



9 mayoral races in ‘Tossup’ zone

Ballard, Ockomon, Fincher in tossups; McShurley on HPI takeover list

By **BRIAN A. HOWEY**

INDIANAPOLIS - While there is yet to be an anti-incumbency wave sweeping across Indiana’s city streets this year, a city-by-city analysis of general election mayoral races finds a handful of incumbents with serious challenges on their hands.

Muncie Mayor Sharon McShurley, Terre Haute’s Duke Bennett, Anderson’s Kris Ockomon, Logansport’s Michael Fincher, West Lafayette’s John Dennis and Indianapolis Mayor Greg Ballard all appear to be poised for stern tests this November. All are rated “Tossup” except for McShurley who appears to be poised for takeover at this point in her race.



Also in “Tossup” are the open Evansville mayor’s office where Democrat Rick Davis is battling Republican Lloyd Winnecke, as well as open city halls in Vincennes and New Castle.

HPI rates two “leans” races in favor of Fort Wayne Mayor Tom Henry and Goshen Mayor Allan Kauffman, both



Melina Kennedy chats with Kathleen Kennedy Townsend on Tuesday. Below are vulnerable incumbents: Muncie’s Sharon McShurley and Terre Haute’s Duke Bennett.



who could face intense challenges by Election Day.

But it comes after a relative sanguine primary season for incumbents. Bloomington Mayor Mark Kruzan, East Chicago Mayor Anthony Copeland, Hammond’s Thomas

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Hamlet’s victors, losers

By **JACK COLWELL**

SOUTH BEND - Who won, who lost, when Mitch Daniels concluded his Hamlet bit - to run or not to run - saying a run was not to be?



Daniels, who wanted to run and had orchestrated a way to do so with substantial support, appears to be the big loser because he couldn’t get the support that mattered most, from his family. He lost the chance to be president or at least a real shot at being a nominee with major national impact on issues.



“With a \$14 trillion national debt, the American people are fed up and want us to change the way Washington spends the people’s money.”

- U.S. Rep. Mike Pence



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Even though his spokesmen say he had a clear path to the Republican nomination, nobody knows for sure how clear or cluttered that path would have been.

Daniels' intelligence brings understanding of the big policy issues and confidence of finding solutions. Yet, would he have been able to keep attention on those big issues or would his campaign instead have been beset by flaps over trivial, divisive matters, bringing loss in a thankless effort?

There would have been more delving into the Daniels' family secrets by the news media, the political blogs and the opposition.

Cheri Daniels, the governor's wife, is a loser of the privacy she has long sought.

When the governor arranged for her to deliver a highly publicized May 12 speech at a big GOP fundraiser in Indianapolis, it appeared that she and the four Daniels daughters wouldn't veto a presidential run. She certainly would not have spoken in the national spotlight if a veto already was cast.

Alas, there then came national news media focus on the couple's divorce and remarriage - with Cheri Daniels between those marriages moving to California and marrying another man - and messy details, including a vicious denunciation by that man's former wife and suggestions that Mrs. Daniels abandoned her children. Hurtful accusations, whether true or false.

The intense scrutiny on anyone deemed a serious presidential prospect would have brought more delving into all this by the news me-

dia, the political blogs and the opponents for the presidential nomination. A veto came.

Daniels still could go on as a winner nationally in a Republican administration as a key Cabinet member. Vice presidential nominee? He hasn't ruled it out, although that also would bring scrutiny on the "revelations" that sidetracked his presidential bid.

Most analysts of the field of prospects for the Republican presidential nomination calculate that those benefitting most will be three former

governors, Mitt Romney of Massachusetts, Tim Pawlenty of Minnesota and Jon Huntsman of Utah, who also served as ambassador to China.

Daniels, one of the favorites of the GOP establishment, would have taken support and funding from Pawlenty and Huntsman.

Daniels also was seen by key national GOP operatives as someone who could move up quickly to challenge Romney,

the front-runner but with baggage that could slow him down.

In Indiana, Democratic leaders breathed sighs of relief at removal of the chance of Daniels for president at the top of the Republican ticket.

Prospects of electing Congressman Joe Donnelly, expected to be the Democratic nominee for the U.S. Senate, and former House Speaker John Gregg, likely Democratic nominee for governor, would have been diminished if not destroyed with Daniels on the ballot for president.

Indiana could even be in play again in the presidential race. It wouldn't have been with a Hoosier leading the Republican ticket.

A possible winner in the





Daniels decision is Sen. Dick Lugar, who is in a tussle with a Tea Party favorite for the GOP Senate nomination. Lugar, a political mentor and long-time friend of Daniels, could use support now from the governor. While in the midst of contemplating a presidential race, Daniels said he would vote for Lugar but not otherwise take sides in the senatorial nomination battle. Now, free of concern over alienating Tea Party voters nationally, he could get more involved helping Lugar.

Lt. Gov. Becky Skillman also lost any possible

chance of becoming Indiana's first woman governor through Daniels resigning in order to pursue the presidential nomination full-time. Daniels had said that was something he would have to consider.

First, though, he had to consider a family veto. The presidential race, no matter how orchestrated, how close or how promising, was not to be. ❖

Colwell has covered Indiana politics over five decades for the South Bend Tribune.

Mayors, from page 1

McDermott Jr., Hobart's Brian Snedecor and Carmel's Jim Brainard all cruised to easy victories after well-publicized primary challenges last May.

The dynamic change comes a little more than half a year after Republicans took over the Indiana House and three Congressional seats as the antithesis of President Obama's 2008 change message rattled Hoosier political circles. And it comes after the 2007 elections when 40 percents were defeated for reelection.

Here is our early summer preview of mayoral races from around the state:

Anderson

Democrat: Mayor Kris Okomon. **Republican:** Kevin Smith. **2007 Results:** Ockomon (D) 7,757, Smith (R) 7,112, Jozwiak (I) 441, Bibbs (write-in) 350. **2011 Forecast:** This is a rematch between Democratic Mayor Kris Ockomon and former Republican mayor Kevin Smith, who lost his reelection bid in 2007.

Smith polled 79 percent in a five-way Republican primary. Ockomon defeated Fred Reese by 750 votes in a three-way Democratic primary race for just 55 percent. Reese, who was appointed Ockomon's parks superintendent before the mayor suspended him and he was ultimately removed, said he would support Ockomon in the fall general election, the Anderson Herald-Bulletin reported. "We are the party of inclusion, and we want to continue that," Reese said. "I say to Kevin and to Mayor Ockomon, good luck, and I think these two gentlemen will represent the city in the way it needs to be." The general election has the potential to be a cliff-hanger and emotional. Ockomon (pictured) won by just 600 votes in 2007. But with allegations that Ockomon did not meet residency requirements, Smith refused to surrender the office in January 2008. Smith did turn over



the keys to City Hall, but didn't immediately turn over his title as mayor. "They keys may be surrendered, but that's not the issue here," said Smith at the time. Ockomon, on his first day as mayor, defended his claim that he lived in an Anderson home and not at his family's home outside city limits. Ockomon calls a suit filed last week, asking that Smith remain in office pending a court ruling over the residency issue, an act of desperation. "I believe the timing was poor and I think it reads very loudly of sour grapes," said Ockomon. Ockomon has faced allegations of sexual harassment during his first term that were rejected by the EEOC, but may face a civil suit. Given the past bitterness and the two nominees primary performances, this race has all the trappings of being close. **Horse Race Status:** Tos-sup

Bloomington

Democrat: Mayor Mark Kruzan. **Republican:** Vacant. **2007 Results:** Kruzan (D) 5,937, Sabbagh (R) 3,729. **2011 Forecast:** Kruzan easily defeated John Hamilton in the primary and does not have a Republican opponent yet. Kruzan will easily win a third term. **Horse Race Status:** Safe Kruzan

Carmel

Republican: Mayor James Brainard. **Democrat:** Vacant. **2007 Results:** Brainard 9,192. Winckler (D) 2,068, Spiegelman (I) 2,557. **2011 Forecast:** Brainard will easily win a fourth term. Break out the cellos. **Horse Race Status:** Safe Brainard

Columbus

Democrat: Priscilla Scalf. **Republican:** Kristen Brown. **2007 Results:** Armstrong (D) 4,728, White (R) 1,498. **2011 Forecast:** Scalf defeated former mayor Nancy Brown in the Democratic primary by 520 votes while Kristen Brown easily won the Republican primary. After four terms by popular retiring Mayor Fred Armstrong, Columbus looks like it could change parties this cycle. More than 5,000 Republicans turned out for the primary, compared to around 1,500 in the Democratic primary. **Horse Race**



Status: Leans Brown

East Chicago

Democrat: Mayor Anthony Copeland. **2007 Democratic Primary Results:** Pabey 3,784, Anthony Copeland 2,736, Edward Williams 639, Alicia Lopez-Rodriguez 364 Willie B. McClain 10. **2011 Forecast:** Copeland will become the first elected African-American mayor of East Chicago after he was appointed following the conviction of Mayor George Pabey, who reported to federal prison on Wednesday. **Horse Race Status:** Safe Copeland

Elkhart

Democrat: Mayor Dick Moore. **Republican:** Councilman David Ashe. 2007 Results: Moore (D) 4,050, Pettit (R) 2,046 Gibson (I) 137. **2011 Forecast:** Mayor Moore, having guided Elkhart through the shock of the Great Recession of 2009-10, is in a strong position for reelection. **Horse Race Status:** Likely Moore

Evansville

Democrat: Vanderburgh County Treasurer Rick Davis. **Republican:** Vanderburgh Commissioner Lloyd Winnecke. **2007 Results:** Weinzapfel (D) 13,097, Nixon (R) 2,268. **2011 Forecast:** Davis easily turned back Troy Tornatta in the primary by 18 percent while taking issue with out-going Mayor Jonathan Weinzapfel. That has led some to predict a split among the Democratic base. "I'm going to reach out to anybody who wants to be a part of this wonderful feeling," Davis said, surrounded by jubilant supporters after his 3,996-2,808 victory over Tornatta was announced (Langhorne, Evansville Courier & Press). "The Democratic Party is a big tent. We're very diverse, and it's going to take all of us to win. And I think it's very important for the working families of Evansville that the Democratic Party rally behind the cause." Tornatta described his campaign as his "one last stab at a goal of being mayor" and did not endorse Davis on Election Night. Local sources tell HPI that Davis is not obsessed with regaining some of the Democratic insiders upset with him for declaring for the race before Weinzapfel decided not to seek reelection. Many believed that Weinzapfel was poised to run for governor.



Evansville Democrat Rick Davis has demographics on his side, but will be outspent and faces a potentially divided party.

Republican sources tell HPI that Winnecke has lead in early face-to-face internal polls, but a sizable chunk of the electorate remains undecided and/or doesn't know either candidate. "The race remains relatively fluid," one Republican said. Winnecke emerged from the primary with about \$105,000, while Davis depleted his war chest. Thus Winnecke is expected to maintain a money advantage. But Winnecke has had only one competitive race in his career and he faces some daunting demographics. "It is harder for Republicans to win in the city — absolutely. No question," said Russ Lloyd Jr., the only Republican elected mayor in the past three decades (Langhorne, Evansville Courier & Press). Lloyd was elected in 1999, after serving three years on the County Council. He acknowledges that he benefited from being the son of one of the most popular and charismatic politicians in the city's history - Russell G. Lloyd Sr., who served as mayor from 1971 to 1979. "We had a unique set of circumstances," the junior Lloyd said. "First of all, my name was a good name. There were a lot of Democrats that supported my dad, so they felt good about supporting me."

Also boosting Lloyd's chances were a united and enthusiastic Republican Party, then-Democratic Mayor Frank McDonald II's neutrality and lingering hard feelings among some supporters of Democratic primary winner Rick Borries' vanquished opponents. The returns yield evidence that it was Lloyd's singular appeal, and not a wave of Republican support, that propelled him to the mayor's office. While Lloyd defeated Borries with just under 51 percent of the vote, the GOP's nominee for city clerk lost by a margin of 61 percent to 39 percent. Two of the top vote-getters for three at-large City Council seats were Democrats, and Republicans lost three of four contested council races in wards. Weinzapfel then defeated Lloyd in 2003. Lloyd cites the city's "older, smaller housing stock, and so the residents maybe are less affluent and more blue collar, and those residents tend more to be Democrats. You can look at any kind of electoral map; the blue versus the red, and the red is more the rural areas and the blue is more the central cities." Weinzapfel told the Courier & Press, "If you make the assumption that the higher your income, the greater the tendency to vote Republican, and you consider the fact that the housing construction that's taking place in the county (outside the city) are homes of greater value than those that exist in the city, you have to have a little bit more money than the median household income in Vanderburgh County in order to purchase the large majority of this housing."

The 2010 Indiana General Assembly Republicans who won office did not carry the Evansville portion of their districts. Democrats won the battle of straight-ticket voters in city precincts by a margin of 5,635 to 5,370. Our take? We see a very competitive race shaping up. Both nominees



have a core of motivated supporters. Winnecke will have a money advantage, Davis has the demographic tailwind but may have a divided party. The wild cards could be whether Weinzapfel plays a role as well as the proposed Evansville/Vanderburgh consolidation. **Horse Race Status:** Tossup

Fort Wayne

Democrats: Mayor Tom Henry. **Republicans:** Paula Hughes. **2007 Results:** Henry 31,740, Kelty (R) 21,163.

2011 Forecast: Early polling showed Henry's popularity in the 60th percentile. But he faces former councilwoman Paula Hughes, who won a decisive, come-from-behind primary 56 percent victory over

Councilwoman Liz Brown (who did not advertise on TV) and businessman Eric Doden. How did Hughes trounce her primary opponents? Fellow Republicans – and Hughes herself – said she did it methodically, opening the campaign early and building a campaign organization long before most of the running began this year (Caylor, Fort Wayne News-Sentinel). In 2009, more than a year and a half ago, Hughes announced that she wouldn't go after another term on City Council, so that she could focus on what was then



Fort Wayne Republican Paula Hughes ran a great primary campaign for a decisive come-from-behind win.

a fledgling campaign to become Fort Wayne's next mayor. Tuesday night, she said that early launch to her campaign helped her build a network of volunteers. When she took the stage at Ceruti's to talk to fellow Republicans Tuesday night, about four dozen of her campaign backers took the stage along with her. Hughes has made spending and mayoral perks issues she will press this fall. "No longer will we be growing mounds of debt" without thought to its impact on future generations, she told a Republican crowd Tuesday evening. Her campaign manager, Sean Bartley, expanded on the tack the campaign will take in facing incumbent Mayor Tom Henry, who easily won – with about 86 percent of the vote – against four challengers in the Democratic primary. "Either Fort Wayne voters will accept \$400 million in debt, or they won't. Either Fort Wayne voters will accept or reject a Fort Wayne mayor making \$30,000 more than the governor of Indiana," Bartley said. Voters can decide whether to give the mayor a "free ride" while "the citizens of Fort Wayne struggle to fill their tanks." The primary drew only a 13 percent turnout. The concern for Republicans is that such a low turnout for a primary could be a sign that people aren't dissatisfied enough with the current mayor

to motivate them to vote in a fiercely contested Republican race for mayor. Fort Wayne was supposed to become a Republican city after former Mayor Paul Helmke annexed in large areas of Republican Aboite Township and other areas. But Democrats have won three straight elections since then, including Henry's first in 2007 when Republican nominee Matt Kelty went into a historic meltdown that ended in his indictment and conviction on campaign violations. We believe that Henry is the early favorite and don't sense a widespread anti-incumbency wave developing as of now. But with the prospect of a double-dip recession and Hughes campaign style which should not be underestimated, this race should be watched closely. **Horse Race Status:** Leans Henry

Gary

Democrat: Karen Freeman-Wilson. **Republican:** Charles R. Smith Jr. **2007 Results:** Clay 8,529, Smith (R) 2,569.

2011 Forecast: Former attorney general Freeman-Wilson will easily win in the fall and become Indiana's first female African-American mayor, and only the fifth in state history. **Horse Race Status:** Safe Freeman-Wilson

Goshen

Democrat: Mayor Allan Kauffman. **Republican:** Councilman Donald Riegsecker. **2007 Results:** Kauffman (D), 2,903, Huser (R) 2,587. **2011 Forecast:** This is a conservative Republican city that Kauffman has presided over for three terms and is favored to win over political newcomer Riegsecker. Kauffman easily won the primary while Riegsecker defeated fellow Councilman Chic Lantz. "I'm presuming I'll have to work a little harder in the fall," Kauffman told the Elkhart Truth. "A lot harder." Kauffman served on the Goshen City Council for 16 years before he was appointed to finish out the term left by Mike Puro leaving the city in 1997. He's been reelected to the job in each election since then. Riegsecker is in his first half-year on the council, filling out the term of his brother, Darryl, who left the seat to take a seat on the Elkhart County Council. **Horse Race Status:** Leans Kauffman

Hammond

Democrat: Mayor Thomas McDermott. **Republican:** George Janiec. **2007 Results:** McDermott (D) 5,289, Janiec (R) 4,802. **2011 Forecast:** More than 70 percent of Republican voters in the May 3 mayoral primary voted for candidates other than victor George Janiec, and his three closest competitors aren't yet supporting his candidacy in November (NWI Times). Republican voters split among four candidates who earned more than 90 percent of the vote, and it doesn't appear the party is close to unifying behind Janiec's candidacy. Janiec earned 28 percent of the 1,300



ballots cast. Matt Saliga, who finished second to Janiec in 2007 and again this year, said he hasn't heard from Janiec since the election. Janiec's next two closest competitors - Robert Pastore and David Hacker - both said they won't support Janiec. Janiec said the lack of endorsements from former opponents won't prevent their supporters from backing him in November. "The candidates themselves are one individual. They may throw their support into the race, but it's still only one person. It's the people in back - can (candidates) vouch for people in back and control their vote? I don't know," he said. Janiec also said he may have lost votes because the legality of his candidacy lingered for weeks after the Lake County elections board booted him from the ballot, saying his nonpartisan position on the Hammond School Board prevented a partisan mayoral run. The Indiana Supreme Court overturned the board's decision 12 days before the primary. Janiec will again face Mayor Thomas McDermott Jr., who drew almost 7,900 votes in his landslide victory in May. Janiec lost to McDermott in the 2007 general election by fewer than 500 votes. McDermott attributed his landslide primary victory to his own unprecedented effort, spurred by his embarrassingly close victory over Janiec in 2007. McDermott's campaign spent more than \$100,000 on the race to staff a headquarters, feed volunteers and track Democratic voters. He still has cash on hand and months to continue fundraising. "The numbers don't look good. McDermott really worked to get out the vote this time. I think in the last general election, 10,000 votes were cast and he got 5,000-something," Saliga said. "This time he got 8,000 in a primary. George isn't going to get anywhere near those numbers. And I don't know who can." Janiec said he's hoping a 33 percent boost in Republican voter turnout will lead to more participation in the general election. He said Republicans "mysteriously grew" to number almost 5,000 in 2007 after fewer than 1,000 turned out after that primary. **Horse Race Status:** Likely McDermott

Hobart

Democrat: Mayor Brian K. Snedecor. Independent: Chip Greenberg. **2007 Results:** Snedecor (D) 3,639, Guthrie (R) 2,426. **2011 Forecast:** Snedecor defeated former mayor Linda Buzinec in a primary rematch by 1,300 votes. He will coast to a second term in November. **Horse Race Status:** Likely Snedecor

Indianapolis

Republican: Mayor Greg Ballard. **Democrats:** Melina Kennedy. **2007 Results:** Ballard (D) 83,238, Peterson, Bart (D) 77,926, Peterson, Fred (L) 3,787. **2011 Forecast:** This is a race where the early internal GOP polling showed Ballard with a big lead, but that was months ago. The demographics in Indianapolis are steadily shifting

toward the Democrats. In 2008 the Democrats had 50,000 more straight party voters, and in the 2010 prosecutor's race they had a 22,000 vote advantage. While Ballard will likely have a money advantage throughout this campaign - he had \$2 million compared to \$1.3 million in April - many expect this race will tighten up. It may come down to organization and GOTV. Jon Mills, spokesman for Kennedy, tells HPI that the Democratic nominee spent only \$35,000 to easily win the primary. He says that education, public safety and jobs will be the big issues. "We lost 35,000 jobs. Graduation rates continue to plummet. Crime is up and there is a lack of leadership in public safety," Mills said. "There have been more than 100 fee increases put on taxpayers. Melina is going to put forth ideas on education, getting guns off the street and we want to restore vital crime prevention programs."



Indianapolis Star columnist Matt Tully recently lauded Kennedy's education efforts, saying, "Kennedy's entry into the local education debate came last week and, if graded on a curve, she gets decent marks. That's mainly because the only other student in the class is Mayor Greg Ballard, and he's pulled down the curve thanks to his complete absence from a crucial debate over the future of traditional public schools in the city. Driven by political fear and calculation, Ballard has declined to take part in a conversation about potential governance changes to Indianapolis Public Schools -- changes that could range from complete mayoral control to mayoral representatives on the school board."

Jennifer Hollowell, speaking for the Ballard campaign, tells HPI, "There is no way they are going to make their job allegations stick." She cited a recent Indianapolis Business Journal story that detailed how current jobs numbers are compiled the same way when Kennedy was deputy mayor under Bart Peterson. Ballard will draw contrast over what he calls 8,700 new jobs by 73 companies making \$970 million in investments. Ballard has ignited an aggressive public works road construction program, is expanding bike lanes and reacted to a WTHR-TV investigative story on towing abuses, announcing new rules last month. Ballard will also preside over the ramp up to the scheduled NFL Super Bowl in February 2012.

As for education issues, Hollowell asked, "Where was Melina Kennedy during this past legislative session when the mayor lobbied for the reform? Does she support the education reforms or did she camp out in Illinois for a couple of weeks?" Both Kennedy and Ballard were at the Broad Ripple hearing on the state takeovers Tuesday night.

While Indy mayoral candidate Kennedy may not have universal name ID, another influential Kennedy who



does have it made a stop in Indianapolis this week to show support for Melina. Kathleen Kennedy Townsend, eldest daughter of Sen. Robert Kennedy, said her first visit to Indianapolis was in 1968 to campaign for her Dad. Wednesday's visit was to drum up support for Melina at a privately hosted event by Catholic Democrats, a non-profit national organization that according to their website, represents the "Catholic voice within the Democratic Party." Melina Kennedy shared with supporters and a bevy of elected city/county Democratic officials that according to Washington Post's Chris Cilliza's mid-January post on The Fix, the Indy Mayor's race ranks #5 among "The 10 best races of 2011" to keep an eye on. HPI agrees.

Sources in both parties believe this will be a close race. Ballard's internal polling last winter had him leading by double digits. "I would expect since January her number has bumped up due to the primary and Democratic folks didn't know who she was," Hallowell said "She still doesn't have universal name ID. I expect it to be tight." **Horse Race Status:** Tossup

Jeffersonville

Democrat: Mayor Tom Galligan, Rob Waiz, Clark County Councilman Kenneth Vissing. **Republican:** Clark County Commissioner Mike Moore. **2007 Results:** Galligan (D) 4,102, Snelling (R) 2,406. **2011 Forecast:** Galligan easily defeated former mayor Rob Waiz by 1,000 votes in the Democratic primary. While there has been a GOP resurgence in Clark County, Jeffersonville is still heavily Democratic and we believe that Galligan is a strong favorite. **Horse Race Status:** Likely Galligan

Kokomo

Democrat: Mayor Greg Goodnight. **Republican:** Scott Kern. **2007 Results:** Goodnight (D) 6,721, Hamilton (R) 3,469. **2011 Forecast:** Goodnight faces former fire chief Kern, who was also a former Democrat. Goodnight has steered Kokomo through some of its toughest years and is in great shape for reelection. **Horse Race Status:** Safe Goodnight

Lafayette

Democrat: Mayor Tony Roswarski. **Republican:** Andrew Phillips. **2007 Results:** Roswarski (D) 8,644, Auckley (R) 1,934. **2011 Forecast:** Roswarski will be a heavy favorite to win another term in November. **Horse Race Status:** Safe Roswarski

Logansport

Democrat: Mayor Michael Fincher. **Republican:** Ted Franklin. **2007 Results:** Fincher (D) 2,539, Franklin (R) 1,598. **2011 Forecast:** Fincher narrowly beat Councilman

Charlie Hastings, 535-529, for the Democratic nomination while Ted Franklin soundly defeated challenger Michael Berkshire, 821-279, to earn the spot on the Republican ticket (Lilly, Logansport Pharos-Tribune). Fincher said the six-vote margin over Hastings was too close for comfort.



Logansport Mayor Michael Fincher.

"I am humbled and honored to have won," said Fincher, who is going for a third term. Only one other Logansport mayor has won three terms. "I think it's a wakeup call." Franklin said the 542-vote margin over Berkshire and the other candidates sent to the Nov. 8 general election by voters showed that Republicans were ready for a change. "In my involvement in city politics, this is the most unified that I have ever seen the party," Franklin said. This one will be worth watching this fall. **Horse Race Status:** Tossup

West Lafayette

Republican: Mayor John Dennis. **Democrat:** John Polles. **2007 Results:** Dennis (R) 2,601, Mills (D) 2,004. **2011 Forecast:** Polles came within 26 votes of defeating State Rep. Randy Truitt in 2008. The Purdue chemistry professor is a retired Army lieutenant colonel. He has the backing of former mayors Sonya Margerum and Jan Mills, along with former state representative Joe Micon. Dennis is serving his first term after he upset Mills by 600 votes in the 2007 anti-incumbency wave. This could be a close race. **Horse Race Status:** Tossup

Marion

Republican: Mayor Wayne Seybold. **Democrat:** Lynn Strieb-Johnson. **2007 Results:** Seybold (R) 3,779, Henry (R) 1,918. **2011 Forecast:** We believe Seybold will easily win another term. **Horse Race Status:** Safe Seybold

Michigan City

Democrat: Councilman Ron Meer. **Republican:** LaPorte County Republican Chairman Keith Harris. **2007 Results:** Oberlie (D) 2,153. **2011 Forecast:** Meer won a five-man primary with 1,445 votes, more than 400 over his closest opponent. Harris drew only 280 votes in an uncontested primary. Michigan City is a heavily Democratic city with retiring Mayor Chuck Oberlie winning unopposed in 2007. We see Meer as a heavy favorite. **Horse Race Status:** Likely Meer

Mishawaka

Democrat: State Rep. Craig Fry. **Republican:** Mayor Dave Wood. **2007 Results:** Rea (R) 5,254, Hayes (D) 4,720. **2011 Forecast:** Wood was selected last year to finish out Mayor Jeff Rea's term, so there is no traditional incumbent



in this race. While Mishawaka is a Democratic city and regularly elects Democratic majorities on its city council, the only Democrat mayor in the past generation was Bob Kovatch. Fry has been on the ballot in House races since the 1980s and may have more name ID than Mayor Wood going in. Fry will make an aggressive bid, but sometimes he is too aggressive. A number of local Democrats are down on him for some past dispute in which they found him nasty. While Wood is no "Mr. Charisma" he is a nice guy and that will make it harder for Fry to make the negatives stick. Mishawaka voters seem to like their Republican mayors and progress in their city. They contrast that with what they see as lack of progress under Democratic administrations in neighboring South Bend. **Horse Race Status:** Leans Wood

Muncie

Republican: Mayor Sharon McShurley. **Democrat:** State Rep. Dennis Tyler. **2007 Results:** McShurley 6,121, Mansfield (D) 6,108. **2011 Forecast:** Tyler (pictured) easily won a three-man primary and will now take aim at embattled Republican McShurley. After winning by just a handful of votes, McShurley has faced a myriad of controversies and showdowns with her city council, county government, firefighters, animal control, local festival committees (including one with Black Expo this week, see page 15), all while dealing with the property tax caps that have crimped Muncie's budget. We view her as the most vulnerable incumbent. **Horse Race Status:** Likely Tyler

New Albany

Democrat: Council President Jeff Gahan. **Republican:** none. **2007 Results:** England 4,018, Hubbard (R) 3,744. **2011 Forecast:** Gahan defeated Irv Stumler, who had the backing of outgoing Mayor Doug England Democratic, by about 350 votes. With no Republican on the ballot, the council president is poised to lead city hall. **Horse Race Status:** Safe Gahan

New Castle

Democrat: Greg York. **Republican:** John Nipp. **2007 Results:** Small (R) 2,919, Boles (D) 2,504. **2011 Forecast:** York defeated former mayor Sherman Boles in the Democratic primary after Mayor Small retired. **Horse Race Status:** Tossup

Richmond

Democrat: Mayor Sally Hutton. **Republican:** Councilman Bob Goodwin. **2007 Results:** Hutton (D) 4,122, Thalls (R) 3,199. **2011 Forecast:** Hutton easily cruised to a primary win and will face Councilman Goodwin. Hutton said jobs and economic development will be the big issues in the

fall race along with the task of operating city government within a shrinking budget. "There will be more cuts. There will have to be," she told the Palladium-Item. "People have told me they want cuts; they just haven't said what they want cut." **Horse Race Status:** Likely Hutton.

South Bend

Democrats: Peter Buttigieg. **Republican:** Wayne Curry. **2007 Results:** Luecke (D) 12,355, Manigault (R) 7,471. **2011 Forecast:** Buttigieg, just months after losing to Indiana Treasurer Richard Mourdock, is a cinch for election in this heavily Democratic city and will quickly become a rising star in the Indiana Democratic Party where he will be a commanding presence in the South Bend media market. He faces the task of reviving a city that is losing population and prestige. **Horse Race Status:** Safe Buttigieg

Terre Haute

Democrat: Fred Nation. **Republican:** Mayor Duke Bennett. **2007 Results:** Bennett (R) 6,055, Burke (D) 5,948. **2011 Forecast:** Nation is probably the best possible candidate for the Democrats, but it's still going to be difficult to unseat this incumbent. Terre Haute and Vigo County voters have already demonstrated they don't much care about political labels anymore. Last year, they re-elected an incumbent Republican prosecutor by a wide margin. The Democrat wasn't a strong candidate, however. Nation should do better. Bennett has proved to be a solid operations guy and manager. He's handled various budgeting crisis well without offending key groups — such as police and firefighters — that can sometimes make life miserable for incumbent mayors here. Barring something unforeseen, there won't be any key issues that set a fire to this race. Bennett's issue will be his steady management of city resources through tough economic and budgeting times. Nation will hammer on big picture issues such as a "vision" for the future, an arena in which Bennett is obviously uncomfortable. At this point, it looks like Bennett's race to lose. Some voters here are finally expressing a desire to stop this revolving door at city hall and restore some continuity to the mayor's office. Nation will have the difficult task of convincing them that, once again, an incumbent deserves to be turned out. **Horse Race Status:** Tossup

Vincennes

Democrat: Joseph Yochum. **Republican:** Terry Mooney. **2007 Results:** Baldwin (D) 2,456, Mooney (R) 1,663. **2011 Forecast:** Mooney is attempting to regain the mayor's office after losing to James Baldwin in 2007. Yochum easily defeated Mayor Baldwin in the Democratic primary 1,245 to 470. **Horse Race Status:** Tossup ❖



Signal votes in Congress as storm clouds gather across the globe

By **BRIAN A. HOWEY**

INDIANAPOLIS - The U.S. housing market continues to tank. The Wall Street Journal reported this week that people have lost an average of 23 percent of their home values in the last nine years.

Job creation in May was only at 38,000, well below the 190,000 job forecast.

There are hints that the economic bubble in the Chinese economy may burst.

And there's the teetering European Union where Greece, Spain, Ireland and Portugal will likely need rescue.

On Wednesday, under the screaming Drudge Report headline "On the Verge of a Great Depression," CNBC reported: Wall Street is having a hard time figuring out what to do now that the U.S. economy appears to be sputtering and yields are so low, Peter Yastrow, market strategist for Yastrow Origer, told CNBC. "What we've got right now is almost near panic going on with money managers and people who are responsible for money," he said. "They can not find a yield and you just don't want to be putting your money into commodities or things that are punts that might work out or they might not depending on what happens with the economy."

Another CNBC writer, Patrick Allen, wrote: The last month has been a horror show for the U.S. economy, with economic data falling off a cliff, according to Mike Riddell, a fund manager at M&G Investments in London. "It seems that almost every bit of data about the health of the US economy has disappointed expectations recently," said Riddell, in a note sent to CNBC on Wednesday.

Into this breach of confidence charged Congress, which this past week broached a number of "signal votes,"

the latest coming in the House Tuesday where 318 members refused to raise the debt ceiling, including 80 Democrats and U.S. Rep. Joe Donnelly.

The Senate voted down the Ryan budget. The Obama budget got zero votes in the House.

"It was a show and tell vote as opposed to one that was serious," said U.S. Sen. Dick Lugar from his Broad Ripple campaign headquarters on Wednesday.

This is scary stuff.

Yes, the senator responded. "We're two months away from this Aug. 2 deadline the Secretary of the Treasury has set," Lugar explained. "There is no longer legislation authorizing the United States to take on more debt. People may or may not believe that Aug. 2 is really the deadline. My guess is investors in our markets and other markets around the world are watching closely and apprehensively because this is going on at the same time that the European Union is being tested severely by the problems of Greece, in particular, Spain and Portugal coming after that. It's not clear that the Euro will be able to withstand the assault on European Union finances."

Lugar continued that all of this is coupled "with the thoughts that the United States might not be able to pay all of its bills. You pay the bondholders so you don't default on the bonds. But it raises the question, who else do you pay?"

He noted that 70 percent of the federal budget goes for Social Security, Medicare, Medicaid and the Department of Defense.

"The question will rapidly be which parts of our government do not get paid?" he said. "There are consequences to all of this. If you're an investor this is likely to lead to considerable anxiety."

It was a symbolic vote when Indiana's freshmen Republicans voted not to raise the debt ceiling. To vote otherwise would have drawn the wrath of constituents

back home. Getting spending under control was a constant theme in the 2010 campaigns they ran.

The New York Times reported: The preordained outcome followed several acts of odd political theater on the House floor: Republicans urged the defeat of their own measure, while Democrats - who not long ago were seeking just such a vote to raise the debt ceiling without attaching spending cuts - assailed Republicans for bringing it up, saying its certain defeat might unnerve the financial markets. Just in case, Republican leaders scheduled the



Sen. Lugar meets with volunteers at his campaign headquarters in Broad Ripple on Wednesday. (HPI Photo by Brian A. Howey)



vote for after the stock market's close, and in the preceding days called Wall Street executives to assure them that the vote was just for show, to show Mr. Obama that he would have to make concessions in budget negotiations if a debt-limit increase is to pass Congress.

"This vote, based on legislation I've introduced, will and must fail," said U.S. Dave Camp, Republican of Michigan and chairman of the Ways and Means Committee.

U.S. Rep. Mike Pence explained, "With a \$14 trillion national debt, the American people are fed up and want us to change the way Washington spends the people's money. Because I cannot support increasing the debt ceiling without real and meaningful spending reductions and reforms, I will not support H.R. 1954. To get the American people back to work, we need to embrace policies that will promote growth and investment, but everything starts with putting our fiscal house in order."

Pence was joined by Indiana freshman U.S. Reps. Todd Young, Marlin Stutzman, Larry Bucshon and Todd Rokita. "These are important actions and I cannot allow for our government to continue down this path of reckless spending and endless debt," said Bucshon. Stutzman explained, "I will vote no for increasing the 'debt limit' as the out of control spending of Washington must be curtailed before we even discuss an increase. If Congress cannot come to an agreement on increasing the public debt then Secretary Geithner will have to look into prioritizing our national debt. Prioritizing the 'debt' will allow for Social Security, the Military and Veteran's Affairs to maintain their programs and not affect those that depend on them. The President must come to the table with budget reforms; he doesn't understand the financial situation the nation is in."

Young added, "My goal in this Congress is to create an atmosphere where jobs can grow and the economy can thrive. To help create jobs, we must let businesses know that we are serious about reducing our debt and removing the threat of massive tax increases to pay for our unsustainable spending."

But the drama wasn't limited to Republicans. "I voted against raising the debt ceiling yesterday because the legislation did not also include spending cuts," Donnelly explained. "Raising the debt ceiling is critical to preserving the fragile economic recovery that is under way, but, as the outcome of yesterday's vote made clear - 318 members voted no - further spending cuts will have to be part of any deal. I am hopeful Democrats and Republicans will soon reach an agreement that will be good for the economy and the federal budget."

Speaker John Boehner called conversations with President Obama Wednesday "very frank" but called for greater spending cuts.

Asked if he had counseled Indiana's freshmen congressman about the financial perils, Lugar said, "That's why I voted for the Ryan budget. They had voted for the Ryan

budget. I wanted to support them. We're together with all of them. I convened a meeting with Mitch Daniels because he wanted meet with them. I invited the entire Indiana delegation. It is Republicans who are going to support each other in this."

Daniels said on ABC's "This Week" last Sunday that Medicare should be the "litmus test" and "it is the central dilemma and it ought therefore to be the center piece of the next election. We ought to test the proposition and I have faith the answer will be 'yes' and Americans are up to the solution once they have the facts."

The drama will likely continue for the next 60 days. Not only is there Treasury Secretary Tim Geithner's debt deadline, there will be the Afghanistan drawdown, all while 2012 Congressional campaigns get underway.

Lugar is already facing an intense challenge from Indiana Treasurer Richard Mourdock, who signalled his opposition to raising the debt limit last week.

Earlier in the day Lugar spent time at the Columbia Club with the Marion County Republican Finance Committee along with 17 elected officials. He gave them a detailed review of the theater in Washington.

Lugar said the housing crisis "is likely to lead to a situation of no growth or worse still, a potential for another recession. So a lot rides on the next 60 days."

He noted his support for the Ryan budget vote in the Senate, one of 40 Republicans to do so. "Congressman Ryan did offer a budget that cuts spending, but it also attempts to save Medicare," Lugar said. "It's the first time someone has had the courage to enter into a situation where every expert says it could fail and it will fail faster than Social Security, which will fail after that."

Lugar said that it's time to get serious about the nation's finances. Asked what could stave off the dreaded double dip recession, Lugar said, "The importance of passing a budget rapidly that has large spending cuts and adopting a program to save Medicare, now that we're into that argument we need to settle it. Absent that there will be continued fear and misinformation. And the sooner we do this the better for confidence in our economy and job creation."

When House Republicans met with President Obama at the White House, a source told NBC's Chuck Todd, Ryan concluded, "Leaders have to lead, and you haven't done it yet." House Republicans then gave Ryan a standing ovation.

A White House source has a different version of events: [Ryan] was very nervous and defensive. POTUS pointed out that he disagreed with Ryan's plan because he didn't think we should change Medicare fundamentally to pay for tax cuts for the wealthy. And that both sides shouldn't demagogue, which is something he knows something about since he has been called the "job killing, death panel, probably-wasn't-born-here president." ❖



Guidelines for the property tax caps

By **LARRY DeBOER**

WEST LAFAYETTE - Indiana caps property taxes for taxpayers, at 1 percent of gross assessed value for homesteads, 2 percent for other residential property and farmland, and 3 percent for everything else. The results of this simple system turn out to be pretty complicated, but there are guidelines that make things a little easier to understand. First, though, let's take a look at the how the tax caps work.



Homesteads are in the 1-percent category. A homestead is an owner-occupied primary residence. That means rental housing isn't included (it's not owner-occupied). Second homes (they're not primary) and residential swimming pools (they're not residences) aren't included either. All that non-homestead residential property is in the 2 percent tax-cap category, along with farmland. The 3 percent category includes commercial, industrial, and utility land and buildings, and all personal property, which is mostly business equipment.

Consider a homestead assessed at \$200,000. It gets a \$45,000 standard deduction, so \$155,000 remains. A 35-percent supplemental deduction is applied to that remainder. That's \$54,250. Most homeowners get the \$3,000 mortgage deduction. The net assessment after these deductions is \$97,750. That's the taxable assessed value.

The tax cap for this homestead is 1 percent of gross assessed value, or \$2,000. Taxable AV is a little less than half of gross AV, so a tax rate a little more than double the 1 percent cap rate puts the tax bill over the cap. A tax rate of \$2.05 per \$100 assessed value would do it. Tax bills over the cap receive credits, an amount subtracted from the tax bill to bring it down to the cap.

The tax cap for a \$100,000 homestead is \$1,000. The taxable assessment calculation yields \$32,750, a bit less than one-third of gross AV. The homestead would get a credit if the tax rate was \$3.06 or more.

Property in the 2 percent and 3 percent categories receives much less in deductions. Statewide, more than 80 percent of all deductions go to homesteads. That means property in the 2 percent category will get tax cap credits if the tax rate is higher than \$2. Property in the 3-percent category will be eligible if the tax rate is higher than \$3.

A property's total tax rate is the sum of the tax rates of the county, township, school corporation, library, and other special districts, and the tax rate of the city or town, if the property is located in one.

Tax-cap credits are a part of the tax bill not paid by taxpayers, so they are revenue not received by local governments. Revenue losses are divided among local governments, based on their shares in the total tax rate. The caps ignore debt-service tax rates in Lake and St. Joseph counties and rates passed by referenda anywhere.

Now for those guidelines.

If the tax rate on your property is less than \$2 per \$100 assessed value, you won't qualify for tax cap credits, unless you own a house assessed at more than \$200,000. No rental housing, farmland or business property will qualify. Local governments that operate in places where the tax rate is less than \$2 lose little revenue. About 85 percent of these places are outside of cities or towns. That's where most farmland is, so most of it doesn't get tax-cap credits.

If the tax rate on your property is between \$2 and \$3, you might qualify for tax-cap credits if your house is assessed between \$100,000 and \$200,000. Your rental housing, second home or farmland will qualify. Since most rental housing is located in cities or towns, where tax rates are higher than \$2, rental housing receives the most tax-cap credits statewide.

If the tax rate on your property is above \$3, almost all your rental, farmland and business property will qualify for tax cap credits, and your house will qualify if it's assessed at more than \$100,000.

Three-quarters of places with cities or towns have tax rates higher than \$2. About 97 percent of all tax-cap credits are losses to governments in those places.

Looks like \$2 and \$3 are the important thresholds. Keep those rates in mind, and it's a little bit easier to understand Indiana's property-tax cap system. ❖

DeBoer is professor of agricultural economics at Purdue University



Commuting policy proves to be a complex task

By **MORTON J. MARCUS**

INDIANAPOLIS - Where we work may be in a different county from where we live. Therefore, the Indiana Department of Revenue asks us to report where we work. Then they tabulate how many of us work in our county of residence to make sure that both the home and the work counties get their just optional income tax receipts.

In 2009, the latest year for which we have data, 80 percent of Hoosiers worked in the county where they lived with the other 20 percent going elsewhere to work. This hardly changed from the data 10 years earlier.



Should we have policies for commuting? Should we proclaim in our town/county we provide jobs for all our residents without them going someplace else to find employment? This sounds like a very green thing to say: "Cut the commuting; save time and protect the environment."

Allen County leads the state, followed very closely by Vigo and Tippecanoe counties in having jobs for its citizens. They are self-reliant with fewer than 6 percent of their workers commuting to employment elsewhere.

Least self-supporting are Hendricks, Hancock, Warrick, and Ohio counties. They each send at least 44 percent of their labor force to other counties for employment.

Should our economic development agencies find jobs for the unfortunate who must commute to make a decent wage? Is it time to liberate our citizens from their daily automotive confinement?

What do Floyd and Marion counties have in common? Both have in-bound commuters as one-quarter of their workforce. Are those in-bound commuters taking jobs away from our residents? Do they push down wages? Do we embrace open borders or do we seize the opportunity to capture these non-residents and house them in our community?

The inflow and outflow of workers can seem like a pathetic waste of resources. Stand on a busy street corner and watch the cars moving past. Virtually every one of those autos carries a single passenger. All that metal and fuel to move just one person north and another south. All that time devoted to slogging through traffic in a daily dance of opposite directions.

To other eyes, commuting is an essential component of achieving balance among the diverse desires of

households. With two workers and children, a family must decide its location based on many factors. Where are the jobs, where are the schools and churches, where is the medical care, where is the recreation, where are the amenities that give relief from the daily grind?

Some counties balance commuting inflows and outflows. DeKalb and Jackson each has about as many commuters in-bound as they have out-bound. Should this be a goal?

Marion County is a well-known magnet for jobs with more than 4 times as many in-bound as out-bound commuters. That same ratio holds for Vigo County.

Vanderburgh, Elkhart, Monroe, Howard and Allen counties are acknowledged centers of employment with at least twice as many in-bound as out-bound commuters. However, few might believe that St. Joseph County (South Bend-Mishawaka) is no more a magnet than is Jefferson County (Madison) with 123 in-commuters for each 100 out-bound.

Similarly, we all recognize Hamilton County as a net exporter of labor where the outflows of workers exceed the inflows. Yet it might come as a surprise that the ratio of the flows to and from Hamilton is virtually equal to that of Huntington County.

If in the coming campaigns, mayoral candidates start to pronounce policies for commuting, let's hope they understand the complexity of those lives enmeshed in daily travels. ❖

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

Daniels honors Bill Cook

BLOOMINGTON - Gov. Mitch Daniels presented the state's highest honor, the 2011 Sachem, to the family of late leader, innovator, and philanthropist William A. "Bill" Cook this evening during a celebration of Mr. Cook's life at the Indiana University Auditorium in Bloomington. Carl Cook accepted the award on behalf of the Cook family.

"Bill Cook did so many great things, but even more important, he did so many right things," Daniels said when he announced that Cook would receive the recognition. "Indiana will always revere his character and example beyond all the jobs he created and history he preserved. His was truly a life worth emulating."

Indiana University President Michael McRobbie served as the master of ceremonies and John Mellencamp performed during the memorial service. Several speakers contributed to the program by discussing Cook's vast influence in many fields, including medicine, philanthropy and historical preservation.



Doug Ross, NWI Times: Months ago, I was sure Indiana Gov. Mitch Daniels would run for president. The more he delayed his announcement, the less certain I became. But I no longer see Daniels as a serious presidential candidate in the future. That's a shame. It would have been fun. Daniels is a conservative, and to be on the ballot for the general election, he would have to win the support of conservatives in the various primary elections. His honesty in saying he couldn't convince his family to support his presidential bid put a serious dent in any future presidential prospects. It brings to mind a favorite scene from the hilarious movie, "My Big Fat Greek Wedding," in which the father insists he is the head of the family. After he leaves the room, his wife tells their daughter that yes, her husband is the head of the family, but the wife is the neck and can turn the head any way she wants. So Daniels might be the head of his family, but the neck -- his wife and daughters -- turned him the direction they wanted. If he decides to run for president at some point in the future, you can bet his detractors would say something like, "He wants to be the leader of the free world, but he can't even lead his family." Mean-spirited and unfair, yes, but the presidential race is a rough-and-tumble competition. That's a shame. ❖



Rich James, Post-Tribune: Gov. Mitch Daniels' decision not to seek the Republican nomination for president in 2012 has pumped new life into Indiana's struggling Democratic Party. Had Daniels run and won the Republican nomination, it would have been virtually impossible for a Democrat to win next year's governor's race. Like the weather, politics can change quickly in Indiana. It appears a virtual certainty that the governor's race will come down to Democrat John Gregg, the former speaker of the Indiana House of Representatives, and Republican U.S. Rep. Mike Pence. It ought to be an interesting race for a number of reasons. Gregg is witty and extremely bright. And if you looked up Hoosier in the dictionary, you might see his picture. With his well-coifed gray hair, Pence looks like a governor. But, Pence makes the tea party people seem like liberals. Gregg is a regular kind of guy. Pence will try to hide behind "Hoosier values" to legislate morality. Two decades or so ago, Gregg wouldn't have had that much of a chance to be governor. The only Democrats back then with a chance to win had names ending in Bayh and O'Bannon. But, Indiana has changed. There are fewer farmers, which means an erosion of a substantial part of the Republican base. And as the middle class declines, more people are doing without and they tend to vote Democratic. And Indiana not only became a blue state in 2008 — the first time since 1964 — they did so as America elected its first black

president. In 2010, Indiana got caught up in the tea party thing and Republicans won control of the Indiana House. They already had the Senate. But all that political power is tearing apart Hoosier Republicans, particularly since the tea folks are out to oust moderate Republican Sen. Richard Lugar, one of the nation's foremost statesmen. Feeling somewhat omnipotent after the 2010 election, Indiana Republicans ran roughshod over anyone who got in their way — particularly women. By rights, Democrats should have fielded a woman for governor but that's not going to happen. Gregg will have to take up the cause. But, things aren't as hunky-dory as Republicans like to think they are. Remember that saying, "Power tends to corrupt, and absolute power corrupts absolutely." Well, that's pretty much what Republicans did during the recently concluded General Assembly. They did what they did — in many instances — largely because they had the votes to do so, not because that's what the people of Indiana wanted. And they did a lot of it on the backs of women. That's why Democratic state Sen. Vi Simpson would have made a fine candidate for governor. If I were Gregg, I'd spend a good bit of time talking about how the Republicans this year took health care away from lower-income women when they eliminated all funding for Planned Parenthood. ❖

Lesley Stedman Weidenbener, Louisville Courier-Journal: Gov. Mitch Daniels last week disappointed his close advisers, supporters and friends when he announced he would not jump into the presidential race. Many were surprised by the decision, even though he has said repeatedly over the past year that the choice of whether to run would likely come down to his family. And indeed, though it appears Daniels was fully prepared to jump into the race, his wife and four daughters said no — and so he did too. I've heard from a number of readers about this. For some, the decision is only confirmation that Daniels would have been the "family values" candidate that conservatives were seeking. A few have complained that Daniels' family would prevent him from doing something so important for the country. And there were others who thought Daniels could have been just a little less specific about his reasons. He could have called it a "family decision" rather than being so forthright that his family actually vetoed the idea. Regardless, those who are frustrated by his decision or shocked that he would say no need only to stop and truly consider what a family must endure to run for president. The entire family would be living in a bubble, just when his daughters — all young adults — would be trying to build their own lives. The Daniels home in Carmel would have to be secured. Cheri and Mitch Daniels could not have just picked up and visited their daughters in their homes without incredible security. ❖



HHS rejects law banning PPIN

WASHINGTON - The U.S. Health and Human Services Department rejected changes in Indiana's Medicaid plan Wednesday, saying it illegally bans funding for Planned Parenthood, and sought to make clear that a similar fate awaits other states that pass legislation barring any qualified health care provider (Associated Press). In a letter sent to Indiana's Medicaid director, Medicaid Administrator



Donald M. Berwick said Indiana's plan will bar beneficiaries improperly from receiving services. Federal law requires Medicaid beneficiaries to be able to obtain services from any qualified provider. "Medicaid programs may not exclude qualified health care providers from providing services that are funded under the program because of a provider's scope of practice," Berwick wrote in a letter to Patricia Cassanova, the director of Indiana's office of Medicaid Policy and Planning. "Such a restriction would have a particular effect on beneficiaries' ability to access family planning providers." Indiana's law bars Planned Parenthood offices in the state from receiving federal money because the agency provides abortions, among other services. Indiana should change its plan to conform with federal law, or the state could face penalties, the letter said, noting that Indiana has 60 days to appeal. In the past, state Medicaid plans that did not conform with federal law have been changed by states before Health and Human Services enforced any penalties. In addition to Berwick's letter, Health and Human Services also posted a notice Wednesday to other interested parties, seeking to make clear that the department would take

a dim view of similar efforts to ban specific providers from federal funds. Indiana officials should have expected the rejection, Berwick wrote. "We assume this decision is not unexpected," Berwick wrote. "As the Indiana Legislative Services Agency indicated in its April 19, 2011, fiscal impact statement, 'While states are permitted to waive a recipient's freedom of choice of a provider to implement managed care, restricting freedom of choice with respect to providers of family planning services is prohibited.'" The Health and Human Services notice, written by Cindy Mann, the director of the Center for Medicaid, Indiana's Children's Health Insurance Program and Survey & Certification, emphasizes that states may bar providers from participating in Medicaid in certain circumstances, such as if a provider is committing fraud or criminal acts. "States are not, however, permitted to exclude providers from the program solely on the basis of the range of medical services they provide," Mann wrote."

Top DSC officials to probe boys death

INDIANAPOLIS- Three high-level staff members from the Indiana Department of Child Services will review the circumstances surrounding 13-year-old Christian Choate's death, a DCS spokeswoman said Wednesday. DCS spokeswoman Ann Houseworth said the team will look for systematic issues that may have contributed to the boy's death (NWI Times). Last month, Lake County police unearthed remains, believed to be Choate's, from a shallow grave in a mobile home park north of the intersection of Ridge Road and Colfax Avenue in Gary. Authorities are waiting on the results of DNA testing to positively identify the body. "We are committed to improving Indiana's child welfare system," Houseworth

said. "It can only be accomplished through objective self-evaluation and evaluation of our policies. Most importantly ... we want to truly figure out what happened to this little boy."

Romney seeks second chance

WASHINGTON - What are the odds of this? A guy gets into a head-on collision, has a police officer write "He is dead" at the scene, and lives to tell (Associated Press). Mitt Romney knows a thing or two about second chances. After that long-ago highway collision when he was a young missionary serving in France, Romney earned an outsized reputation and millions of dollars as a corporate turnaround artist, fixing bottom lines, cleaning up the scandal-tarred Salt Lake City Olympics and giving various other endeavors a second wind. Now he is determined to do that for himself. (And his country, he would say.) "I've never seen an enterprise in more desperate need of a turnaround than the U.S. government," Romney says. An also-ran to John McCain in the 2008 Republican nomination fight, Romney is the closest thing to a front-runner that the still-jelling GOP presidential field for 2012 has to offer. On Thursday, the former Massachusetts governor makes his candidacy official during an appearance at a farm in Stratham, N.H.

McShurley tangles with Black Expo

MUNCIE - Indiana Black Expo officials on Wednesday resolved a dispute between local Black Expo volunteers and Mayor Sharon McShurley's administration that some feared could cause a last-minute cancellation of this weekend's celebration at Heekin Park. After a call from the mayor, members



of the state Black Expo organization on Wednesday agreed to pay the \$5,000 fee required for off-duty Muncie Police Department officers to provide security at the three-day event (Muncie Star Press). The dispute came to a head Wednesday morning, when the city board of public works did not approve a street closing and noise ordinance variance for the weekend event because organizers had not made arrangements for MPD security. "We will be having the summer celebration thanks to our state office," Ren'a Wagner, president of the Muncie chapter of Indiana Black Expo, said Wednesday afternoon. "They've agreed to help us pay this huge security bill that was given to us this morning by the city of Muncie." The local IBE president and McShurley offered somewhat different accounts of an earlier discussion they had regarding the cost of security for the Heekin Park event. "The mayor and I did talk about security at length, but this \$5,000 never came up," Wagner said. For her part, McShurley said Black Expo organizers were given plenty of notice of the city's intention to collect fees for security at the event.

18 schools face state takeover

INDIANAPOLIS - Eighteen Indiana schools have a lot riding on statewide test scores that will be released this summer. If the schools fail again — marking a sixth consecutive year of being on academic probation — the state could turn them over to private companies charged with spurring improvement. School leaders, teachers, parents and students are sticking up for their local schools at public hearings around the state, saying they want to retain control and that they know better than anyone what their districts need to succeed. But State Superintendent of Public In-

struction Tony Bennett said it's simply unacceptable to have six straight years of failing schools. "The state isn't being aggressive enough," he said. "The fact that we have children in communities who spend their entire high school and junior high years in bad schools — that's not the fault of the kids or the parents, that's the fault of state leadership to say 'We should not tolerate this.'" The 18 schools are in urban areas, with seven in Indianapolis Public Schools.

McGauley may challenge Peters

FORT WAYNE - With months to go before the fall's city election, the 2012 Republican primary could already have a hotly contested race (Fort Wayne Journal Gazette). Allen County Recorder John McGauley filed paperwork Wednesday to create an exploratory committee for the county commissioner seat now held by Nelson Peters. Both are Republicans. While the filing only allows him to raise money in an effort to gauge support, McGauley said he is "100 percent" committed to seeking the post. That won't be changed by Peters' decision or if anyone else decides to run, he said. "It will impact how I do it, not if I do it," he said. Peters said he heard about the filing but has not made up his mind on whether he will seek a third term.

Winnecke releases 'Angel' plan

EVANSVILLE - In a jobs plan he released Wednesday, Republican mayoral candidate Lloyd Winnecke promises to make things happen — with the help of some angels (Evansville Courier & Press). Along with the traditional pledges to cut red tape, personally work with existing busi-

nesses and hold city government and its partners accountable for their progress, Winnecke calls for an "Angel Network venture capital group." "An Evansville Angel Network will examine business proposals from budding entrepreneurs through a web-based portal managed by the city," Winnecke's proposal states. "Business 'angels' would pay an annual fee to have access to proposed business plans, which in turn will cover the city's expense to develop and maintain the portal."

Carter seeks political return

NOBLESVILLE - Saying he has a "fire in (his) belly," former two-term Hamilton County Sheriff Doug Carter is seeking a return to public service (Indianapolis Star). Carter will run for the Steve Holt's Hamilton County commissioner seat next year. Holt, 62, who represents Westfield and much of northern Hamilton County, announced last week that he wouldn't run for reelection in 2012. "When (Holt) decided not to run again, I saw an opportunity to serve the citizens of Hamilton County again," Carter said. "I've received a tremendous amount of support from people to get back into public service."

Zoeller touts DNC list

TERRE HAUTE - Indiana now has one of the strongest "do-not-call" lists for cellular telephones in the nation, Indiana Attorney General Greg Zoeller said Wednesday at Indiana State University (Terre Haute Tribune-Star). Zoeller touted passage of eight consumer protection bills from the 2011 session of the Indiana General Assembly.