

THE HOWEY POLITICAL REPORT



The Weekly Briefing On Indiana Politics

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“QUOTE” OF THE WEEK

“He made a roll of the dice and he crapped out....”

—State Rep. John Gregg, who cited a law
Republican Paul Mannweiler wrote that determines the next speaker in a 50/50 House

O’Bannon triumph was Goldsmith’s missed opportunity

INDIANAPOLIS - Frank O’Bannon won the race for governor with an excellently executed game plan. He also won with some significant help from another front-line Hoosier politician.

No, not Evan Bayh, but Stephen Goldsmith.

The 1996 race for governor was a historic lost opportunity for Indiana Republicans. Goldsmith had dominated the Indianapolis TV market and raised almost \$9 million. But there were so many flaws in strategy, research, TV commercials and buys, and a botched groundwar that it may be much harder for the Indianapolis mayor to ever again attract this year’s record number of campaign donors.

In a nutshell, here are the key elements that led to Goldsmith’s stunning defeat:

■ Goldsmith brought major reforms to Indianapolis by cutting mid-level bureaucracies - many Republicans hired during the Hudnut and Lugar administrations. When it came time for the Marion County GOP to deliver every resource that Goldsmith needed, it simply didn’t. Goldsmith had burned too many Republicans. This is revealed in the fact that Goldsmith polled 120,000 votes in Marion County, more than 10,000 votes less than victorious judge candidate William Lawrence (130,733) and coroner candidate John McGoff (130,765).

■ Goldsmith’s Lake County strategy backfired badly, losing 106,170 to 50,577 despite spending \$2 million plus on Chicago television. To put that in perspective, Goldsmith got beat worse there than feeble 1992 nominee Linley Pearson. This strategy was predicated on the idea that O’Bannon wouldn’t have enough resources to keep up and defend this Democratic bastion. But by late September it was obvious that O’Bannon would have enough money to keep up and the serious error here was that Goldsmith didn’t go to a Plan B. By the final weeks of the campaign, the money spigot at O’Bannon headquarters was pouring out cash and none of it came from the Evan

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Indiana’s fastest growing source of political news



TICKER

T A P E

PLAY OF THE WEEK: Gov.-Elect Frank O'Bannon's victory speech, in which he said, "As we flew across the state, I got a special feeling looking over the farm fields, forests, rivers and lakes, highways, railroads and airports, all focused on our cities and towns. And I had a very special feeling that I knew all those people. Knowing that they could step up and help others. Knowing that they could produce a spirit that could hold us all together."



COUNTY-BY-COUNTY GUBERNATORIAL TOTALS

- ADAMS: O'Bannon 5,845; Goldsmith 6,475; Dillon 219.
- ALLEN: O'Bannon 47,386;

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Goldsmith, From page 1

Bayh organization. The Goldsmith campaign clearly miscalculated Democratic fundraising potential.

- Plan B should have been to defend the home turf. Obviously, getting only 58 percent of the vote in the 1995 mayoral race against feeble Z. Mae Jimison wasn't heard as a wake-up call. And neither was the Aug. 27 Merician Street Police Brawl which kept bad headlines and testy items in "Behind Closed Doors" coming all autumn.

- Why Goldsmith didn't reallocate some of his Chicago TV money to protect his base was a stunning development. Not only did Goldsmith lose Marion County by 17,000 where there was a payback factor at play, but he simply failed to come up with the margins he needed in the doughnut counties. Goldsmith won Boone County by only 4,054; Hancock County by 2,664 votes; Hendricks County by 6,446 votes; Hamilton by only 22,763, Morgan County by 2,292, Shelby County by 576 votes, and (this is truly stunning) Johnson by a mere 5,362 votes. When the dust settled, Goldsmith ended up with a tiny 27,157 plurality in the nine-county doughnut when he should have had three to four times that amount to offset Lake, St. Joseph, Vigo and Vanderburgh counties.

- Why did Goldsmith do so poorly in

the doughnut? The police brawl had to hurt since it was one of the dominant stories throughout the fall campaign sequence. So did the George Tomanovich "Golfgate" story. A revealing development here was Goldsmith's comments in the Nov. 3 Sunday edition of the *Indianapolis Star* to Mary Beth Schneider. He said he shouldn't have done the \$300,000 settlement with Tomanovich.

- A March 1996 focus group conducted by O'Bannon consultants Frank Greer and Geoff Garin revealed that, as spokeswoman Rachel Gorlin noted, "There was no reservoir of goodwill toward Goldsmith personally. Everything about his appeal was connected to the city." The Golfgate, police brawl and fishkill stories were the tools O'Bannon used to take the luster off the so-called "Indianapolis miracle."

Said Gorlin, "What we found was that Frank O'Bannon and Steve Goldsmith were almost mirror images of each other. Our focus group revealed that people wanted to believe Frank O'Bannon, but with Goldsmith, people were ready to believe the worst." Goldsmith's decision to begin his fall sequence with a negative ad accusing O'Bannon of raising taxes 38 times helped seal that image. That was the reason why Goldsmith's late TV ads had the candidate eyeballing the camera in a willowy sun-room where he tried to soften his image, particularly with the female (or soccer mom) vote.

■ The so-called "fish ad" run by the O'Bannon campaign was an extremely touchy development. It was an attempt to exploit "real world consequences" as the result of mayoral decisions. The O'Bannon campaign was warned via a letter by the law firm Bose McKinney on behalf of the Goldsmith campaign to stick to the facts. Said Gorlin, "Our fish ad was the first ad we actually had a lawyer go over. When we got that letter, it was like, 'Now we know.'" The Goldsmith campaign responded to that ad with a Friday afternoon news conference - the worst day of the news cycle.

■ The Goldsmith campaign made a series of goofy mistakes. After AFSCME sent out its notorious "pink slip" mailing, the Goldsmith campaign sent its own letter to state employees saying that, as governor, he would retain all "front-line" employees. Evan Bayh and Frank O'Bannon received this letter at home. A full-page newspaper ad aimed at teachers was filled with typos and several instances of subject/verb disagreements.

■ At the same time Goldsmith began airing an ad showing Frank O'Bannon guarding the Senate vote board with Indiana State Police, the *Chicago Tribune* ran a front-page story that revealed that President Clinton's re-election surge began during the federal government shutdown in December 1995. O'Bannon's campaign was able counter with an ad explaining that the Democratic lieutenant governor was trying to avoid a government shutdown in Indiana.

■ Perhaps the greatest lost opportunity on issues for the Goldsmith campaign was not to exploit the education advantage. Goldsmith had taken an activist approach to education, even promoting a slate of school board candidates during an IPS election. On the campaign trail, Goldsmith spoke most convincingly about education, school choice, and the empowerment of teachers. He attempted to exploit that with one TV commercial, but the message on that ad was mixed, ending not with an emphasis on his education stance, but a vow to keep juvenile offenders in jail longer.

■ The greatest vulnerability O'Bannon had was on education. Had Goldsmith been able to convey his flair for innovative government to education under a slogan of, say, "Let's turn our schools around," that would have played to

swing voters and soccer moms while boxing O'Bannon into a "stay the course" stance that might have stung him badly.

■ Numerous Republican county chairs and operatives have told HPR they believe the Goldsmith campaign almost exclusively worked toward the "air war" and did little for the ground war. County organizations had trouble getting yard signs, push cards and bumper stickers out of the Indianapolis campaign headquarters until the final two weeks of the campaign. Several chairs said they received those items after much of their door-to-door efforts had ended.

■ Goldsmith's consultants did a poor job in Indiana this time. Stuart Stevens' ads were uncharacteristically below average, particularly the first negative ad blitz accusing O'Bannon of the 38 tax increases. As Goldsmith later acknowledged, the research was "sloppy" - a revelation that occurred during the media's most heightened coverage over TV ads. By the time the "fish ad" sequence arrived, most reporters around the state had moved beyond covering negative ads. Goldsmith used the Terrance Group for polling. Throughout the campaign, Goldsmith insiders maintained they had a lead in a race Brian Vargus and Mason-Dixon had consistently showed to be a dead-heat. In the last week of the campaign, Goldsmith operatives were telling Republicans they had a 10-point lead, which at the time seemed like propaganda. But Goldsmith's comments in the *Indianapolis Star* reveal a candidate who appeared confident of victory and stunned at his 6-point defeat.

■ To this date, the most devastating sequence for Goldsmith occurred in mid-August when the Republican failed for two weeks to respond to O'Bannon's first TV ad campaign. Prior to that, Goldsmith had maintained a 6- to 9-point lead in the independent polls. This sequence occurred just after Goldsmith was to have spoken at the Republican National Convention during primetime, although the networks didn't air his speech. Right after O'Bannon went up on TV, both he and Evan Bayh spoke at the Democratic National Convention and President Clinton made a campaign stop in Michigan City. It was here that Goldsmith lost his advantage in the polls and never recovered.

TICKER

T A P E

Goldsmith 55,816; Dillon 1,900
■ BARTOLOMEW: O'Bannon 11,152; Goldsmith 13,805; Dillon 403

■ BENTON: O'Bannon 1,736; Goldsmith 2,079; Dillon 97

■ BLACKFORD: O'Bannon 2,716; Goldsmith 2,270; Dillon 98

■ BROWN: O'Bannon 3,193; Goldsmith 2,946; Dillon 177

■ CARROLL: O'Bannon 3,513; Goldsmith 4,350; Dillon 166

■ CASS: O'Bannon 7,188; Goldsmith 7,779; Dillon 285

■ CLARK: O'Bannon 22,582; Goldsmith 12,426; Dillon 351

■ CLAY: O'Bannon 5,546; Goldsmith 4,131; Dillon 161

■ CLINTON: O'Bannon 4,681; Goldsmith 6,152; Dillon 216

■ CRAWFORD: O'Bannon 3,053; Goldsmith 1,617; Dillon 72

■ DAVIESS: O'Bannon 4,618; Goldsmith 4,986; Dillon 144

■ DEARBORN: O'Bannon 7,543; Goldsmith 8,014; Dillon 328

■ DECATUR: O'Bannon 4,310; Goldsmith 4,945; Dillon 168

■ DEKALB: O'Bannon 5,929; Goldsmith 7,098; Dillon 240

■ DELAWARE: O'Bannon 22,549; Goldsmith 21,172; Dillon 789

■ DUBOIS: O'Bannon 8,658; Goldsmith 5,543; Dillon 196

■ ELKHART: O'Bannon 21,088; Goldsmith 28,889; Dillon 655

■ FAYETTE: O'Bannon 4,496; Goldsmith 4,337; Dillon 163

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Track RECORD

For the second campaign cycle, *The Howey Political Report* has kept its readers ahead of the curve. In 1994, HPR accurately forecast Republican takeover of the Indiana House and a pickup of three Congressional seats:

In 1996

✓ HPR's Horse Race predicted an "upset" was likely in the governor's race between Frank O'Bannon and Stephen Goldsmith.

✓ HPR Publisher Brian Howey predicted in the Oct. 24 edition that the Indiana House would end up in a 50/50 split.

✓ HPR's Horse Race forecast the narrow win of 8th CD Rep. John Hostettler over Jonathon Weinzapfel.

✓ HPR's Horse Race accurately forecast the election of Jeff Modisett as attorney general and Suellen Reed as superintendent of public instruction.

We get our upset in gov's race; plus 50/50 House

HORSE RACE

TRENDLINE: Who are the up & comers for Republicans in a 2000 gubernatorial campaign? Goldsmith could make a comeback if he can finish his Indy experiment, deliver a tax cut and lighten up. Others to watch include U.S. Reps. David McIntosh and Steve Buyer, LG nominee George Witwer, Rex Early, attorney Peter Rustoven, Clerk of Courts John Okeson, Secretary of State Sue Anne Gilroy, Auditor Morris Wooden, State Sens. Murray Clark, Luke Kenley and Becky Skillman, and State Rep. Jeff Linder.

PRESIDENT

Bill Clinton, R
Bob Dole, D
Ross Perot, Reform

PREDICT

Safe D

COMMENTS

Dole carries Indiana, but at 7:30. Dole retires to Watergate; Clinton to raft historic Whitewater ...

GOVERNOR

Stephen Goldsmith, R
Frank O'Bannon, D
Steve Dillon, L

PREDICT

Tossup

Last week, Horse Race suggested an upset, and we got a big one. Payback time for many Marion County Republicans. Loss of Marion County by 17,000 votes stunning to Goldsmith. O'Bannon's campaign was flawless, but Goldsmith helped him along.

ATTORNEY GENERAL

Steve Carter, R
Jeff Modisett, D

PREDICT

Leans D

Modisett gets redemption by carrying Marion County. Carter came close and should think rematch.

SUPERINTENDENT OF PUBLIC INSTRUCTION

Suellen Reed, R
Ann England, D

PREDICT

Leans R

Reed leads the state ticket, a thought that has to make Goldsmith's skin crawl. Frank will be calling soon.

3RD CD

Joe Zakas, R
Tim Roemer, D

PREDICT

Likely D

Convincing 65 percent victory for Roemer in a presidential election year. Roemer for Senate in 2000?

7TH CD

Ed Pease, R
Bob Hellmann, D

PREDICT

Likely R

Expect Pease to hold on to this seat for the next couple of decades. And we agree, he could be a great one.

8TH CD

John Hostettler, R
Jonathon Weinzapfel, D

PREDICT

LEANS R

Cokie Roberts blows a projection. Hostettler barely survives labor blitz. Bloody 8th in '98? Yup.

9TH CD

Jean Leising, R
Lee Hamilton, D

PREDICT

LIKELY D

Jean Leising's swan song? She rattled so many Republican cages along the way. Back to the farm!

10TH CD

Virginia Blankenbaker, R
Julia Carson, D

PREDICT

Tossup

Carson's army fools many pundits, but Horse Race felt it coming. Blankenbaker is talking rematch. What do you suppose Marvin Scott thinks about that?

<u>19th INDIANA HOUSE</u>	<u>PREDICT</u>	<u>COMMENTS</u>
Duane Sparks, R Robert Kuzman, D	Tossup	Labor and O'Bannon thrust boosts Kuzman in a Crown Point seat the Republicans have held forever.
30TH INDIANA HOUSE		
Jon Padfield, R Ron Herrell, D	LEANS D	We blew one. Labor doesn't save Herrell. Hope he shot an elk. Frosh survives. Kokomo a Repub city.
32ND INDIANA HOUSE		
Eric Turner, R Elizabeth Stanley, D	LEANS R	The more Horse Race thinks about Stanley's TV commercials, the more we think about cows. Moo!
34TH INDIANA HOUSE		
James Vanleer, R Tiny Adams, D	TOSSUP	Adams rides the Muncie labor wave. First Indiana legislator named "Tiny." Vanleer frosh casualty.
35TH INDIANA HOUSE		
Bruce Munson, R Sue Errington, D	TOSSUP	Munson thwarts NOW challenger. Late phone bank secures win. Now, have you heard the one about...
43RD INDIANA HOUSE		
John Kimmel, R Clyde Kersey, D	TOSSUP	Horse Race mildly surprised about this one. We said if Labor returns ... and they did in Terre Haute.
46TH INDIANA HOUSE		
David Lohr, R Vern Tincher, D	TOSSUP	99-vote Tincher win means a recount. And knowing Lohr, it also means a wild rematch in 1998.
54TH INDIANA HOUSE		
Tom Saunders, R David Copenhaver, D	LIKELY R	Henry County GOP chairman mops up a first-term Democrat in his first election. A blue collar Repub.
67TH INDIANA HOUSE		
Cleo Duncan, R Vicki Kellerman, D	LIKELY R	Democrats outwitted themselves as early ad campaign backfires. One of two surviving '94 frosh.
74TH INDIANA HOUSE		
Sally Lambert, R Russ Stilwell, D	LEANS D	Labor thrust dings Sally. And Bauer didn't show up in Boonville, or if he did, he was in a donkey suit.
79TH INDIANA HOUSE		
Mike Ripley, R Barb Engle, D	TOSSUP	Ripley defeats Repub turned Democrat. Former congressional candidate could be an R rising star.
80TH INDIANA HOUSE		
John Becker, R Ben GiaQuinta, D	LEANS D	GiaQuinta returns in ousting freshman Becker. But we expect Becker to consider a 1998 rematch.
97TH INDIANA HOUSE		
Irene Heffley, R Edmund Mahern, D	LIKELY D	Family legacy, labor push and Goldsmith self-destruction too much. Goodnight, Irene.
100TH INDIANA HOUSE		
Martha Womacks, R John Day, D	LEANS D	Return of the Day of the Donkey after two years of liberal rehab! See above box for details.

TICKER T A P E

- FLOYD: O'Bannon 17,246; Goldsmith 10,478; Dillon 204
- FOUNTAIN: O'Bannon 2,868; Goldsmith 4,354; Dillon 138
- FRANKLIN: O'Bannon 3,760; Goldsmith 3,852; Dillon 140
- FULTON: O'Bannon 3,963; Goldsmith 3,940; Dillon 138
- GIBSON: O'Bannon 8,188; Goldsmith 5,076; Dillon 194
- GRANT: O'Bannon 12,073; Goldsmith 13,652; Dillon 473
- GREENE: O'Bannon 7,154; Goldsmith 5,077; Dillon 240
- HAMILTON: O'Bannon 18,880; Goldsmith 41,643; Dillon 873
- HANCOCK: O'Bannon 9,129; Goldsmith 11,793; Dillon 423
- HARRISON: O'Bannon 9,398; Goldsmith 4,228; Dillon 145
- HENDRICKS: O'Bannon 14,063; Goldsmith 20,509; Dillon 591
- HENRY: O'Bannon 9,594; Goldsmith 8,669; Dillon 314
- HOWARD: O'Bannon 14,926; Goldsmith 17,536; Dillon 706
- HUNTINGTON: O'Bannon 5,914; Goldsmith 7,854; Dillon 248
- JACKSON: O'Bannon 7,325; Goldsmith 7,325; Dillon 180
- JASPER: O'Bannon 4,493; Goldsmith 5,297; Dillon 154
- JAY: O'Bannon 4,115; Goldsmith 3,711; Dillon 175
- JEFFERSON: O'Bannon 6,779; Goldsmith 4,574; Dillon 177

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TICKER T A P E

- JENNINGS: O'Bannon 5,310; Goldsmith 4,676; Dillon 185
- JOHNSON: O'Bannon 16,530; Goldsmith 21,892; Dillon 637
- KNOX: O'Bannon 9,398; Goldsmith 5,614; Dillon 273
- KOSCIUSKO: O'Bannon 8,712; Goldsmith 14,751; Dillon 346
- LAGRANGE: O'Bannon 3,567; Goldsmith 4,001; Dillon 145
- LAKE: O'Bannon 106,170; Goldsmith 50,577; Dillon 2,004
- LAPORTE: O'Bannon 23,279; Goldsmith 15,042; Dillon 657
- LAWRENCE: O'Bannon 7,523; Goldsmith 8,010; Dillon 300
- MADISON: O'Bannon 26,849; Goldsmith 25,557; Dillon 939
- MARION: O'Bannon 137,898; Goldsmith 120,977; Dillon 5,188
- MARSHALL: O'Bannon 7,309; Goldsmith 7,361; Dillon 167
- MARTIN: O'Bannon 2,582; Goldsmith 1,945; Dillon 87
- MIAMI: O'Bannon 5,531; Goldsmith 6,809; Dillon 196
- MONROE: O'Bannon 21,054; Goldsmith 17,095; Dillon 943
- MONTGOMERY: O'Bannon 5,071; Goldsmith 8,029; Dillon 272
- MORGAN: O'Bannon 9,358; Goldsmith 11,650; Dillon 467
- NEWTON: O'Bannon 2,356; Goldsmith 2,272; Dillon 127
- NOBLE: O'Bannon 6,266;

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O'Bannon priorities will be education, taxes and campaign finance reform

INDIANAPOLIS - Here is the text of Gov.-Elect Frank O'Bannon's "last press conference of the campaign" conducted in the lieutenant governor's office at the Statehouse on Nov. 6.

O'Bannon: I kind of consider this the last press conference of the campaign. It is kind of nostalgic doing it here in the lieutenant governor's office. I've been here eight years and this is the only office with a working fireplace in the state capitol, and we've never had a fire in it; since John Mutz did when they didn't heat the chimney to get it to draft, and it all came out in the room on Thanksgiving. And the second thing ... and it might have been Steve Carter ... you see the lights around the edge? He didn't know how to turn those out. We don't know how to turn those out. I don't know how many more years it will take to get them to burn out.

Question: What's your first challenge?

O'Bannon: Well, the first thing Judy and I are going to The Barn. (Applause) And one of these days we'll have to have a press advisability at The Barn. We'll spend five or six days there and then I'll be going to the National Governor's Association in Atlanta. They will talk to all the new governors and raise the new issues and do things that will help you out. I had four governors call me last night telling me to be sure and go. Two of them had been lieutenant governor friends and they said even though you've been lieutenant governor, you don't know completely what you're getting into until you've been to these meetings. Gov. Bayh has given me 100 percent support as we move through these next few weeks. I've made two appointments at this point. One, Tom New will be my chief of staff. And the second one is David Johnson will be the head of my transition efforts. There's no preconceived ideas at this point. We'll just put together the best government we can. We'll do everything we can to attract new, and young and exciting people who want to be a part of state government for part of their lives.

Jim Shella: What kind of conversations

did you have with Steve Goldsmith?

O'Bannon: I talked to Steve Goldsmith a little bit before 10. He called to tell me he was moving downstairs to give about a two minute talk. He wanted me to know about it so we could do our planning. He looked forward to working with me. I wished him the best in his next three years as mayor and that we would continue to get together for the best interest of

HPR INTERVIEW

our capital city, Indianapolis. He was very gracious and polite.

Norm Cox:

Is it a correct assumption your vote for Speaker of the House will be for John Gregg?

O'Bannon: I'm not sure ... from the standpoint that I don't know if I have a vote. I haven't read the statute. I think it's if there's a 50/50 split, the party that elects the governor at that time gets the majority party. I don't have to take an active part.

Question: How important is that to have control of the House?

O'Bannon: It's important. It's another check in the balance. It helps me as governor to have a Democratic speaker that controls the calendar, who works closely with the conference committee members, which is important. But I believe I will be able to work with Bob Garton. He's been a good friend and an honest colleague of mine. I hope we can work together on an agenda that moves Indiana on a higher level.

Brian Howey: Could you prioritize what steps you will take to restructure the tax system since we have your tax cut plan, the tax court appeal and the Purdue/DeBoer study coming? What will be the likely sequence?

O'Bannon: Let me go back because there has been a bit of confusion the way it was reported and the way it was compared with Mayor Goldsmith's plan. They are completely different. His was a rate freeze over a period of

time and would move welfare off. That was his property tax plan. My plan, the property tax was the fourth part of the plan. The first part was to get tax relief now. It just happened to have a component that would be a percentage of the property tax they pay. The second part was to put a cap on the tax levy. Now that's the only control that can be is on the levy, the amount of tax dollars collected. A tax rate freeze means you can have more tax dollars than you had before. The second part was to cut that 20 percent to hold property taxes down. The third part was a renter's deduction and the fourth part was the key - a citizen's commission on taxes, which means bringing people to the table that have an interest in property tax, whether it's the Farm Bureau, the Chamber of Commerce, Realtors, municipalities and counties, coming together. If we relieve that burden, do we get a new mix of taxes? Will we look at the County Option Income Tax? The Wheel Tax? The Food and Beverage Tax? Is there something that doesn't raise taxes but changes the mix and really works in a way that does lower property taxes and makes it more fair? Will it be easy to administer? Will it enhance employment to create new jobs? That commission will work with those parameters to restructure the tax system - very difficult to do. It's going to take strong, bipartisan leadership every step of the way.

Cox: You have an issue that sets off partisan squabbling, a 50/50 split in the House, and yet you have to do something because of the tax court ruling. Could things fall apart completely?

O'Bannon: We'll come up with an answer. I hope it's an answer that bodes well for Indiana's future. I want to make sure the homeowner doesn't get hit hard. They'll get hit hard - and the farmer - if we don't do anything.

Mary Dieter: Can you tell us why you won and Steve Goldsmith lost?

O'Bannon: I'm sure there's a variety of reasons. I feel in my heart that we carried a positive message all the way through the campaign, week in and week out, stating what our vision for the future of Indiana is. We built it on the success the State of Indiana has had for the past eight years. I think we know now that most people think Indiana's on the right track

and we'll continue that progress.

Howey: When did you think you would carry Marion County?

O'Bannon: I didn't. That was a surprise. I had more confidence in carrying the state than Marion County.

Howey: Did you feel it was a mistake for the mayor to concentrate so many resources in Chicago and leave his own backyard exposed?

O'Bannon: Yeah, I was surprised. Strategically, they underestimated the amount of resources we could raise to be competitive. We're very pleased we did that out of necessity. The Chicago television is so high. Conventional wisdom, generally, is if we can keep them from carrying Marion County by more than 10,000 votes, it's a win for us here. That's what was really in my mind throughout.

Susan Dillman: Do you have a better idea today of what you spent?

O'Bannon: No, I don't. It was probably close to \$7 million.

Dillman: How much do you think Goldsmith spent?

O'Bannon: I don't know. You just try to judge how much he's putting in television. I would guess he spent close to \$9 or \$10 million.

Mary Beth Schneider: He got fewer votes in Lake County than Linley Pearson did. Do you think that will be the end of that strategy?

O'Bannon: I would hope so. We need campaign finance reform very badly in this state. That will be one of the first things I will promote and hope the legislature will do. We'll probably do it in steps. I want to make sure we put caps on how much a person can give. I want to have more disclosure so people know who is paying for the campaigns, even to the extent of a person who gives to a campaign has to list employment and if they have any contracts with the state.

Question: What other issues?

O'Bannon: Property tax reform. But No. 1, changing the mission of the Department of Education from rules and regulations to one of technical assistance where we empower the principals, teachers and the parents.

TICKER T A P E

Goldsmith 6,920; Dillon 233

■ OHIO: O'Bannon 1,404;

Goldsmith 980; Dillon 36

■ ORANGE: O'Bannon 3,950;

Goldsmith 6,064; Dillon 88

■ OWEN: O'Bannon 3,195;

Goldsmith 2,864; Dillon 155

■ PARKE: O'Bannon 3,536;

Goldsmith 2,899; Dillon 134

■ PERRY: O'Bannon 5,616;

Goldsmith 2,176; Dillon 71

■ PIKE: O'Bannon 3,563;

Goldsmith 2,128; Dillon 97

PORTER: O'Bannon 29,435;

Goldsmith 23,609; Dillon 1,042

■ POSEY: O'Bannon 6,606;

Goldsmith 4,092; Dillon 146

■ PULASKI: O'Bannon 2,584;

Goldsmith 2,641; Dillon 96

■ PUTNAM: O'Bannon 5,637;

Goldsmith 5,657; Dillon 218

■ RANDOLPH: O'Bannon 5,079;

Goldsmith 5,034; Dillon 175

■ RIPLEY: O'Bannon 5,241;

Goldsmith 4,990; Dillon 119

■ RUSH: O'Bannon 3,430;

Goldsmith 3,806; Dillon

■ ST. JOSEPH: O'Bannon

53,101; Goldsmith 37,317;

Dillon 952

■ SCOTT: O'Bannon 4,301;

Goldsmith 2,261; Dillon 68

■ SHELBY: O'Bannon 6,393;

Goldsmith 6,969; Dillon 253

■ SPENCER: O'Bannon 5,115;

Goldsmith 3,511; Dillon 56

■ STARKE: O'Bannon 4,398;

Goldsmith 3,161; Dillon 143

■ STEUBEN: O'Bannon 4,943;

Goldsmith 5,570; Dillon 180

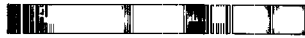
■ SULLIVAN: O'Bannon 5,405;

Goldsmith 2,666; Dillon 115

continued on page 8

TICKER

T A P E



■ **SWITZERLAND:** O'Bannon 1,750; Goldsmith 1,136; Dillon 55

■ **TIPPENCANOE:** O'Bannon 20,841; Goldsmith 23,471; Dillon 1,233

■ **TIPTON:** O'Bannon 3,295; Goldsmith 3,906; Dillon 139

■ **UNION:** O'Bannon 1,249; Goldsmith 1,380; Dillon 57

■ **VANDERBURGH:** O'Bannon 37,430; Goldsmith 26,588; Dillon 961

■ **VERMILLION:** O'Bannon 4,306; Goldsmith 2,163; Dillon 133

■ **VIGO:** O'Bannon 22,949; Goldsmith 14,244; Dillon 703

■ **WABASH:** O'Bannon 5,750; Goldsmith 6,907; Dillon 237

■ **WARREN:** O'Bannon 1,709; Goldsmith 1,843; Dillon 58

■ **WARRICK:** O'Bannon 11,973; Goldsmith 8,623; Dillon 288

■ **WASHINGTON:** O'Bannon 5,408; Goldsmith 3,550; Dillon 163

■ **WAYNE:** O'Bannon 12,353; Goldsmith 12,724; Dillon 412

■ **WELLS:** O'Bannon 4,731; Goldsmith 6,338; Dillon 201

■ **WHITE:** O'Bannon 4,374; Goldsmith 4,988; Dillon 246

■ **WHITLEY:** O'Bannon 5,345; Goldsmith 5,935; Dillon 299

■ **TOTALS:** O'Bannon 1,075,342; Goldsmith 997,505; Dillon 35,261

Gregg, Mannweiler grapple over Speakership

INDIANAPOLIS - It only figured that at midnight on Election Night, State Rep. David Lohr would be at the epicenter of Statehouse controversy.

This time, it was whether he would be defeated by Democrat Vern Tincher. Actually, Democrat John Gregg, Republican Paul Mannweiler were holed up on opposite sides of the House chambers awaiting word on the Tincher-Lohr rematch and the Kokomo race between Republican freshman Jon Padfield and Ron Herrell. The Democrats had been stung earlier in the evening when Republican David Yount upset Rep. Bob Hayes in the 59th District (Columbus), this election cycle's biggest surprise.

Padfield pulled out his race first giving the GOP its 50th seat. That left the Democrats waiting for one Owen County precinct that gave Tincher a 99-vote lead a short time later.

Quickly, Gregg, former Speaker Michael K. Phillips, State Reps. Win Moses, Mark Kruzan and others huddled just off the House floor for strategy. To their delight, the

"clairvoyant" Mannweiler had drafted and steered through the Republican-dominated House legislation giving the party that controls the governorship control of the Speaker's chair. Earlier in 1995, he had tried to redistrict.

"Paul so skillfully and carefully drafted that law, not realizing we'd win the governorship," Gregg said. "I will be the speaker. Rep. Mannweiler and I have been personal friends. I even sold him my motorcycle this summer."

Pressed by reporters on whether Tincher's win would hold and whether the new law would pass constitutional scrutiny, Gregg finally declared of Mannweiler, "He made a roll of the dice and he crapped out. What I think is it's audacious to question this race.

"He said, 'Hey listen Johnny' - that's what he calls me - 'call me on the phone and we'll discuss this.'"

At last report, Mannweiler was headed for Florida, and Gregg somewhere points South.

"They will talk soon," said Mannweiler spokeswoman Kate Healey.

Quayle aims at 2000; So might Lugar

FORT WAYNE - Twenty years after he was elected to Congress, Dan Quayle returned here as keynote speaker at the Allen County Republican Bean Dinner.

It very well could have marked the beginning of a 2000 presidential campaign. "We're going to stay involved," Quayle declared to the crowd of nearly 800 Republicans after talking with them and posing for pictures.

"Family values. You don't remember it? I do," Quayle said in a speech that was clever, classy and critical. "President Clinton in his speech in New York City expressed his outrage at me for giving that speech. He said I shouldn't be raising it in politics. That was 1992. Move forward four years to Chicago. Strangely, he didn't criticize my speech. He gave my speech."

Quayle has moved to Arizona, a 45-minute flight from Los Angeles, where he can develop a Western base, collect thousands of IOUs and still play the Midwestern heartstrings when he needs to. He wouldn't say definitely

whether his eyes were on the White House, but Quayle confidant and former Indiana Republican Chairman Al Hubbard told HPR last spring that the former vice president would run in 2000.

So, where does that leave Sen. Richard Lugar, who ran unsuccessfully for president this year. Key aides to Lugar say he wouldn't take a Clinton cabinet post "unless Yeltsin dies and tanks roll into Poland."

One reason? The State Department will be under intense scrutiny because of the Indonesian campaign finance fiasco in the coming months.

As for a Lugar 2000 presidential run, the key aide said, "It's open. He's not made any decision. He would assess his health and his ability to run a good campaign." Quayle's plans would not impact a Lugar decision.

The safe bet is a Lugar re-election run for the Senate in 2000, but it's way too early even for that decision to be made.