a 1,233 to 338 margin over Tom McKenna last Saturday, declaring that he would be the "advocate for disenfranchised voters."



Vop Osili addresses Democratic convention delegates shortly before he won the nomination. (HPI Photo by Steve Dickerson)

On Wednesday, Osili explained, "I respect the Court's decision and if I were privileged enough to be elected Indiana's next Secretary of State, I am committed to upholding and applying the laws of our great state. However, there are reforms I would seek that maintain our state's strong efforts to prevent voter fraud, while allowing



more eligible voters the opportunity to vote – a fundamental right that we must protect with equal vigilance.”

Osili said that Indiana law requires an acceptable form of identification, “which is defined as a government-issued ID with an expiration date. However, many forms of generally accepted government-issued IDs do not have an expiration date, such as a Veterans benefit card.”

Osili would like to see this modified, “Most, if not all banks in Indiana deem a Veteran’s Benefit card, as an acceptable form of ID, but yet our polling places do not. There must be some level of fairness and consistency among our institutions. Furthermore, many forms of documentation are often required for women who change their last name due to marriage or divorce, just to apply for an acceptable form of ID – this type of barrier must be removed. ” **Horse Race Status:** Leans White

Delph speculation

There was talk that House Minority Leader Brian Bosma might be taking a look at challenging U.S. Sen. Dick Lugar in 2012. That doesn’t make much sense to us, particularly if he’s speaker of the House. What did catch our attention is that at the Republican convention, potential statewide candidates with booths included Lt. Gov. Becky Skillman, U.S. Rep. Mike Pence and State Sen. Mike Delph. Many figure Delph will get the endorsement from U.S. Rep. Dan Burton if he decides to retire. However, looking at State Sen. Brandt Hershman’s unsuccessful campaign after he got a similar boost from U.S. Rep. Steve Buyer, may have Delph thinking bigger. He called Lugar out recently on immigration issues.

Daily Kos fallout with Research 2000

Markos of the Daily Kos is charging Research 2000, a firm which has done polling in Indiana for WSBT-TV, WISH-TV and the South Bend Tribune, with fraud. Markos explained, “We contracted with Research 2000 to conduct polling and to provide us with the results of their surveys. Based on the report of the statisticians, it’s clear that we did not get what we paid for. We were defrauded by Research 2000, and while we don’t know if some or all of the data was



U.S. Rep. Brad Ellsworth gave a speech that rallied Indiana Democrats Saturday. (HPI Photo by Steve Dickerson)

fabricated or manipulated beyond recognition, we know we can’t trust it. Meanwhile, Research 2000 has refused to offer any explanation. Early in this process, I asked for and they offered to provide us with their raw data for independent analysis, which could potentially exculpate them. That was two weeks ago, and despite repeated promises to provide us that data, Research 2000 ultimately refused to do so. At one point, they claimed they couldn’t deliver them because their computers were down and they had to work out of a Kinkos office. Research 2000 was delivered a copy of the report early Monday morning, and though they quickly responded and promised a full response, once again the authors of the report heard nothing more.”

U.S. SENATE: Ellsworth impressed Democrats

Gov. Mitch Daniels seemed to steal some of the thunder from Dan Coats at the June 19 Indiana Republican Convention. Daniels speech and chants of “Run, Mitch, Run” provided a contrast with support expressed for Coats, who won the May primary with only 39 percent of the vote. . “If my opponent comes home to Indiana after a 10 or 12 year hiatus and starts railing on the stimulus package but got paid to lobby for it, is that OK?” asked Ellsworth. “Is it OK if he lobbied for Chrysler and the banks, is that hypocritical? How do you trust what they say and who’s lining their pockets?” Ellsworth said that Coats’ lobbying firm shows clients on its website detailing “how to shift jobs overseas.” Ellsworth added, “You can’t have it both ways. Washington DC has enough lobbyists right now and we don’t need to send another one. We’ve never moved away from the state of Indiana and we never will.” Ellsworth said that Americans “are calling 911” and noted that when he was a sheriff officer in Vanderburgh County, “We didn’t ask, ‘Are you Republican or Democrat. straight or gay, rich or poor, what neighborhood you live in?’ We just went. You knew when you got there you were going to try and fix things.” Ellsworth received a standing ovation from the 2,200 Democratic delegates. That night he attended a fundraiser at the Conrad Hotel hosted by U.S. Sens. Dick Durbin of Illinois and Carl Levin of Michigan. **Horse Race Status:** Leans Coats

2ND CD: Donnelly presses Walorski in BP

U.S. Rep. Joe Donnelly challenged opponent Jackie Walorski to tell the people of north central Indiana where she stands on Congressman Joe Barton’s apology to BP for



the U.S. government holding them accountable for oil spill damage. "The people of north central Indiana deserve to know if Jackie stands with the corporate giant BP or with the people of the Gulf Coast whose lives have been irreparably damaged," said Donnelly. "Voters need to know whether or not she supports efforts to make BP pay—rather than American taxpayers—for the damage caused by BP's man-made disaster." On June 16, BP officials announced the creation of a \$20 billion compensation fund for those whose livelihoods have been devastated by the oil spill. On June 17, Republican U.S. Rep. Joe Barton issued a public apology to BP chief executive Tony Hayward for the president's attempts to hold BP accountable for cleanup costs through this account, describing it as a "\$20 billion shakedown." Barton continued his apology, stating, "I'm ashamed of what happened in the White House yesterday" and calling it "a tragedy." Jackie Walorski's kickoff for the general election campaign for the 2nd Congressional District drew more than a thousand people and more than \$18,000 from her supporters at the American Countryside Farmer's Market Sunday (Jeffers, Elkhart Truth). "The Docs of Rock" started things up with lively music as supporters from across Michiana held up their signs supporting Walorski and slamming Walorski's opponent, two-term incumbent U.S. Rep. Joe Donnelly, D-Granger. Walorski noted campaigns achievements since the May primary, including having the highest percentage of votes of any Republican running for Congress in Indiana. The crowd jeered when she mentioned Donnelly's vote for the health care bill. "We're not interested in politics as usual. We're not interested in partisanship. We're interested in defending the values of the U.S. Constitution," Walorski said. **Horse Race Status:** Leans Donnelly

5TH CD: Independent eyes Burton

IUPUI Prof. Kurt Snyder is trying to get on the 5th CD ballot as an independent. He describes himself as a "frustrated voter" and is seeking signatures that would allow him to run as an independent. Meanwhile, Democrats believe their nominee is a really a Republican. Tim Crawford, 29, beat a party-backed candidate with more than 60 percent of the May 4 primary vote (Indianapolis Star). He acknowledges "a lot of views that you might consider Republican;" his website calls him an anti-abortion "independent conservative" who supports immigration reform and opposes health-care reform. "He's virtually against everything Democrats stand for," said Ed Treacy, Marion

County Democratic chairman. Treacy describes Crawford's nomination as tragic in a year when 14-term Republican incumbent Dan Burton appears vulnerable. Facing no fewer than six primary challengers, he won with just 30 percent of the vote. **Horse Race Status:** Safe Burton

9TH CD: He's now a 'Young Gun'

The National Republican Congressional Committee has picked 16 new candidates, including Todd Young in the 9th CD, for the top tier of its "Young Guns" program, an initiative that aids promising House challengers with fundraising, infrastructure support and strategic advice.

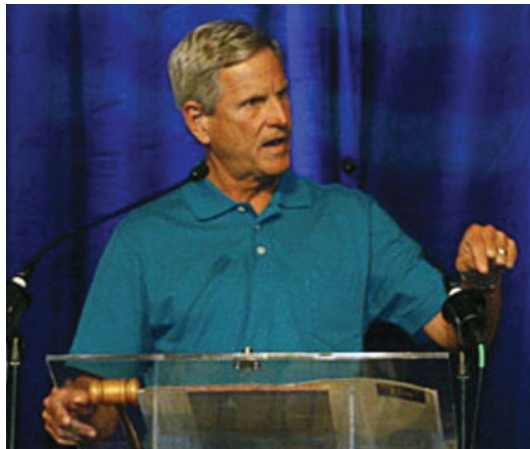
The fresh additions to the NRCC's list provide the most specific look yet at the House GOP's highest-priority targets for the 2010 cycle. With the 16 additional names included, the "Young Guns" list includes 39 candidates, the number of seats Republicans need to take control of the House this November. State Rep. Jackie Walorski was given that status last spring.

U.S. Rep. Baron Hill is expected to post at least \$1 million cash on hand as FEC reports come due on Wednesday. Hill faces Republican Todd Young, who exhausted a \$500,000 war chest during his primary battle against former congressman Mike Sodrel and two others. A Public Opinion Strategies Poll

released by Young last week showed Hill leading 41-34 percent. "We're pleased to be up," said Hill campaign spokesman Daniel Altman. "We think when this reporting period ends, we'll have a significant fundraising advantage. We'll have a million dollars cash on hand."

At Saturday's Indiana Democratic Convention, Hill said he was ready to defend his vote on health care reform and other issues. "Two years ago this nation stood on the brink of economic collapse," Hill said. "We are doing something about it. The Democrats are saving America, make no mistake. I'm glad we passed health care. There are children in this state and in this nation with pre-existing conditions who can now get health care. There are people in this state who are senior citizens who will no longer pay donut hole on prescription drugs. They want to repeal the thing," Hill said of Republicans. "Let's have that debate. Bring it on."

While protesters shouted "Boot Hill" and rallied against the Democratic administration, Vice President Joe Biden praised Hill on Monday as a courageous leader



U.S. Rep. Baron Hill did a "bring 'em on" speech at the Indiana Democratic convention last Saturday. He also dropped the s-bomb. (HPI Photo by Steve Dickerson)



whose controversial votes to stimulate the economy and overhaul health care will pay long-term dividends (Louisville Courier-Journal). "He is an independent voice in Washington, someone who will serve the best interests of his people at home," Biden said at a fundraiser for Hill in Jeffersonville where some 200 supporters paid \$250 each to hear the vice president's 30-minute talk. Biden characterized Hill, who is seeking a sixth term, as a "deficit hawk." Biden said, the United States is facing an "economic Armageddon" with the economy shrinking and shedding hundreds of thousands of jobs a month. "We were handed a bill from the previous administration with a \$1.3 trillion deficit," Biden said, and the country's foreign policy was in disarray. "We asked for the job," he said. "We knew it was going to be tough." But he said the administration learned quickly it would have to deal with the problems "without any Republican support." Hill told his supporters that he hopes voters will see what Democrats are doing. "And we're doing it without any help from the Republicans," he said. **Horse Race Status:** Tossup

HD68: Bischoff touts gun bill

State Rep. Bob Bischoff is touting the new law that allows legally permitted firearms to be transported to work places. "Public Law 90 will address two areas of concern expressed by gun owners throughout this country," said Bischoff, who is facing a rematch with Republican Jud McMILLIN. "It will help to ensure the safety of Hoosiers who are at work, and protect them during times of natural disaster or civil unrest. With passage of this law, Indiana is joining a growing number of states that recognize the importance of our personal constitutional rights."

Bischoff said the new law protects individual rights in two areas. "People will have the right to carry their legally owned firearms secured in their vehicles to their place of work," Bischoff said. "The weapon will have to be stored in the locked vehicle's trunk or glove compartment or kept out of plain sight. It cannot be carried into the workplace, unless expressly allowed by the employer. The second major provision contained in this law prevents any unit of government at the state and local level in Indiana from confiscating legally owned weapons from ordinary citizens during times of declared emergency, which would include natural disasters like tornadoes or times of civil unrest. This will ensure that Indiana never sees something like what happened in Louisiana after Hurricane Katrina."

Mike Jones, 9th CD chairman, told HPI he thinks Bischoff is in good shape for reelection. "He's been going door to door," Jones said. "Last time was a wake up call for Bob." **Horse Race Status:** Tossup

Michael, Pearson on ombudsman

State Reps. Nancy Michael (D-Greencastle) and Joe

Pearson (D-Hartford City), both facing intense reelection battles, highlighted their new bill that provides an ombudsman for small businesses at the Indiana Economic Development Corporation (IEDC). Creation of the position was a critical component of the bipartisan job creation package passed earlier this year by the Indiana General Assembly. "While there is a natural tendency to focus job creation on large corporations that promise to put thousands of Hoosiers to work, our state needs to place a higher priority on helping small businesses across Indiana, particularly in rural areas where small businesses are the heart of our communities," said Michael, who is being challenged by Republican Putnam County Commissioner Jim Baird. "According to the most recent statistics, Indiana has approximately 115,000 small businesses – operations with less than 500 workers – that employ around 1.3 million Hoosiers." Pearson, challenged by former Blackford County sheriff Kevin Mahan, added, "The job creation package passed this session gives small businesses access for the first time to EDGE (Economic Development for a Growing Economy) credits for job retention." Both Michael and Pearson are in "Tossup" races according to the HPI Horse Race.

HD76: McNAMARA STATEMENT ON JOBS:

Republican nominee Wendy McNamara released this statement after a jobs rally at Aventine: "Fighting for the use of local labor in the construction of the facility is certainly a worthy cause, and an idea I champion wherever possible. But putting members of the community at odds with one another on economic development issues isn't a case where one side wins and one side loses. If the plant doesn't open at all, we all lose out on those new jobs and that new economic development. We must send the message that Posey County and Southwestern Indiana are open for business, and we welcome with open arms any who would like to add jobs here." **Horse Race Status:** Tossup

HD83: Heuer wins caucus

Republicans on Monday selected a former Whitley County GOP chair and councilwoman to fill a ballot vacancy as the party aims to retake the Indiana House (Lanka, Fort Wayne Journal Gazette). Kathy Heuer won the tightly contested caucus to replace Rep. Matt Bell, R-Avilla, on the ballot this fall. Bell announced this month he would not seek re-election after agreeing to head the Regional Chamber of Northeast Indiana. Heuer, the lone female candidate, was picked from a field of seven on the fifth ballot after tying with Phil Troyer on the fourth ballot. Heuer will face Democrat Wray McCalester of Columbia City. **Horse Race Status:** Likely Heuer ♦

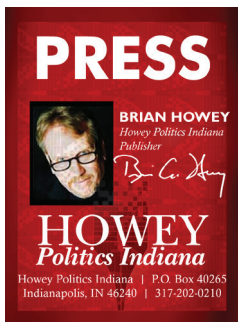


The fascinating race for treasurer

By **BRIAN A. HOWEY**

INDIANAPOLIS - I've been writing this column since 1985 and I don't recall ever talking about the treasurer of state race. The office is that of bureaucratic function and in my mind shouldn't even be elected. It should be part of the governor's appointed cabinet.

But this year we have a fascinating race between the Republican incumbent Richard Mourdock and a 28-year-old Democrat from South Bend named Peter Buttigieg (pronounced Boota-judge). Buttigieg is a Rhodes Scholar and studied economics at Oxford.



Mourdock is best known for his attempts to derail the Chrysler-Fiat merger, a case that was rejected by the U.S. Supreme Court during the summer of 2009 when the U.S. auto industry teetered on the brink. When the merger occurred, Mourdock believed that Indiana police and teacher pension funds were getting "ripped off."

"Twenty-nine cents on the dollar for people like that is not 'just compensation' at all, but the government says they have to abide by it," said Mourdock, spelling out the basis for Indiana's lawsuit. "This is the first time in the history of American bankruptcy law when secured creditors received less than unsecured creditors. And that ain't right!" he said.

Mourdock said he was doing his "fiduciary" duty and spent more than \$2 million to pursue the lawsuit that ultimately the Supreme Court said "had not carried the burden" of proof.

Buttigieg is critical of Mourdock's attempts to stop the Chrysler-Fiat merger, which, if it had occurred, would have forced Chrysler into liquidation. He questioned Mourdock's wisdom for investing Hoosier pension funds into Chrysler stock, which was rated "junk" status at the time of purchase. "Indiana's government bought junk bonds for its pensioners" then "acted surprised when they lost value," Buttigieg said.

The Democrat noted that, "If successful, the lawsuit would have shut down Chrysler. Chrysler directly employs about 5,000 people in the city of Kokomo alone,

and is responsible for tens of millions of dollars in annual tax revenue for the state, as well as over \$3 billion in supplier business. The lawsuit would have destroyed these jobs and this revenue at the worst possible moment: in mid-2009, Howard County unemployment was approaching 20 percent. One think tank estimated that 100,000 jobs in Indiana alone depended on quick and orderly proceedings for GM and Chrysler."

And Buttigieg added, "Had the treasurer won the lawsuit, then Indiana would have actually received less money than in the agreement he was protesting. In the rescue negotiated between the government and the other 99 percent of the bondholders, Indiana pensions were to receive 29 cents on the dollar. The federal court found that in liquidation, the pensions would have recovered far less. Indeed, one likely reason the suit was rejected was that in bankruptcy court, a plaintiff is not entitled to bring a case actually demanding less money than he is already receiving. For this reason, the lawsuit itself would seem to conflict with Mourdock's fiduciary responsibility as treasurer."

When my Franklin College intern Brittany Brownrigg asked Mourdock why he purchased the Chrysler junk bonds, he responded, "We bought those bonds hoping to be a part of their success. Yeah, absolutely I would do it again and I would have no choice but to do it again."

Mourdock acknowledged the case has become a "double-edged sword." Some of you will admire his stand on principle, even if it could have cost the state tens of thousands of jobs. Others will see him as a political opportunist, taking a swing at a President Obama at a time he orchestrated the GM and Chrysler bankruptcies instead of allowing them to slide into oblivion.

"I probably have more name recognition than anyone who has ever served as state treasurer because of my involvement with the Chrysler bankruptcy last year," Mourdock said. "It opened up the topics I get to talk about. It allows me to talk about the big picture of the economy, not just in Indiana or the United States but globally."

Mourdock said that he believes his involvement with the Chrysler case will be a benefit to his campaign. "I think that is very much going to play in our favor. I think most Hoosiers were opposed to seeing our pensioners getting ripped off, which is exactly what happened."

In speech at the Democratic Convention last Saturday, Buttigieg saw the issue playing differently. "For most of us in the Hoosier State, impatience is an unfamiliar mood, because we by nature are patient people," he said. "Our state was built on three great disciplines - the discipline of the farm, the discipline of the factory, and the



BUTTIGIEG



discipline of the family - each inspiring patience in its own way."

"We have run out of patience for 'get rich quick' schemes, wild speculation and reckless investments," he continued. "No one can explain to me why the incumbent

treasurer put our trust money in junk bonds and mortgage-backed securities, as if our state pensions were some kind of Wall Street hedge fund."

So, Hoosier voters, you have an interesting decision to make about who will be our next treasurer. ❖

1-2-3 caps are a Trojan horse

By **SHAW R. FRIEDMAN**

LaPORTE - Isn't it about time we recognized that the oversimplified 1-2-3 tax caps (rumor has it they were drawn up on a cocktail napkin) are nothing more than a Trojan Horse designed to reduce the property tax burden for the wealthiest homeowners and largest corporations in Indiana?



Sure, they sound good at first blush. Capping property taxes at 1% of a home's assessed value before deductions, 2% for farms and rental housing and 3% for business, industry and all other property has some curb appeal.

The problem is on closer examination: data from Indiana's Legislative Services Agency tells us that most of the tax savings in the 1-2-3 tax caps don't flow through to average households who - because of deductions and exemptions like the homestead credit - are already under the caps. These tax caps simply don't provide real relief to average homeowners or small business.

Before voters consider making these tax caps a permanent part of the state constitution, isn't this worth a good, hard look - particularly since the 1-2-3 tax caps have meant hundreds of millions in lost tax revenues around the state crippling dozens of school corporations, and depriving cities and towns of desperately needed dollars to run basic services.

This isn't a partisan issue. School budget cuts like teacher layoffs, reductions in art, music and gym and cutbacks in extracurricular activities affect kids in both Democratic and Republican families. City service cutbacks have meant parks are overgrowing with weeds, summer programs are cut and library districts are closing local branches.

The 1-2-3 tax caps may look good to owners of multi-million dollar homes or huge corporations like NIPSCO or B.P. But for average homeowners who won't see much, if any, savings in their tax bills, it's meant reduced local government services and an increase in surcharges and user fees to help make up for the lost revenue. Indiana sales tax

went up in 2008 and homeowners will see other fees and surcharges going up to partially make up for lost property tax revenues. Check your water and sewer bill lately? How about that rental fee for using a park facility?

Longtime observers of local government are warning of dire consequences. Many say that tax caps need to be refined to target homeowners with modest incomes and small business, not high-end homes and big corporations with higher assessed value. Lake County Councilman Larry Blanchard (R-Crown Point) a veteran public servant says very simply these tax caps are not a savior for the average homeowner.

Former State Senator Thurm Ferree (R-Highland) says "the final insult was the push by Gov. Daniels and certain legislators to put into the state constitution the 1-2-3 property tax caps that will result in Indiana becoming a third world state."

Ferree, a seasoned veteran of local government, says with tax caps that protect wealthy homeowners and our biggest corporations, there "will be no more roads built or repaired, maybe a firefighter or police officer when needed if there is enough money in the communities to afford them. No new projects of any kind, public parks ill kept and any emergencies like flooding or sewer problems greeted with a new phrase used over and over by locals, 'we don't have any money for that.'"

Councilman Blanchard, who has gone over the numbers with a fine tooth comb says that in Lake County, while property tax revenues going to local government are reduced by \$70 million, 96 percent of the savings go to the largest corporations like the steel mills and refineries while homeowners get just 4 percent of the savings.

It's time for the Governor and others to come clean about the actual effects of these tax caps that really benefit only the wealthiest homeowners and the largest corporations among us. With inflexible tax caps written into the state constitution, we will continue to lose hundreds of millions of dollars in needed tax revenues from those most able to pay, while seeing libraries close, bus routes shut down, teachers laid off, schools shuttered and parks gone to seed.

Let's think twice before casting a "yes" vote on placing the 1-2-3 tax caps forever into our state constitution, particularly when the net effect is savings for the wealthiest homeowners and largest corporations while slashing services that most Hoosiers have come to depend on. ❖

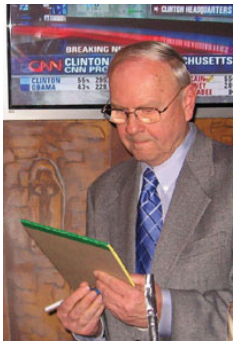


It's not easy being BP green

By **JACK COLWELL**

WASHINGTON - It's not easy being green, especially if you're BP green.

Congressman Fred Upton, Michigan Republican from St. Joseph, knew three years ago that the environmental green BP displays in its logo and in service station painting is a fake.



Long before the oil giant oiled the Gulf, Upton fought BP's effort to pour more pollutants into Lake Michigan. Just as failure of regulators played a role in the Gulf disaster, failure of the Indiana Department of Environmental Management and Gov. Mitch Daniels to restrict BP dumping could have led to tons of additional ammonia and suspended solids entering Lake Michigan at BP's Whiting refinery.

"An environmental disaster could be even worse in the Great Lakes," Upton said during an interview in his Washington office as he recalled that summer of '07 Whiting pollution battle. "The experts say it would take 100 years for the lakes to recharge."

Upton, joined by other House members from Great Lakes states, including Congressman Joe Donnelly, D-Granger, led a bipartisan effort to condemn IDEM's OK for a BP refinery upgrade permitting dumping of an average of 1,584 pounds of ammonia and 4,925 pounds of suspended solids per day.

Ammonia promotes algae blooms that kill fish and threaten water quality. Suspended solids, such things as lead and other metal particles, cause ecological woes and can escape water treatment filters for the 30 million Americans who get drinking water from Lake Michigan.

The House resolution passed 387 to 26.

BP got the message. After all, it was still pretending that its green referred to the environment, not the color of money. It agreed to seek expansion with lower discharge limits. Whether IDEM will watch the limits is of course uncertain, despite flagrant violations found at other BP refining operations.

"BP apologized," Upton recalled.

It also apologizes now, after horrendous damage this time.

Even though Upton has reported BP stock among his past investments, he was insistent during hearings last week in pressing a BP executive to establish an escrow account to cover damages in the Gulf. The executive wouldn't

make a commitment. But BP agreed the next day under pressure at a show-down meeting at the White House to put \$20 billion into an escrow account to cover claims of Gulf Coast businesses and individuals.

Upton was pleased, although he suggested going further to make BP pay reimbursement for government costs such as those of the Coast Guard. "Someone is going to be left holding the bag," Upton said. "It should not be the taxpayers. BP should pay the piper."

Then, Upton was stunned by an apology to the apologetic BP. Texas Rep. Joe Barton, top Republican on the House Energy and Commerce Committee, a committee on which Upton serves, apologized to BP CEO Tony Hayward for the White House "shakedown" that led to the escrow fund.

An image of GOP defense of BP, especially by a powerful Texas Republican who is the House's top recipient of oil industry campaign contributions since 1990, is not what most House Republicans want.

Democrats, delighted to have the issue, pounced on it immediately. "A lot of us were stunned," Upton said. "There were calls for his removal from the committee."

Indeed, House Republican leaders were reported to have told Barton to apologize for his apology to BP or face being stripped of his ranking member status. He apologized, begrudgingly. But Barton's blunder could not have come at a worse time for him. He is seeking exemption from Republican term limits on committee posts. The limits would require him to step aside after this session as top Republican on the Energy and Commerce Committee. He wants to be chairman if Republicans gain a majority, still ranking member if they don't.

Chances of winning that exemption from Republican colleagues now appear slim.

Barton's replacement as top Republican on the powerful committee? Could be Upton. He is ranking member of the Subcommittee on Energy and Environment and could replace Barton as top Republican on the full committee.

It's not easy being green, especially if you're BP green, and a Texas friend in the Gulf could be replaced by a foe who fought you in Lake Michigan three years ago. ❖

Jack Colwell is a columnist for The Tribune. Write to him in care of The Tribune or by e-mail at jcolwell@comcast.net.



Money migrates with the people

By **MORTON J. MARCUS**

INDIANAPOLIS - "The edict came down just yesterday," Sorethroat said. "From now on all Indiana state government agencies are enrolled in the CARP program, the Campaign to Attract and Retain People. But I know the truth."



Morton Marcus
Column

That's how it is with Sorethroat. He does know the truth. As one of the senior civil servants in state government, he has worked in many different departments under all sorts of administrations and administrators. He has the necessary contacts and is the institutional memory of the State House. Most of all, he remembers when he could smoke on the job.

"The truth," he continued, "is that we're not as interested in the people as we are in their money. Do you have any idea of how much money Indiana loses each year because retired people move away from here?"

"No," I admitted.

"Don't worry about it," Sorethroat said. "Nobody knows. But we have an indication from data published by the IRS. That wonderful agency reports annually on the migration of federal income taxpayers. We learn how many filers move from county to county and state to state and the amount of income they report."

"That sounds like a gold mine of data," I said.

"Yes and no," he equivocated. "But listen to this: between 2007 and 2008, taxpayers reporting more than \$396 million moved from Indiana to Florida."

"Do we know if these were retired Hoosiers?" I asked.

"No," he said, "but who else with money moves to Florida? The telling figure is the net amount of money moving. Indiana had deficits (more money leaving the state than entering) with 36 states. Indiana's greatest deficits were with Florida and eight other states known to draw retirees. Together these retirement magnets accounted for 83 percent of our deficits."

"Interesting," I said. "Yet you said we had deficits with 36 states. What about the other 13 states? We must be gaining from them."

"Right," Sorethroat rasped. "Our neighbors (Illinois, Ohio, and Michigan) are our biggest surplus states. More money moves from these states to Indiana than leaves the state. There the question remains how to retain Hoosiers who are moving across the Indiana borders while not discouraging people from those states to move to Indiana.

"In 2008," he continued, "we lost a total of \$2.9 billion as taxpaying Hoosiers left the state for life elsewhere. One-third of that sum went to our four adjacent states. These folks weren't going to exotic locales like Arizona or Alabama."

"You aren't saying that our state government is going to interfere with the traditional American right of free movement across state lines?" I asked in mock horror.

"Of course not!" Sorethroat asserted.

"Then why don't we do what is necessary to attract and retain people just as we try to attract and retain jobs?" I asked.

"That's what CARP is all about," he said. "After years of silliness trying to keep young people from leaving Indiana, we're now going to make the effort to keep people who have incomes here."

"That's real progress," I said. "We want young people to go elsewhere, to learn about other places and other ways. It is ultimately counter-productive to have Hoosier children stay in Indiana as young adults. Let them come back when they have something to offer the state, something like their income and our grandchildren."

"Yes, but, how do we attract and retain people?" Sorethroat asked. "It's hard enough to do it with jobs."

"The answer," I said, "is to make our communities good places to live. Maybe with CARP we'll find that state government is committed to real community development, to improving the quality of Hoosier life."

Note to the excessively gullible: There is no CARP program, but there should be. ❖

Mr. Marcus is an independent economist, speaker, and writer formerly with IU's Kelley School of Business.



Eric Bradner, Evansville Courier & Press: If you value things such as transparency and ethics in the political process, you're probably used to disappointment. But optimists really took it on the chin last week. Gov. Mitch Daniels' administration finally responded to a request by state Senate Minority Leader Vi Simpson, D-Ellettsville, for details on how state agencies have trimmed their budgets in light of lower-than-expected tax collections. The catch was that the administration released that 476-page document by e-mail at 4:34 p.m. Friday. Friday afternoon data dumps are commonplace in politics. If your operation is sitting on some unflattering news, you put it out on a Friday because people are less attuned to tracking news on Saturdays. You do it in the afternoon to minimize opportunities of news organizations to dig into the details of what you're releasing. You've already seen the campaign of Dan Coats, the Republican U.S. Senate nominee, do this. Coats sat down with an Indianapolis Star reporter on a Friday to discuss all the details of his lobbying career so that the story would run in Saturday's paper instead of Sunday's. Just because the tactic is commonplace doesn't mean it should be accepted. Information tossed out on Friday afternoons should be viewed with a great deal of skepticism, both by reporters and by the public. ❖

Lesley Stedman Weidenbener, Louisville

Courier-Journal: The winner of the secretary of state's race in November will determine who controls the Indiana House if the parties tie with 50 members each. Seem unlikely? It's really not. Twice in the past 25 years the House has been evenly split. The first time -- after the 1988 election -- the chamber elected co-speakers. One Democrat. One Republican. They alternated days in control. The same was true in House committees. Each had two chairs -- one from each party -- and they alternated control of the meetings. It worked, but not that well. So the General Assembly passed legislation to deal with future ties. The law now says that if there is an equal number of Republican and Democratic members in the House, control will go to the party that won the governor's race or the secretary of state's race -- depending on the year. And the law already has been used. Voters split the Indiana House 50-50 again in the 1996 election. This time, Democrats took control because Democrat Frank O'Bannon won the governor's race. So Democrats elected a speaker who appointed committee chairmen. They still had only 50 votes in the 100-member chamber, but they had more control over the agenda than did Republicans. Currently, Democrats control the House 52-48. But if Republicans have the good election year that

many political observers predict, it would not be hard to imagine another 50-50 split. So that's why the secretary of state's race is so important. That's the key reason Democrats and Republicans will likely pour significant sums into the contest. It's why you should think hard about your vote. ❖

Abdul Hakin-Shabazz, Indiana Barrister:

Although Indiana Democrats this past weekend formally nominated their candidates for statewide office under a theme of "A Generation of New Leadership" the new guys are facing the same problems as the previous guys, actually it looks like they have a bigger river in which to swim upstream against stronger currents. Vop Osili, Pete Buttigieg and Sam Locke all easily won their party's nomination. Osili with 78 percent of the delegate vote against Tom McKenna, and Buttigieg and Locke were unopposed. All three stressed familiar Democratic themes of accountability and the need to hold Governor Daniels accountable and they promised more openness and transparency in government. The problem the Democratic statewides have is they are going to have to make up in energy, enthusiasm and organization for what they will be lacking in resources. Party leaders

acknowledge Mitch Daniels is a "fundraising machine" while at the same time limited resources will have to spent on Brad Ellsworth trying to hold on to the Senate being vacated by Evan Bayh (who by the way only got one mention at to my count) and trying to keep control of the Indiana House of Representatives. Osili and the Democrats touted the "50-state strategy"; the plan Howard Dean used in 2008 where Democrats ran candidates everywhere as a blueprint for their strategy, however Indiana Republicans are doing the virtually the same thing by running 41 candidates against Democrats in House seats. Also complicating matters is that as much as the party faithful may despise the Governor, he is extremely popular in this state with approval ratings in the high 60s and low 70s in some places. Throw in the fact that the party out in power tends to lose seats in mid-term elections, when Democrats had a banner year nationally in 2006, they lost all three statewide races and word is their own internal polls show the Secretary of State's race at 65-35 generic Republican, they've got a long road to hoe. And it also doesn't help there is no single party leader. ❖





Bauer wants more information from Roob

By **BRITTANY BROWNRIGG**

INDIANAPOLIS - House Speaker B. Patrick Bauer, hand delivered a letter to Mitch Roob, the chief executive officer of the Indiana Economic Development Corporation, on Wednesday asking for more information concerning the tax credits given to Indiana businesses.

Bauer previously asked Roob for information regarding the credits given to Indiana businesses and last Tuesday received information on three out of the 18 incentives. Bauer said that this was a step in the right direction and he acknowledged that one of the largest incentives, the EDGE credits, were included in the first report given to him.

"It could be a start to the unveiling of the secrecy," Bauer said in a press conference on Wednesday morning. "We are appreciative that he has dropped the veil."

Bauer is now asking Roob to expand on the information he gave in his last letter. "Your response to my information request was a very important step toward shedding light on the Indiana Economic Development Corporation's (IEDC) true level of job creation success," Bauer said in his letter. "Please consider this letter my formal request, pursuant to the Access to Public Records Act (IC 5-14-3), for further information and clarification regarding the use of Hoosier tax dollars to attract and retain companies that will create jobs in Indiana."

This most recent letter to Roob included attachments with statistics backing up Bauer's point that the IEDC is failing at creating jobs for Hoosiers and not being open with how taxpayer money is being spent. The first was an article from the Indianapolis Business Journal that said 84 percent of the jobs that were supposed to be created with the support of the IEDC were not made.

A story by WTHR-TV was also included. It reported that 40 percent of the jobs that IEDC promised were not created or threatened by declining business. The final attachment was an article from the Indianapolis Star's website that reported that Cummins is expanding in Nashville rather than Indiana.

"Hoosiers are disenchanted by claims of job successes that don't occur, and I believe we are equally as dissatisfied in hearing about slanted job growth claims when there are over 310,000 people out of work in our state," Bauer said to Roob in his letter. "Lastly, disappointment about jobs in Indiana only grows when there are reports about well established Indiana based companies like Cummins choosing to create jobs in other states rather than Indiana."

Bauer also credits five other states, New York, Texas, Pennsylvania, Illinois and California, with creating more jobs than Indiana has. "States around us of course don't have secrecy and Illinois is one of those states," Bauer said in his press conference. "He (Roob) said we were the fastest and created the most jobs compared to any state in the Union, Illinois has created more and they do not have secrets. You can create jobs without secrecy."

In Bauer's letter he also mentions that the information given to him last Tuesday shows that there is \$10.6 million in failed incentives within the three credits shared; now Bauer is looking for the amount within the other 15. "Although I must credit your June 22nd response for beginning to lift this administration's veil of secrecy, I must point out that the 108 findings of noncompliance listed in your June 22nd response, to date, still do not appear in the legally required IEDC incentive compliance reports," Bauer said in his letter. "Due to the inconsistencies between noncompliance findings and job creation success claims, I am requesting the IEDC provide any evidence of a company receiving a state incentive, but not meeting the job goal or claim when receiving that incentive as stated in any incentive agreement, IEDC news release, or IEDC report or publication."

Roob reacted, saying, "While every other state looks to Indiana as the model of economic and fiscal strength, Speaker Bauer is intent on turning Indiana into lower Michigan. Since his first day in office, Gov. Daniels has implemented policies that make Indiana the most attractive place for business growth. The Speaker wants to kill jobs with heavy-handed business regulation. We've worked too hard to let that happen. Indiana leads the country in percentage job growth for 2010."

Republican Chairman Murray Clark called Bauer's actions political. "Pat Bauer's comments today represent the kind of cynical, anti-growth rhetoric that has become the norm in the Democrat Party in our country," Clark said. "It's not just that Pat and his party are anti-business - they are anti-jobs."

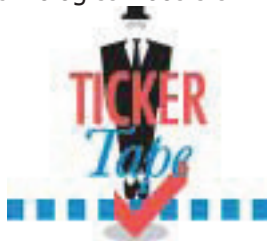
Senate Appropriations Chair Luke Kenley cited a statistic from the Wall Street Journal saying that there has been a job increase of almost two percent in manufacturing jobs in Indiana. Kenley credited the claw back language currently in place to get taxpayer's money back if a company does not produce the jobs promised. He said that not all of the incentives come in the form of tax breaks prior to jobs being created.

"With the national recession, it is understandable some jobs have not come to Indiana as fast as we would like," Kenley said in his release. "However, many job-inducements Indiana successfully offers come in the form of rewards - after the jobs are created. You might not know this by listening to the critics." ❖



Hoosiers can register online

INDIANAPOLIS - Starting today, Hoosiers can use a computer to access a state website to electronically submit a voter registration application (Terre Haute Tribune-Star). Indiana becomes the eighth state to provide this service, joining Arizona, Colorado, Kansas, Louisiana, Oregon, Utah and Washington, according to the Indiana Secretary of State's office. "This is yet another exciting example of how our voting process is becoming simpler and more convenient by incorporating the tools and technologies Hoosiers use every day," Indiana Secretary of State Todd Rokita said in a statement. Indiana residents can now register to vote at www.indianavoters.com. Hoosiers have until midnight Oct. 4 to register in order to participate in the Nov. 2 general election. Residents must have a valid Indiana driver's license or state-issued identification card to submit a new voter registration application or to update an existing voter registration record. Voters will instantly receive a confirmation of their application that can be printed. However, once confirmed, the county voter registration office will make the final approval or rejection of applicants based on criteria such as residency or incarceration following conviction for a felony.



Mittal ignoring gun at work law

EAST CHICAGO - A steel company has told workers at two northwestern Indiana mills that they can't bring guns onto its property even though that is allowed under a new state law (Associated Press). A

memo to ArcelorMittal workers in East Chicago and Burns Harbor says that federal law pre-empts the state law and that the company will strictly enforce its firearms ban. The new state law that took effect Thursday lets workers keep guns locked out of sight in their vehicles while parked on their employers' property. Several business groups opposed the measure as it was considered by the Legislature this year, saying they were concerned about workplace violence.

Boehner talks of nuking ants

WASHINGTON - Minority Leader John Boehner is two days into a bipartisan beat-down – a small taste of what he can expect should he become Speaker of the House and a test of his resilience as a leader (Politico). Democrats hammered the Ohio Republican for his assertion that the Wall Street reform bill is "killing an ant with a nuclear weapon," while MSNBC host Joe Scarborough aired private Republican complaints that Boehner is "disengaged at best" and a "lazy" bar denizen. The crush of attention is a double-edged sword for Boehner: It's a sign of his increasing stature – and of the GOP's proximity to power – but it also raises questions about how Boehner will handle national scrutiny and a battering from all sides. Scarborough told POLITICO in an interview Wednesday night that he likes Boehner and was simply reporting what a broad swath of House Republicans – old and young, conservative and moderate – have told him. "All I did is say on the air what they can't say on the record," he said. The stakes for all sides are only getting higher as the election nears, a dynamic evident in Democrats' efforts to attack Boehner on a national level and turn his comments into the latest YouTube moment of the 2010 cycle. The Boehner

bash-fest started around 9:37 a.m. Tuesday when the top staff researcher for Speaker Nancy Pelosi (D-Calif.) shot an e-mail with video and text of Boehner's comments in a Pittsburgh Tribune-Review interview to Pelosi spokesman Nadeam Elshami. "Yowza!" read the e-mail. "It's like Joe Barton," Pelosi Communications Director Brendan Daly told POLITICO, likening the matter to Texas Republican Barton's now-famous apology to BP. "You knew it right away."

Research2000 polls drawing scrutiny

WASHINGTON - In the final weeks leading up to the June 8 Democratic Senate runoff in Arkansas, no data proved more pivotal in shaping conventional wisdom than a pair of Research 2000 polls showing challenger Bill Halter holding a lead. And those surveys—which fueled the narrative that Sen. Blanche Lincoln was a goner—may have been bogus, according to the blog that commissioned them (Politico). The prospect that polling data in a Senate contest of national consequence may have been faked has sent shockwaves across the campaign world, raising disturbing questions not only about the reliability of suddenly ubiquitous public polls, but about a new media environment where polling numbers are accepted without question even as they threaten to influence the outcome of campaigns. The episode marks the second time in less than a year that a pollster's results came under serious questioning—the Atlanta-based polling firm Strategic Vision, was also accused of falsifying data, and its failure to disclose information about its methodology led to a rebuke from the American Association for Public Opinion Research for violating its ethics rules. The troubling developments involving Research 2000—which began when Daily Kos founder Markos Moulitsas al-



leged that the pollster, Research 2000, "fabricated or manipulated" at least a portion of its data over the last year—served to highlight the ever-increasing role that publicly released polls are playing in the life cycle of campaigns, as well as their drawbacks in an era of ever-shortening news cycles and an atomized, hyper-competitive political press. "It influences races, it drives decisions, the number of volunteers, the number of donors, how much they give," said longtime GOP strategist Charlie Black. "Part of the problem is, you don't know about them, many of them do not have a track record you can judge by."

Indiana 10th on stimulus spending

WASHINGTON - Indiana has spent most - about 97 percent -- of the \$658 million in stimulus dollars it received for highway projects, ranking it 10th among states for progress (Associated Press). That's according to figures released Wednesday by the House Transportation and Infrastructure Committee, which has been tracking states' use of the money. Indiana is also one of 35 states that have spent all their money for sewer and water projects. Indiana received \$94 million for those projects. Indiana was one of the fastest states to start infrastructure projects after Congress passed the stimulus package last year. The governor's office has said the state was able to move quickly because of a 10-year highway plan that included projects ready to go.

Herman to challenge Levco

EVANSVILLE - If this year's race for Vanderburgh County prosecutor were a prizefight, promoters might trumpet it as Hermann-Levco II. Attorney Nick Hermann's decision

to file against Democratic Prosecutor Stan Levco on Wednesday — the last day to fill ballot vacancies — sets up a rematch of the pair's hard-fought 2006 race (Evansville Courier & Press). Both candidates said the issues also will be largely the same. As he did in 2006, Levco said the 31-year-old Hermann can't match his experience and accomplishments in nearly 20 years as prosecutor. Hermann said Levco, 64, still runs his office inefficiently and without sufficient regard for crime victims and their families. "Not a lot's changed in the last four years," Hermann said. "The office is not well-run. I think that leads to jail overcrowding, I think that leads to cases being decided without proper attention being paid, without proper contact with victims, and I think those are areas that are easily addressed from an administrative standpoint." Hermann, who is chairman of the Vanderburgh County Republican Party, said he will step down from that post soon, at which point the GOP's contingent of about 100 precinct committee members will caucus to select a new chairman.

Congress passes home extension

WASHINGTON - Congress has sent President Barack Obama a plan to give homebuyers an extra three months to finish qualifying for federal tax incentives that boosted home sales this spring (Associated Press). The legislation would give buyers until Sept. 30 to complete their purchases and qualify for tax credits of up to \$8,000. Under the current terms, buyers had until April 30 to get a signed sales contract and until June 30 to complete the sale. The bill only allows people who already have signed contracts to finish at the later date. The House approved the measure on Tuesday.

Toll Road fees have increased

GARY - Driving on the Indiana Toll Road will cost more beginning today as fares for passenger vehicles go up for the first time since electronic tolling was installed two years ago (Post-Tribune). The cost to drive the 157-mile trip from the Illinois border to Ohio will go up from \$8 to \$8.80 for cars. Fares also will increase across the board for all classes of vehicles that drive the Toll Road. When electronic tolling devices were introduced in April 2008, tolls rose by 72 percent for drivers who didn't utilize I-Zoom, I-PASS or other electronic tags. For cars, the fare increase meant a difference between \$4.65 for electronic tolling and \$8 if tolls were paid in cash. Cost protection for drivers who use electronic devices runs dry in 2016, the 10th anniversary of the lease, when everyone will pay full price.

Gull seeks Supreme Court appointment

FORT WAYNE - When the Indiana Supreme Court releases the list of candidates to fill the vacant seat on the state's highest court today, at least one local name will be included (Fort Wayne Journal Gazette). After serving almost 14 years on the Allen Superior Court, Judge Fran Gull submitted her name for consideration. The 51-year-old judge described her decision as the next logical progression in her legal career. Last month, after 14 years on the bench, Indiana Supreme Court Justice Theodore Boehm announced he will retire in September. By serving on numerous committees, Gull has worked outside the confines of the Allen County Courthouse — trying, she said, to improve the judiciary at the state level.