



Obama faces long Indiana odds

Hoosiers are mad, health reforms unpopular, and Tea Party still strong

"It may not be until 2016 or even 2020 that we know for sure whether Indiana is a permanent member of the battleground, but for now and for 2012, it's clear it will be."

- **NBC News Political Director Chuck Todd**, "How Barack Obama Won," published in early 2009.

By **CHRISTINE MATTHEWS**

WASHINGTON - Against long odds, the Obama campaign believed they could win Indiana in 2008. The McCain campaign figured if they lost Indiana, game over, and they were both right.



Barack Obama made nearly 50 visits to the Hoosier state during the 2008 campaign, including his symbolic last stop on Election Day. Republican candidate John McCain



President Obama looks on as unemployed Ed Neufeldt of Elkhart talks at Concord HS in February 2009 as the president pushed his stimulus package. (HPI Photo by A. Walker Shaw)

made three, including a brief airport fly-in the day before the election. The Obama team poured money and manpower into the state and, in the process, registered thou-

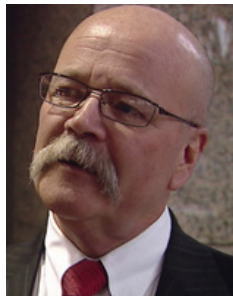
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Dem's Bayh bell curve

By **BRIAN A. HOWEY**

INDIANAPOLIS - Indiana Democrats begin gathering today for their annual conference at French Lick and are facing their most daunting challenges since President Reagan's 1984 reelection landslide.

During the 1984 campaign, a young Evan Bayh emerged as the party's star on the horizon, poised to end a 20-year drought in the governor's office. Four years later, he would end the GOP dynasty, triggering a 16-year Democratic run that



John Gregg will galvanize support this weekend.



"I'm not gay. I went to the edge, but I didn't fall over the edge."

- **State Rep. Phil Hinkle**



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made Indiana a true two-party state.

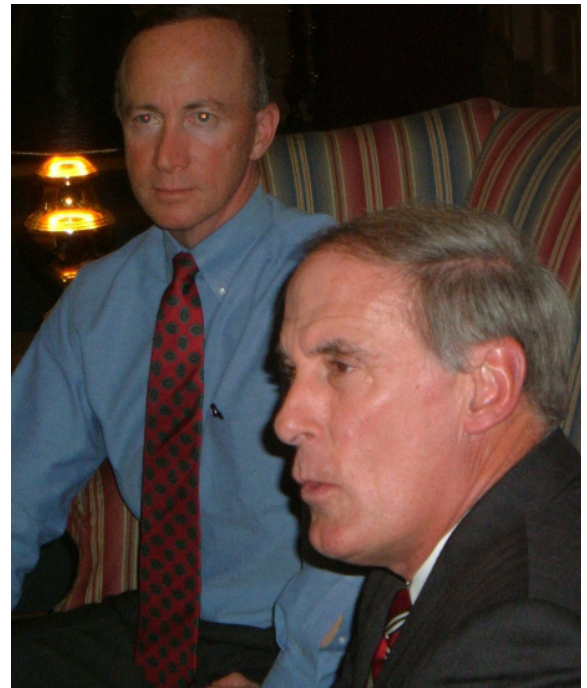
If John Gregg had not stepped into this void this year, the bleakness of the current Democratic predicament would have been much worse. But even with Gregg poised for the nomination and reclamation of its Southern Strategy, the party finds itself on the steep downward side of the Bayh bell curve. It finds the young GOP prince and perhaps its best communicator - U.S. Rep. Mike Pence - prepared to take his party's nomination. It finds a Republican super majority in the Indiana Senate, a mere 40 members in the Indiana House with possible retirements and departing mayors crimping those rolls. Its congressional delegation has been whittled to a 6-3 Republican edge with U.S. Rep. Joe Donnelly's 2nd CD teetering precariously on defeat next year. Only U.S. Reps. Pete Visclosky and Andre Carson look to have durable futures. And the Bayh Democratic Senate seat was ceded to the Republicans after Bayh opted out of an attempt at a third term.

Even on the mayoral front, Fort Wayne's Tom Henry, Indianapolis' Melina Kennedy and Evansville's Rick Davis are not heavy favorites.

In the Aug. 12, 2004, edition of Howey Politics, we described the "systematic emasculation of the Lake County Democratic machine on a five-pronged front," its impact every bit as dramatic as Evan Bayh's political assault on the Indiana GOP machine in 1986-88. There are these Republicans: U.S. Attorney Joseph Van Bokkelen and, higher up in the U.S. Justice Department, Assistant Attorney General Deborah Daniels, who heads the Office of Justice Programs and is the sister of gubernatorial candidate Mitch Daniels. There is Attorney General

Carter, a Lowell native who invoked RICO statutes against East Chicago Mayor Pastrick. There is Secretary of State Todd Rokita, a Munster native who orchestrated a voter file purge that resulted in 70,000 of 340,000 Lake County voter registration validation forms coming back as 'undeliverable mail'."

The result was an Indiana Supreme Court overturning of the 2003 East Chicago mayoral election of Robert Pastrick and his subsequent



Gov. Daniels and Sen. Dan Coats played key roles in putting the Indiana GOP in such a dominating position. (HPI Photo by Brian A. Howey)

defeat by George Pabey in 2004. But since then - with only the 2008 Barack Obama capture of the state's 11 Electoral College votes - Indiana Republicans have made a host of encroachments into the Democratic portfolio.

They include:

■ Two Mitch Daniels gubernatorial victories, in which Democratic pluralities were held to about 56,500 votes in Lake County, down from the historic 75,000-vote plurality Gov. Frank O'Bannon had in 2000 and the



69,000-vote plurality Gov. Evan Bayh had in 1992.

■ The loss of the Democratic keystone, U.S. Sen. Bayh, who abruptly announced his Senate retirement just before the February 2010 filing deadline after former Sen. Dan Coats had announced 13 days earlier that he would challenge the incumbent. Republicans were poised to attack Bayh on his new-found wealth (including the role of his wife, Susan), as well as tying him to President Obama. That set off a chain reaction to the Bayh dominoes that sent the party to losses in the Senate race, in U.S. Rep. Brad Ellsworth's 8th CD after he opted into the Senate race, to the Indiana House seat of Rep. Trent Van Haaften (who opted into the Ellsworth seat), and the Indiana Senate seat of Bob Dieg, who replaced Van Haaften. It was a withering Chinese fire drill that by the end of Election Day in November 2010, saw two Southern Indiana congressional seats, two Southern Indiana state Senate seats, and five Indiana House seats turn to GOP control.

■ The recapture by a stunning 60-40 majority of the Indiana House, which paved the way for legislative and congressional maps that will distinctly favor Republicans on those levels for the next two or three election cycles.

■ The loss of congressional seats held by Sen. Bayh and Reps. Baron Hill and Brad Ellsworth.

■ The Republican policy victories in the Indiana General Assembly on education reform, labor reform, and abortion restriction with weakened Democratic ancillary groups such as the Indiana State Teachers Association and Planned Parenthood of Indiana suffering distinct setbacks.

■ The labor showdown that prompted the five-week House Democratic walkout that might have been a political victory for House Minority Leader B. Patrick Bauer, but many believe it paved the way for Speaker Brian Bosma and his new GOP majority to win generational education and abortion reforms.

■ Indiana Treasurer Richard Mourdock's attempt to kill the Chrysler/Fiat merger, which if successful could have dealt a historic blow to the Indiana manufacturing base, and, from a Republican perspective, the emancipation of the UAW, which has pumped millions of dollars into Indiana gubernatorial and legislative elections over the past decades.

This weekend, Indiana Democrats will look to coalesce around Gregg's gubernatorial candidacy and U.S. Rep. Joe Donnelly's Senate campaign.

"You have to admit 2010 was not a good year for us," said Indiana Democratic Chairman Dan Parker. "We're in a stronger position than in the years you were describing. We have a history of coming together, winning governor races, winning Senate races. What you're going to see at French Lick is the party coalescing around our governor and Senate candidatures. The Democratic Central Committees are going to endorse Gregg and Donnelly. Each one

has been a unanimous vote. We're building toward being united with common purpose. It will prepare us for huge municipal elections."

Indiana Republican Chairman Eric Holcomb said, "The Indiana Democratic Party has no one to blame but themselves. Their only agenda is to have no policy. In today's world, it's not enough to run for office and you have to run on ideas. As Republicans, we are the party of purpose. We offer bold ideas. Our counterparts have been nothing but opposition and obstacle. They watched it slip away because they weren't for things, they were against things."

How the GOP began to dominate

Was there a time when the key Republican players – Mitch Daniels, Todd Rokita, Steve Carter, Richard Mourdock, Murray Clark, Eric Holcomb, Dan Coats - brainstormed about a united front?

No, Holcomb said. "I would say Gov. Daniels deserves a lot of credit in paving the way and attracting such talent to public service. What tends to happen is when some step forward and lead, other people want to step forward and say, 'I want to be a part of that. I want in.' It wasn't any one meeting. It happened relentlessly over time and still continues. We're far from resting on our laurels."



U.S. Sen. Evan Bayh's abrupt retirement left the Democrats in a hole.

Holcomb said it is fair to compare the current GOP dominance to the era between 1968 and 1988 that produced Govs. Edgar Whitcomb, Otis Bowen and Robert Orr.

But it was a 13-day period in February 2010 that proved to be decisive. Less than a month after Mike Pence and Rokita took a pass on the Senate race, Dan Coats announced his return on Feb. 2 and that was followed by Evan Bayh's stunning exit 13 days later. Indiana Democrats not only had to respond with a seat-switching Chinese fire drill, but Indiana Democrats saw their most successful coat-tail brand exit the stage just as President Obama's stock took a dramatic dive.

All eyes on John Gregg

Parker believes that John Gregg is poised to restore



the party to the idea field. "That's what a good strong gubernatorial run by John Gregg will allow the party to do," he said. "We obviously have been an opposition party to Gov. Daniels. But a strong governor run by John Gregg to create good jobs – not call center jobs, invest in education and not tear it down – will be important. I look forward for John to lay down that agenda."

Gregg retired from the Statehouse in 2002, just as the new Indiana Democratic-drawn legislative and congressional maps came into place and Daniels was leaving the Bush 43 White House and preparing for his political comeback in Indiana. Thus Gregg missed the entire "Aiming Higher" period. After the defeat of Gov. Joe Kernan by Daniels in 2004, the mantle of the party at the state level fell on Bauer, an old-school throwback person who cobbled a House alliance of long-time Democrats, the African-American caucus, and labor Democrats. Bauer has ruled the caucus with an iron fist and has maintained an extraordinary level of cohesion. But members of his own party described Bauer as a "payback" style politician with a long memory, and no small amount of paranoia.

As Daniels became fully engaged in winning back the House in 2010, Bauer became the pugnacious face of Indiana Democrats, eclipsed only by President Obama's stunning win in the state in 2008, with Bauer and much of the state's establishment siding with Hillary Clinton, who barely won the primary. By 2009, with Obama pushing a reform agenda on the national education front while Daniels and Supt. Tony Bennett were beginning to push a similar agenda in the state, Bauer found himself increasingly isolated and a recalcitrant policy speed bump.

His fractured, ugly House campaign strategy was a disaster as a steady parade of long-time Democrats like Bob Bischoff, Paul Robertson and Ron Herrell were defeated in the 2010 wave, paving the way for the 2011 policy debacle in the legislature.

"I would say that there are few elected officials who have the ability to hold things together and Sen. Bayh was certainly one of the few who did for so long," Holcomb observed. "His absence had a great impact."

The Obama boon or millstone

While Indiana Democrats are on a united front with

Gregg and Donnelly, and hoping that the Richard Lugar/Richard Mourdock race splits the GOP, the imposing figures over the process are President Obama and whoever emerges as the Republican nominee.

"Indiana is a perfect example of a state in the Midwest that barely went for Barack Obama," National Republican Chairman Reince Priebus said at Indiana Republican Headquarters Monday as Chairman Eric Holcomb looked on. "People fell for empty rhetoric, but we'll go back to red in 2012. We'll work to connect the dots and keep Indiana red."

Priebus charged that President Obama is good "at promise making" while he is "in love with his own words." But he said the President has failed to cut the deficit, debt and right the faltering economy. The Wisconsin Republican acknowledged that Obama is "good at fundraising, speech giving and campaigning."

Parker is a lone Hoosier pol who believes the state will be in play. "It will be a very active campaign by the President who will be important for us here," said Parker, who has been in close contact with the Obama reelection in Chicago. "I'm not giving up hope he can carry the state again. He can run on things that he was right and Daniels and Pence were wrong. Auto industry is thriving. A lot of investments by the recovery act ridiculed by Mike Pence are going to pay dividends in the years ahead. He's the only adult in the room. He is the only moderate influence with the right wing of the GOP."

Asked about Organizing for America – the Obama political wing – pulling out of the state, Parker said, "It's folding into the presidential reelection apparatus. We've had numerous communica-

tions with Chicago about Indiana. It will be very similar to 2008. The initial conversations have been about the upper level of the campaign and how money will flow. I'm encouraged. I believe it will invest in Indiana and we look to fight for 11 electoral votes."

If Parker is even close to right – and with Obama at a 38 percent national Gallup approval rating, he is a distinct minority – that will help Gregg and potentially Donnelly. If a crimson tide is in store for the Hoosier state, the Democrats will have big challenges that only new ideas and new faces can giving them a path toward revival. ❖



U.S. Rep. Joe Donnelly will keynote the Saturday luncheon at the Indiana Democratic Editorial Association. (HPI Photo by Brian A. Howey)



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sands of new voters, many of them college students.

They worked Indiana hard and it paid off in 2008 with a narrow victory, the first for a Democrat in over 40 years. The 2008 exit poll of Indiana voters revealed that 37% had been contacted by the Obama campaign, while just 22% reported contact by the McCain team.

Indiana was moved onto the list of Battleground states. But is its listing premature?

Yes. The Hoosier state has reverted back to form, with a vengeance. It may not take 40 more years before a Democratic Presidential candidate wins Indiana, but it won't happen in 2012. Here's why:

The 2010 election

Hoosiers voters are mad and they're not going to take it anymore. In the 2010 U.S. Senate race, Democratic candidate Brad Ellsworth never had a chance. In another year, he might have been a candidate straight out of Democratic central casting, but not in 2010. His opponent, Dan Coats, ran a good campaign and Ellsworth was pulled under by a strong undercurrent of anger at the President. Nearly half of Hoosiers who cast a ballot for U.S. Senate last year said their vote was a message of opposition to President Obama, placing Indiana at the top of all states with a U.S. Senate contest in the percentage of voters signaling opposition to the President with their vote.

According to 2010 voter exit polls, Indiana was more negative than most states about President Obama, giving him one of his highest job disapproval ratings (69%), hewing more closely to states like Kentucky and West Virginia which were solid McCain states than to traditional Battleground states.

In another measure of displeasure, 55% of 2010 voters in Indiana said the new health care reform legislation should be repealed, one of the highest percentages in the country.

Sour on the nation, Sunny on the state

The mood hasn't gotten any better in 2011. Just one in four Hoosiers think the country is headed in the right direction, while 62% think it's off on the wrong track (June, 2011 Bellwether Statewide of 800 voters). This is actually more negative than our state polling last summer when 57% said the country was on the wrong track. Of course, Republicans are nearly unanimous in their belief the country is off the rails, but only 19% of independent men (and 30% of independent women) think the country is doing well. Obama won Hoosiers who identify as independents by a 54%-43% margin, but these numbers make it look highly unlikely for a repeat.

Contrast this with the fact that a majority of Hoosiers believe their state is on the right track and, at 58%, give Governor Mitch Daniels one of the highest approval ratings in the country. They see a Republican model that is working incredibly well. And, unlike Battleground states like Ohio, Wisconsin and Florida where Republican governors have gotten off to rocky starts, creating varying degrees of backlash to their governing styles, Hoosiers are very happy with their state's governor who provides an inherent contrast with the President.

Our June statewide poll places President Obama's approval rating at: 47% approve – 48% disapprove. It is likely to be lower now, perhaps closer to the average of 42% approval, based on Gallup's polling in the state from January through June. Once again, Indiana is not profiling like a Bellwether state like Florida, North Carolina, Virginia, Pennsylvania and Ohio

2010 Senate Vote a Message

	Support Obama	Oppose Obama	Not a Factor
Indiana	23%	47%	29%
West Virginia	12%	46%	40%
South Carolina	27%	42%	29%
Arkansas	16%	41%	39%
New Hampshire	22%	41%	35%
Arizona	21%	40%	37%
Kentucky	18%	40%	41%
Missouri	25%	40%	33%
Ohio	27%	36%	35%
Pennsylvania	28%	36%	33%
Florida	24%	34%	40%
Wisconsin	27%	34%	37%
Illinois	37%	32%	30%
Iowa	17%	32%	47%
Nevada	21%	32%	45%
Colorado	16%	26%	57%
Delaware	33%	26%	40%
California	24%	24%	50%
Washington	15%	15%	69%
Oregon	11%	13%	73%

Source: 2010 State Exit polls

Among 2010 election voters

Barack Obama	Among 2010 election voters		Jan-June '11 Avg
	Approve	Disapprove	Approve
West Virginia	30%	69%	33%
Kentucky	36%	63%	37%
Arkansas	37%	62%	33%
Indiana	37%	62%	42%
Arizona	40%	60%	44%
Missouri	40%	59%	42%
Ohio	42%	57%	45%
Iowa	43%	56%	49%
South Carolina	43%	56%	43%
Florida	45%	54%	47%
New Hampshire	46%	54%	40%
Pennsylvania	47%	53%	48%
Wisconsin	46%	53%	50%
Nevada	46%	52%	44%
Colorado	48%	51%	44%
Washington	51%	49%	50%
Oregon	52%	47%	44%
Illinois	53%	46%	54%
California	53%	45%	53%
Delaware	57%	43%	59%

Source: 2010 State Exit polls

Source: Gallup



who give Obama approval ratings in the 46%-47% range.

Losing to a Generic Republican

Obama loses to a Republican candidate by 11 points (35%-46%) on our June, 2011 statewide poll which is similar to the 10.5% margin by which George W. Bush beat John Kerry in 2004.

Ominously, Obama loses in Marion County by a 43%-39% margin, a county he won 61%-37% over John McCain. In 2004, Marion County was a very narrow Democratic presidential win and it looks closer to 2004 than 2008. Obama loses independents over 45 by a 27%-36% margin, although he holds younger independents (37%-31%), with high undecideds, including 40% of independent men. Independent women actually are supporting the GOP candidate by a 40%-33% margin, with 27% undecided.

In 2008, it wasn't terribly uncommon to see both Daniels and Obama yard signs at the same home. One in four Obama voters also voted to re-elect Governor Daniels. It is nearly inconceivable to think of Pence and Obama yard signs at the same home.

What about the youth vote?

18-29 year olds were only 10% of 2010 electorate in Indiana; in 2008 they were 19%, so one can argue that in 2012, the electorate will be more favorable to Obama. In our June 2011 poll, a majority of 18-29 year olds approve of the job Obama is doing, but only 33% say the country is heading in the right direction. The voters the Obama campaign so masterfully targeted and turned out in college towns like Bloomington, West Lafayette and Indianapolis have graduated. Have they found jobs?

In 2008, Obama won 18-29 yr olds by a 63%-35% margin. On our June poll, they

Among 2010 election voters

% ID as Tea Party

Arizona	46%
Indiana	46%
Arkansas	43%
Kentucky	43%
Ohio	43%
South Carolina	43%
Colorado	41%
Missouri	41%
New Hampshire	41%
Florida	40%
West Virginia	40%
Pennsylvania	39%
Washington	37%
Wisconsin	37%
Illinois	36%
Iowa	36%
Nevada	36%
Oregon	36%
Delaware	35%
California	34%

Source: 2010 State Exit polls

are with him 45%-33%, far below the heady numbers of 2008.

The Tea hasn't cooled

Indiana reported one of the highest percentages (46%) of Tea Party voters in the country, based on 2010 exit polling.

In our June 2011 poll, 35% of Hoosier voters say they support the Tea Party, twice the number (18%) from the CBS/New York Times August national poll. Certainly part of this is that Indiana has more voters who identify as Republicans and Republicans are most likely to identify with the Tea Party.

While the movement may have reached its apex in the 2010 election in some places, the strong negative reaction generated in response to some of President Obama's policies has abated little in Indiana.

In 2012, Republicans won't take Indiana for granted

The fact that Indiana went for Obama in 2008 ensures that national Republicans will not take Indiana for granted in 2012. Indiana State Republican Chair Eric Holcomb is already promoting Indiana to GOP presidential candidates, attracting top contenders to the state although the May GOP primary is relatively late in the game. Holcomb will make sure that the ultimate 2012 Republican nominee doesn't give the state short shrift.

"Hoosier voters tend to be discerning and appreciate candidates who personally connect with the electorate. I'm pleased multiple Republican presidential candidates have chosen to visit. I'm not surprised they understand the

road to the White House in 2012 travels through Indiana, just as it did in 08 for the Democratic Party. We'll leave the light on for them all," said Holcomb. ❖



Indiana Republican Chairman Eric Holcomb introduces to RNC Chairman Reince Preibus Monday in Indianapolis. Preibus predicted Indiana will return to the red column in 2012. (HPI Photo by Brian A. Howey)

Christine Matthews is president of Bellwether Research, based in Alexandria, Va. She is a Kokomo native and a graduate of Indiana University. She is a regular HPI contributor.



Groundhog days ahead

By **MARK SOUDER**

INDIANAPOLIS - In the movie Groundhog Day Bill Murray keeps repeating the same day until he gets the main point right. Since the federal government has fixed dates the theater must close on each debate, what we face in the months ahead are one Groundhog Day after another.

This is the key fact that everyone wants to ignore: in 2010 entitlement (mandatory) programs consumed almost all revenue of the United States government. If one adds interest payments, which most people consider mandatory (other than apparently some conservatives), then the mandatory spending significantly exceeded revenue in 2010.



If you absorb this fact, most of the debates about the deficit are silly because hardly anyone wants to talk about the primary deficit reality. Those who receive entitlement dollars, or benefit electorally from handing them out, don't want to discuss

it. Republicans prefer complaining about a \$100,000 grant there and a few million dollars over here, rather than the \$2.034 trillion plus entitlement problem driving the deficits. They don't want to get bopped on the head by an old lady with a shoe. But at least they know they are ignoring it. The Democrats in Washington seem to be completely oblivious.

It is probably a safe assumption that Congress will not fix the entitlement program in time for the 2012 fiscal appropriations budget. In fact, my understanding is that the Vegas odds on that bet are 2.034 trillion to one. (The odds in Indiana betting are a little worse but the extra goes to education.) There is a group of Republicans, including many from Indiana, who are faced with a real dilemma. Since entitlement programs will consume ALL revenue, and they opposed increasing the debt limit, can they vote for ANY appropriations bill that spends even one dime? On what grounds can they do so?

Governing isn't about "shooting off one's mouth" as if you are, say, among friends at Starbucks or running for President. Accounting, math, and boring things like that matter to those attempting to invest money so that the U.S. economy can actually recover. The sophomore political posturing of voting against the debt limit to play to the activist crowd was just irresponsible. Now those same members face charges of flagrant hypocrisy for every single vote to spend a discretionary dollar because it would

be like walking into a store and charging things to a maxed out credit card for which you refused to raise the limit!

Political gimmicks will be used to justify votes: "I voted for the defense and veterans bills because if I were in charge the Labor/HHS bill would spend far less." But even if ALL bills are zero, you still exceed the debt limit (which you will face again shortly). Another angle is this "balanced budget amendment" idea. First, let's be clear – the Constitution allows Congress to balance the budget now. It is not prohibited. As a long-term goal – with tax increase protections – it might make sense but the assumption is that such an amendment would "force" Congress to act. It is an interesting argument, but somehow I don't see such an amendment intimidating Michelle Bachman or Maxine Waters. More likely, it would result in Congress ceding its authority to the courts, a rather unusual position for conservatives.

Regardless – assuming conservative Republicans were in charge of both houses of Congress, the presidency and enough states to ratify – by the time it took effect, the necessary changes to entitlement programs would be so steep that damage to the most elderly and vulnerable would be severe. Other interesting challenges include whether an amendment binds supposedly permanent "authorizing" legislation (where entitlement spending is determined) or just appropriations, because if it does not, then it is nearly worthless. Other challenges are war, "emergency" spending (every major hurricane, wildfire, and tornado seem to be a total shock – when did America start having these natural disasters?) and the challenge that occurs in budgeting when revenues significantly drop (e.g. union contracts, weapons contracts, roads contracts). Most amendments look like Swiss cheese. Then, of course, there is this FACT: even in the most Pollyanna (I thought a Disney angle fit) speedy view of passing a balanced budget amendment means that Congress would likely have to pass multiple more debt limit increases.

"Mark, Mark, it's just politics," I can hear my friends saying. My frustration with some of the conservatives is this: the Democrats are more or less structurally incapable of even acknowledging the truth about the deficit because their voter base has become so dependent upon the largesse of the federal government. If conservatives don't lead, and throw stupid little "hissy" fits when they couldn't force the Democrats to completely abandon their voter base on the debt limit vote (what a shock that the Senate and the President didn't surrender, didn't you listen to talk radio – the President is a socialist, why would he give in?), this problem will never be solved.

This fall there will be multiple House appropriations bills where, presumably, those who voted against the debt limit will be forced to hypocritically vote to go over the debt limit, and then each one will go to the Senate, where they



will increase as if mandated by God, and then the battles over conference reports. At some point, either this year or next (it is unlikely to get easier during the election year), a continuing resolution will be passed to deal with the unresolved appropriations bills. Then they start over. We also have the new "debt reduction" committee report to look forward too. I'm sure it will be non-controversial. If the economy continues to decline, revenue will likely continue

to fall short and we will get another debt limit fight before the election.

As for me, I am going to cheer on the Chicago White Sox to overtake the Detroit Tigers and for the continued rise of legendary Notre Dame football. It is so much more real life than Washington is right now. ❖

Souder is a former Republican member of Congress.

Indiana legislative opportunities abound

By MORTON J. MARCUS

INDIANAPOLIS - The Indiana General Assembly is in study committee mode. Herewith I submit two topics they should be studying:

First, taxation of the elderly. Currently the Indiana tax code provides a \$1,000 exemption for each person over 65. That's sweet. It's arbitrary, but sweet. We who are over 65 appreciate the \$34 that this exemption provides annually (\$1,000 times the tax rate of 3.4 percent).



But how many of us take advantage of this largess from the legislature? There are approximately 6.5 million Hoosiers of whom 13 percent are 65 and older which comes out as 845,000 people. If each of these senior citizens or ancient artifacts were

taking his/her bounty from the State, the sum of the subsidy for senility would be close to \$30 million per year.

It is a senseless gesture. Not only is it arbitrary (why age 65 and not 62 or 68?), but it is a tiny sum based on sentimentality rather than reasoned public policy.

Want to do something more beneficial for the state? Help retain retired persons who have pensions. Currently retirees who leave Indiana take out of the state millions of dollars of taxable income and retail trade. Other states, in an effort to keep the money at home, exempt part or all of pension income from their state income taxes.

Think about it. Indiana would actually gain money from this policy. How does that work? The state exempts, let's say, the first \$25,000 of pension income at a revenue cost of \$850 (\$25,000 times 3.4 percent). But that is \$25,000 that would be spent in the Indiana economy and, if subject to Indiana sales tax, would generate \$1,750 (\$25,000 times 7 percent). The net GAIN to Indiana: \$900.

If we retain that first \$25,000, we also retain the

remainder of the pension money on which we can levy income and sales taxes. Plus we have all the benefits of people who do not generate much public expense in terms of schools or public safety.

A second opportunity for the legislature is to repeal the (insert a strong negative term here) law that removed the names of unopposed candidates from the voting ballot. This stroke of genius was made in the name of frugality. We are going to save money by not listing the office of recorder and the name of the person running unopposed for that office.

Strike another blow for the supremacy of political parties over the democratic rights of the citizenry. Who gains from hiding the fact that a public office is up for election and only one party puts up a candidate? Not the citizens who are voting for the first time and may not know that the office of recorder or township trustee exists. Not the regular voters who do not carry the names of every office in their heads.

An empty spot on the ballot is a statement by a political party that it does not consider the office important enough to challenge the other party. The party cannot find a candidate or is too weak to support a campaign.

Hiding the fact that the political parties consider certain offices insignificant for their purposes does not serve the public good. If in fact the office is unneeded, it should be eliminated. If it is needed, but not suitable for election, then change the law and make it an appointed (anointed?) office. But don't hide it. This law should be repealed by a unanimous vote of our legislators on their first day back. ❖

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



Questions for Mourdock

By **BRIAN A. HOWEY**

INDIANAPOLIS - I'm opening this column by acknowledging a mistake I made last week. I attributed a news story that detailed Indiana pension fund losses of \$1.2 billion since last June, or 11.2 percent, to the Indianapolis Business Journal, when it should have been the Evansville Courier & Press.

The U.S. Senate campaign of Indiana Treasurer Richard Mourdock has asked me to make a second correction, when I said that he "presides" over the Indiana Public Retirement Service, which lost the \$1.2 billion.



Prior to writing that column, based on an Aug. 15 HPI news story, I had asked the Mourdock campaign several questions on the subject that were ignored. The Mourdock campaign is in a snit over analysis I wrote in July about the campaign's "June swoon" about his poor fundraising, his campaign manager's altercation with a blogger

and failed bids by his staff for the Indiana Republican Central Committee.

I've been writing this political column since 1985 and in that time, I've probably spent less than an hour concentrating on the Treasurer of State office. It is a Constitutional office, but in reality a bureaucratic backwater that shouldn't even be elected. It should be part of a gubernatorial administration. It's like an overloaded electrical circuit with a mishmash of boards and quasi-government entities.

Since Mourdock's campaign says he doesn't "preside" over the IPRS investments, I asked for a detailed account of his portfolio. Rather than answer my specific questions, spokesman Chris Conner instructed me to read the Treasurer's 2010 annual report. In doing so, I've learned he chairs the Indiana Bond Bank, the Indiana Education Authority, Wireless Enhanced 911 Advisory Board, is trustee of the Indiana State Police Pension Fund and is investment manager/secretary of the Indiana Board of Depositories. He serves on about 10 other financial boards.

In an Oct. 20, 2010 press released from the Treasurer's office, Mourdock claimed credit for a 6.99 percent return - or \$480 million - in interest on "state investments."

In an interview with the Wabash Conservative Union in 2007, Mourdock was asked to define his duties. He responded, "Simultaneously very narrow, which is to say, in the constitution the only description of this office, is that the State Treasurer shall serve as the state's chief financial officer. The only constitutional duty I have is to make sure we earn the highest possible grade of interest on the funds of the State of Indiana."

He added, "I believe that I have the greatest job in all of Indiana government because I have huge responsibilities, which I like, I have tremendous latitude, I get to be creative, and I don't think any newspaper reporter knows we exist. It can't get any better than that."

Just as the current secretary of state says he's not the state's chief elections officer, Mourdock appears to be saying he's the state's chief financial officer - but only for the good parts.

Now the reason I was even writing about Treasurer Mourdock's state duties, as opposed to his challenge to U.S. Sen. Dick Lugar, stem from his comment to the Huffington Post on Aug. 12: "Ten days ago, I sold all my stock. I spend two hours every morning looking at market indicators." And he told the Indianapolis Star, "I kept my energy stocks, my oil stocks, but everything else I sold, because I kept looking at what was happening in Washington, D.C., and I saw what its potential was on the markets, and I'm too old to have the volatility that we see today and what I expect the longer term will be."

I can't remember a single politician ever talking about his own personal stock portfolios. And Mourdock is no ordinary politician. He's the treasurer of Indiana.

Why aren't his personal stocks in a blind trust, so those wires don't get crossed with his state duties? I thought the timing of his personal sell off - three days before Standard & Poor's downgraded the U.S. credit rating - was curious. And it made me wonder about Mourdock's temperament for office. His challenge to the Chrysler/Fiat merger after bankruptcy, he claims, was based on principle, but it smacked of political grandstanding with thousands of Indiana jobs (and future tax revenue) at stake. If he had won, it would have cratered the Indiana auto sector. A prudent leader would have looked for another way.

I agree with the assessment of Republican National Chairman Reince Priebus on the Lugar/Murdock showdown that primary challenges are good for the process. As an opinion columnist, however, as I look at the Indiana GOP universe when it comes to a successor for Lugar, Mourdock would not make my top 10. I see him as overly ambitious, very emotional, and he always seems to be running for something.

I have an array of questions for Treasurer Mourdock, which his campaign has ignored, so I will ask them here: How does Treasurer Mourdock define, in detail, his duties? Is he still investing state funds in junk bonds, as he did with Chrysler? What is Treasurer Mourdock's attendance at his own Statehouse office, with the Indiana State Board of Finance, and the Public Employee Retirement Fund? Is his treasurer's office chief of staff bonded? Can he provide a detailed account of his oversight, investment, spending and withholdings of the Emergency 911 fund? Some in the Statehouse categorize it as a "slush fund."

If I hear anything, I'll let all of you know. ❖



Unopposed off ballot finds wide opposition

By **BRIAN A. HOWEY**

INDIANAPOLIS - A new Indiana law that drops unopposed candidates from the ballot is drawing fire from both Republicans and Democrats.

"It's un-American," said Indiana Democratic Chairman Dan Parker. "I just believe it's plain wrong."

Indiana Republican Chairman Eric Holcomb said that his Central Committee was opposed to the provision in HD1242 at the time of passage, but was part of a big omnibus election law bill. The Lafayette Courier & Press reported that the provision was placed in the bill by State Rep. Kathy Richardson, who reasoned that it would save money and make for more efficient ballots. "We're looking into it," Holcomb told HPI on

Tuesday. "The Republican Party opposed that portion of it."

Parker added, "Kathy thought it would save money. I don't know how it will save money. When it came up during the session, people were opposed to it."

Most, however, didn't know at the time it was in the law. Only recently did county election officials find out about the new law.

Lafayette Clerk-Treasurer Judy Rhodes, whose name won't appear on the November ballot because she's unopposed, said she was taken aback when she recently learned about the provision. "The idea that persons who are standing before the community for elected office become invisible on the ballot is a very surprising policy decision," Rhodes told the Courier & Press. Lafayette Mayor Tony Roswarski, who figured to lead a Democratic ticket on November ballots but whose name also was removed because he faces no opponent, said he's

not pleased about the new law or the fact that it wasn't discussed openly during the legislative session.

One scenario HPI has heard: without a candidate appearing on the ballot, could a write-in candidate actually win an election? Parker told HPI that write-in candidates must be pre-certified by a July 15 deadline. The write-in candidates would not appear on the ballot, but other candidates running for that office would appear if a write-in candidate is certified.

Tippecanoe County Democratic Chairman Heather Maddox told the Courier & Press, "It's also going to cause a lot of confusion." Others tell HPI it will confuse the historical record, when people go to research elections and find no vote totals for unopposed candidates on ballots or in news accounts.

Presidential: Perry new frontrunner

A pair of pollsters delivered an unambiguous message to Rick Perry's opponents Wednesday: This is not a drill (Politico). The Texas governor has been in the 2012 race for less than two weeks, but already he has captured a lofty position in national and early-state primary polling. After weeks of anticipation, Perry's announcement tour appears to have paid off handsomely. The question now, for both Perry and his primary opponents is: Will it last? In two newly released surveys measuring Republican voters nationwide, Perry held impressive, double-digit leads over longtime front-runner Mitt Romney. A Gallup poll gave Perry a 12-point advantage, putting him ahead of Romney,

29 percent to 17 percent. The Democratic firm Public Policy Polling showed a similar, 13-point lead, with Perry drawing support from 33 percent of Republicans.

Senate: Hatch dodges Tea Party

U.S. Sens. Dick Lugar and Orrin Hatch were supposed to be the two top Tea Party targets in 2012, but this week we learned that U.S. Rep. Jason Chaffetz announced he would not challenge the Utah Republican. "I can spend the next 15 months campaigning to do Orrin Hatch's job, or I can just do my job," Chaffetz said. "There comes a point and a question: Do



President Barack Obama vs. Potential Republican Candidates

Suppose the presidential election were held today. If Barack Obama were the Democratic Party's candidate and _____ were the Republican Party's candidate, who would you vote for -- [ROTATED: Barack Obama, the Democrat (or) _____, the Republican]?

	Registered voters	National adults
	%	%
Barack Obama	46	47
Mitt Romney	48	46
Other/Don't know	6	7
Barack Obama	47	48
Rick Perry	47	44
Other/Don't know	6	8
Barack Obama	47	45
Ron Paul	45	44
Other/Don't know	8	9
Barack Obama	48	48
Michele Bachmann	44	43
Other/Don't know	7	9

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GALLUP



you want to spend all your time campaigning in a multi-million-dollar blood bath or do your job and be successful? Ultimately, I think that's a path that makes the most sense for me." According to Politico, the news stunned Tea Party leader David Kirkham, who said, "Wow, this is very, very, very surprising to me. Everyone told me he was running, from well-placed sources. He had a lot of support, no doubt. My guess, is at the end of the day, he didn't want to risk his House seat."

The Chaffetz decision could have an impact on the Indiana showdown between Lugar and Indiana Treasurer Richard Mourdock and possibly State Sen. Mike Delph. Lugar and Hatch actually crashed a Tea Party confab in Washington together last winter. Now Lugar may be the only Tea Party target left standing. That has the potential of giving Mourdock the national dollars he's been lacking to date, but many state and national observers are skeptical.

With Lugar ranking eighth in the Senate on the cash-on-hand list, a spate of news stories over the last 24 hours summarized the race:

GOP Senators in Better Position for Re-Election: And while Sen. Richard Lugar (R., Ind.) still could face serious conservative challenges, he now appears likely to benefit from divisions among Republicans opposed to him. (Wall Street Journal)

Tea Party's Bark Proving Worse Than Its Bite in 2012: They've landed a Republican candidate against Sen. Richard Lugar, R-Ind., but conservative groups are still skeptical about whether he has what it takes to win. (National Journal, the Atlantic Wire)

Sens. Hatch, Lugar and Snowe haven't been hit too hard by tea-party, yet: In a few 2012 Senate races, tea-party challenges seemed almost inevitable. Maine Sen. Olympia Snowe (R), Virginia Senate candidate George Allen (R), Indiana Sen. Dick Lugar (R), and Utah Sen. Orrin Hatch (R) were all expected to face tough competition on the right. (Washington Post)

Losing Its Fizzle: They've landed a GOP candidate against Sen. Richard Lugar (R-IN) but conservative groups are still skeptical about whether he has what it takes to win. (National Journal)

Why Tea Party candidates won't win any elections next year: Sen. Richard Lugar of Indiana, whom Erickson says is now the ripest Tea Party target for 2012, is waiting to see whether a conservative state senator will jump into his primary, split up the conservative vote, and help him win. (Slate)

Murdock addressed the RedState.com convention and cited Lugar as "out of touch and out of sync." Mourdock said, "The Dick Lugar of today is not the same Dick Lugar as 35 years ago. If he was the same Dick Lugar who once fought to get Bob Bork on the Supreme Court, I wouldn't be here today. But the Dick Lugar today was the first Republican to come on to put Elena Kagen on the

Supreme Court and the second to put Sonia Sotomayor on the Supreme Court. He's not the same person. Mr. Lugar is not a bad person but he's out of sync with the times. Just this week within hours of the stock market dropping 520 points, Indiana's senior senator was on Louisville television saying the economy was strong. That's out of touch. That's out of sync." Mourdock called his effort a "David vs. Goliath" campaign and added, "We know how that ended." Mourdock noted that he was the only speaker challenging an incumbent and closed by saying, "It is time for all of us to dig a little deeper. In 2012, the Tea Parties need to be heard again. We have a nation to save and we will do it."

Primary Horse Race Status: Leans Lugar

Governor: Gregg names Pearcey manager

Indiana Democratic gubernatorial candidate John Gregg has introduced Rebecca Pearcey as his campaign manager. She was political director at the Ohio Democratic Party in 2007 and 2008, was field director on victorious Ted Strickland for Governor campaign in 2006, deputy field director at Wal-Mart Watch, Jan. 2005-March 2006, canvass director for ACT Florida, 2004, regional field director on Rep. Dick Gephardt's Iowa caucus campaign in 2003-4.



PEARCEY

She is a graduate of Oregon State University with a degree in liberal studies. The introduction event was rescheduled from Monday. "Rebecca's credentials are impeccable, and her experience working in a neighboring Midwestern state will be invaluable as we continue to travel the state and hear from Hoosiers who are ready to get our economy back on track," Gregg said. Pearcey begins her campaign management duties this week and said she's looking forward to the role. "The challenges Indiana faces are real, and I'm ready to hit the ground running to make sure Hoosiers elect someone who will aggressively tackle those challenges with open and honest dialogue

and long-term solutions" she said. "I look forward to helping elect John Gregg as the next Governor of Indiana."

5th CD: Brooks raises \$250; Burton to run

Susan Brooks' fundraiser last night brought out 160 donors who heard Lt. Gov. Becky Skillman speak. Brooks took in \$250,000, said campaign spokeswoman Dollyne Sherman.

U.S. Rep. Dan Burton told the Indianapolis Star



he will seek reelection, putting to rest at least for a time rumors that Burton would act like a candidate, then step aside and endorse Delph. The fact that Delph is talking to vendors about a U.S. Senate bid lends credence to the notion of a 15th Burton campaign. "I am running, and I intend to win," Burton said. "All these rumors about me not running are, I think, being put out by the people who would like to take my place. But they're going to have a toughie."

Democrat State Rep. Scott Reske is preparing a run in the 5th CD run. "We'll be making an announcement pretty shortly, in the next few weeks," Reske told *Howey Politics Indiana*. Reske, D-Pendleton, was placed in a new legislative district with State Rep. Bob Cherry, R-Greenfield. At the time the new maps were released, Reske told HPI his new district was decisively Republican. Reske would face the winner of the Republican primary featuring U.S. Rep. Dan Burton, former congressman David McIntosh, former district attorney Susan Brooks, Jack Lugar, and Dr. John McGoff. Reske told HPI, "They tell me it is 45/55 percent Republican. It's a Republican district, no doubt about it. But people want moderation right now. I'm an engineer and military veteran and people want problem solvers. It's the right time to consolidate by legislative, business and military experience." **Primary Horse Race Status:** Tossup

6th CD: Fundraiser for Bates

Former Republican State Chairman Rex Early and State Senators Scott Schneider, Jim Banks and Greg Walker will be hosting a fundraiser for Don Bates on Sept. 1, in Columbus. **Primary Horse Race Status:** Tossup

8th CD: Risk to challenge Bucshon

Kristi Risk, the stay-at-home mom who almost rocked the national Republican Party by defeating its preferred candidate in Indiana's 8th District GOP primary last year, will try again in 2012 (Langhorne, *Evansville Courier & Press*). Risk, 40, an Owen County resident, said Wednesday she will challenge U.S. Rep. Larry Bucshon, who survived the 2010 primary election with 16,262 votes to Risk's 14,273. Bucshon, then a Newburgh-based heart surgeon, went on to defeat Democrat Trent Van Haaften in the fall general election. Political analysts said Risk's near-miss against Bucshon was all the more impressive because she elevated herself above several other overtly pro-tea party candidates in an eight-candidate race in which only a plurality of votes was needed to win. Risk said Wednesday that she believes angry voters sent Bucshon to Washington to help lead a charge of congressional revolutionaries against Democratic President Barack Obama's policies. Instead, she said, Bucshon's profile in Congress has been that of "a placeholder instead of a fighter." "I see him like a zero as in the number, just holding this position, not really doing

anything with it," Risk said. "There may be times where Larry needs to go against (Republican House Speaker John) Boehner. I don't think that he would do that, but we need somebody that's willing to go against the party if what the party is doing is not in the best interests of the nation." Risk cited Bucshon's Aug. 1 vote for the debt-ceiling compromise approved by Congress, which helped avoid a national default. "She is wrong," said Bucshon. "The problem that would have happened if we had not come to an agreement in Congress would have been catastrophic. That's not just my opinion. That is the opinion of economists and former treasury department officials, both Republican and Democrat. (Without a deal) past the first week of August, the U.S. government would not have been able to pay its bills, and that is an irresponsible position to take." **Primary Horse Race Status:** Likely Bucshon

Senate challenges for Miller, Glick, Waltz

HPI has learned that former State Rep. Jon Elrod is preparing to challenge State Sen. Pat Miller in SD32. Miller lost a portion of Johnson County in her district. Elrod, sources say, is in the process of moving into Warrant Township. He served one term in the House after defeating State Rep. Ed Mahern in 2006 before losing to State Rep. Mary Ann Sullivan. Sullivan is preparing to challenge State Sen. Brent Waltz in the HD36 general election. In SD13, sources tell HPI that State Rep. David Yarde is preparing a primary challenge to freshman Sen. Susan Glick, who was elected in caucus to finish the term of Marlin Stutzman. We're also hearing that primary challenges may be in store for State Sens. Beverly Gard and Mike Young.

HD55: White, Williams line up for open seat

Former USDA official Bob White will seek one of the 10 open seats. White is from Greensburg. Also lining up for the seat is Lora Reed Williams, an unsuccessful candidate for Decatur County Superior Court judge in the 2008 Republican primary.

HD92: Hinkle not expected to resign

With House Speaker Brian Bosma stripping State Rep. Phil Hinkle of two committee chairmanships, the embattled Republican is rejecting calls for his resignation, though he says he was planning not to seek reelection in 2012. Rep. Kevin Mahan (R-Hartford City) will be taking over as Chairman of the Interim Study Committee on Driver Education. Mahan will also be taking over as Chairman of the Standing Committee of Government and Regulatory Reform. Both chairmanships had been previously held by Rep. Phil Hinkle. Rep. Tom Knollman (R-Liberty) was also named to serve on the Interim Study Committee on Driver Education. "Rep. Mahan has already proven himself an able leader on each of these committees. I am confident that he



will make an excellent chairman, and continue to serve his constituents in Blackford and Grant Counties with distinction," stated Speaker Bosma. "While this is not the ideal circumstance in which to take over a chairmanship position, I understand that the work of the committees must continue," stated Rep. Mahan. "I appreciate the Speaker's confidence in me and I will work to get the Interim Committee on Driver Education assignment done on time." "Rep. Knollman has the background and expertise required for the Interim Committee on Driver Education. He has worked on these issues before and I know he will do a great job working through the topics that need to be covered in this abbreviated timeframe," stated Speaker Bosma. Hinkle fired back Tuesday, saying that it's not up to party leadership to make that decision (Indianapolis Star). "Those people didn't elect me," he said. "The constituents did." Hinkle said he decided in December that he wouldn't seek a seventh term serving portions of Wayne and Pike townships. He also said that while he admits he made mistakes, resigning would be an acknowledgement that everything the Gibsons told The Star was true. But why, so many have asked, did he even make the email arrangement in the first place, using the email address - phinkle46@comcast.net - he had listed on his legislative website, no less? "I don't know," Hinkle said. "I'm telling you, I don't know."

Legislative sources tell HPI that in addition to losing his committee assignments, Hinkle will likely be sent to the back row and might not be invited to attend Republican caucuses. The key issue for Hinkle may be income. He recently lost a job with Warren Township Schools. One source told HPI that Hinkle probably needs the money.

Editorials in the Indianapolis Star and the Post-Tribune have called on Hinkle to resign, as has Marion County GOP Chairman Kyle Walker.

Anderson mayoral: Ockomon lawsuit

Last month, a city employee filed a sexual discrimination and retaliation lawsuit against Mayor Kris Ockomon. Now, her mother-in-law has filed one claiming the mayor and the city violated her rights in other ways (Hayes, Anderson Herald-Bulletin). Patsy Wood Spencer filed a lawsuit in Madison County Circuit Court 5 on Aug. 8, claiming Ockomon intentionally or recklessly inflicted emotional distress, invaded her privacy and violated her civil rights. The accusations stem from a parks board meeting in October 2010. Spencer's son, Greg, is married to Teresa Spencer, who is the parks department's business manager. Teresa Spencer filed her federal lawsuit on July 27 against Ockomon; the city of Anderson; personnel director Steve Priser, and parks director John Gates. The city said it will not comment on the lawsuit, but plans on filing the necessary defenses. The lawsuit, which was prepared by local attorney Montague M. Oliver, states that during a parks board meeting, Ockomon

allegedly glared at Spencer several times and verbally intimidated her. During that time, Spencer was "sitting quietly and minding her own business," the lawsuit states. Greg Spencer recorded the audio of the meeting, which he says was used to provide direct quotes in the lawsuit. According to the lawsuit, Ockomon approached the podium during the meeting and, while allegedly glaring at Patsy Spencer, said: "I will not be subject to intimidation in this council chambers by anyone...I am the mayor and I will attend these meetings and if anything happens, if that kind of stuff continues, I'll ask that man right back there in the back of the room to escort them out of this room." Apparently, "that man" was a police officer who had placed himself near Spencer, the lawsuit says. After the meeting was over Spencer and her son Greg began to leave. Ockomon allegedly became visibly angry and unruly, pointed his finger at them and began yelling, the lawsuit says. **Horse Race Status:** Tossup

Crown Point mayoral: Uran, Strong walking

Summer is winding down, but election season is gearing up for mayoral candidates (NWI Times). Incumbent Mayor David Uran is taking his message to the people during off-work hours behind the wheel of a movable headquarters in a specially outfitted van. "It's a mobile office," Uran said of the vehicle, which is equipped to handle a tailgate-style cookout as easily as a campaign literature blitz. Eldon Strong, in his first run for mayor, is headed door to door in his free time on a Segway — a two-wheeled, stand-up personal transporter. "It helps me get around in the neighborhoods," Strong said. "I've got a lot of ground to cover." **Horse Race Status:** Likely Uran

Fort Wayne mayoral: Henry 2nd ad

The Tom Henry for Mayor Campaign released its second television ad, "Tough." This spot focuses on Mayor Henry's accomplishments: protecting vital services while coming in under budget every year, and putting Fort Wayne on track to pay down 40% of the civil city's debt by 2015. "Mayor Henry has done more with less -- coming in under budget every year and putting us on track to pay down 40% of city debt by 2015," said Henry for Mayor campaign manager Justin Schall. "And while other cities were cutting police and firefighters, Mayor Henry protected vital services: crime is down 14 percent, the snow got plowed fast, and the city's new solid waste program will save residents 1 million dollars. He's made the tough choices, and kept Fort Wayne moving forward." In the ad, Mayor Henry says, "When you're a mayor in a tough economy, you have to make tough choices. So I've been cutting spending while protecting vital services. We've come in under budget every year." From 2000-2007 Fort Wayne Republican mayoral nominee Paula Hughes advocated for over a quarter of



a billion dollars in taxpayer spending downtown, Henry charged Thursday. In fact, according to the News-Sentinel, some of Hughes proposals were "so vast in scope and cost they scarcely seem imaginable." Now that she is a candidate for mayor, Hughes has reversed her position and says the city has "overinvested" in downtown. "I believe strengthening our downtown is an important part of the long term health of our community and I remember when Paula Hughes felt the same way," said Mayor Henry. "It's clear by her recent statements that she has changed her mind now that she's running for mayor." The Henry campaign provided a multi-year analysis that follows: 2000, Hughes supported spending \$72,500,000 of taxpayer money on a downtown arena, including \$60,000,000 from a 1% food and beverage tax, \$7,500,000 of taxpayer money for the land purchase, and \$5,000,000 of tax money from taxpayers across the state. 2001, Hughes supported an \$84 million library expansion, financed by property taxes.[4] Hughes said it was a "relatively tiny cost per household... we need to do big things like this." 2002, As President of the DID, Hughes released a 5 year, \$100 million plan for downtown, which called for \$20,000,000 in taxpayer spending. The proposals in her plan ranged "from the relatively inexpensive...to projects so vast in scope and cost they scarcely seem imaginable." 2004, Hughes supported spending at least \$26,700,000 on the expansion of the Grand Wayne Center. 2007, Hughes supported spending \$63,500,000 for Harrison Square, publicly testifying in favor of the project, planned "to cost the city \$63.5 million." 2011, Speaking about downtown development at her press conference last week, Hughes said: "I don't think the city and the community needs to spend a lot of money on this. I think what we need to do is put elbow grease into it, and the time and effort into organizing, clearing the ground and then making it available to the private sector to succeed." 2011, Speaking on WFFT, Hughes said: "We have overinvested in downtown as a public sector, we poured a lot of money in there and really restricted the things Fort Wayne can do in other areas..." **Horse Race Status:** Leans Henry

Indianapolis mayoral: Jobs & education

The Kennedy for Indianapolis campaign issued the following statement regarding jobs on Friday: "After continued talk about job commitments from the Mayor, Indianapolis continues to lose jobs and fall further behind peer cities," said Kennedy. "And our neighbors, who are struggling to put food on the table, continue to go without jobs or even the prospects of a job. We are concerned and we want to know where the jobs are." The latest Bureau of Labor Statistics release, <http://www.bls.gov/news.release/metro.nr0.htm>, shows that from June 2010 to June 2011, the Greater Indianapolis area employment dropped 1.0 %, placing Indianapolis near the bottom in employment among

36 large metropolitan areas in the United States. Greater Indianapolis is losing jobs, while 24 comparable cities across the nation are experiencing job growth. Kennedy continued, "Since this Mayor has taken office more than 35,000 jobs have been lost in Marion County and more than 140 taxes, rates and fees have been levied on the backs of our residents and our small businesses, stifling job creation. We can, and must, do better."

Kennedy told HPI this week that she is pleased with where her campaign stands at this point, though multiple Democratic sources tell HPI they believe she's seen polling that shows her trailing Mayor Greg Ballard outside the margin of error. "We're in a great position right now with 77 days to go," Kennedy said. "We've been really aggressive in our field efforts. We've knocked on 50,000 doors and done phone banks, that's important. We were the first one to go on air with issues that matter."

Kennedy opened her TV ads and a direct mail campaign touting an education plan, noting that "one in four Indianapolis high schoolers will drop out by 2012." Asked whether most people see education outside the mayoral portfolio, Kennedy said. "It's just an issue so critical to our growth. It's related to crime" in that dropouts tend to end up in the legal system. "Kids who do graduate and who go on have more earning potential. It's a huge issue. It's an issue the mayor can't sit on the sidelines." Her mailer accuses Ballard of a "complete absence" on education. "We'll continue to talk about education throughout the campaign," Kennedy said. "We haven't decided on all the commercials or what the issues will look like. Out of the box we needed to put it on the table."

Kennedy said her campaign is completing negotiations that will have her debating Ballard in October. "The mayor has continually declined debates," she said, noting that she was the only candidate who showed up for a Drug Free Marion County event. "I had to debate myself."

On Wednesday, Ballard touted job creation. "Last year, we attracted commitments for over 8,700 new jobs and \$900 million in capital investment. That's more job commitments for our city than in 2002, 2003, 2004 and 2005 combined - and that was in good economic times!" Ballard released a five-prong job proposal that includes a small business "conciierge," strengthen ties to the Chamber, streamline permitting, and focus on recruiting new companies. Kennedy insists Indianapolis has lost 35,000 jobs in the last few years and has raised taxes and fees on small businesses. "What I believe as a city is a real focus on making it easy for businesses to start in Indianapolis and grow in Indianapolis. By focusing on small businesses, and not providing 140 new taxes, fees and rate increases, especially in such tough economic times," she said. **Horse**

Race Status: Tossup





How to campaign for an office you've already won

By JACK COLWELL

SOUTH BEND - How do you campaign for an office that you've already won?

Pete Buttigieg won't touch that question. Nor should he.



Just about anybody who knows anything about South Bend politics would say that Buttigieg, 29-year-old Democratic nominee, will be the city's next mayor. Although Buttigieg won the "real" election convincingly in the highly contested May Democratic primary, he wants to avoid coming across as presumptuous, as taking the voters for granted.

"The political graveyard is filled with people who took it for granted," Buttigieg said in an interview after his return from two weeks of active duty with the Navy in San Diego. He is ready to claim one new title with promotion soon from ensign to lieutenant junior grade in the Navy Reserve, service he expects to continue.

Buttigieg said he plans an all-out campaign for mayor, even though more Republicans crossed over to the Democratic primary to vote for him than voted for Republican mayoral nominee Wayne Curry in the low-turnout GOP primary.

His campaign headquarters, still open since the primary, still has volunteers at work. He is concentrating on fund-raising, with a \$150-a-person golf outing scheduled Thursday. Corporate sponsorships for the event run as high as \$2,500.

Although Buttigieg raised by far the most in contributions in the four-candidate primary, he spent just about all of it.

"We didn't want to lose a squeaker and have a lot left in the tank," Buttigieg said. No Squeaker. He won with a surprising 55 percent of the vote. But just as now, Buttigieg didn't want to take victory for granted.

The fall campaign, Buttigieg said, will include emphasis again on voter identification and get-out-the-vote techniques. Mike Schmuhl, his primary election campaign manager, is staying on after declining other opportunities. Buttigieg this time seeks more than his own win. He wants election of "a team of candidates."

He wants a team of Democratic council members who will work together during the campaign, uniting on common themes, and then working with each other and

with him after the Nov. 8 election.

Expectations are high. Business leaders in particular look to Buttigieg to spur economic development and improve the image of South Bend.

Buttigieg knows that. He knows as well that he cannot solve decades-old problems of the city in the first 90 days as mayor or even in a complete term.

A mayor, as with a president or governor, can't do much without cooperation of the legislative branch, the branch controlling spending priorities.

That's one reason for meetings he has held with the council candidates of his party. He hopes to hit the ground running, with a council willing to run in the same direction, in pursuit of his oft-proclaimed goal of jobs through economic development.

Buttigieg said he has now identified over 30 groups, governmental, quasi-governmental and private, that touch in some way on South Bend economic development.

"They are not always coordinated very well," Buttigieg said. All mean well, he stressed, but they need to work together, not duplicate efforts or compete with each other.

Buttigieg said he would use "the convening power" of the mayor to bring these groups together, sitting at the same table, to plan a unified rather than scattered-goal effort on economic development.

While a mayor has no authority over the school system, Buttigieg said he also would seek to bring city and school officials and community employers together to seek improvement in education and the image of South Bend schools.

Will Buttigieg win to become the youngest mayor in city history?

No.

Well, he appears already to have won the "real" election, and he would still be 29 years old when taking office. His birthday is Jan. 19.

But Schuyler Colfax became mayor at 28.

Not that Schuyler Colfax. Not the vice president.

It was his son, Schuyler Colfax III, elected mayor in 1898. Mayor Colfax, a Republican, won nomination after a GOP convention battle in which a group of city leaders joined to dump the incumbent Republican mayor. Legend has it that the convention was stacked with a large contingent of Oliver factory workers brought in to cheer wildly for Colfax. Buttigieg won't need to stack any audiences, but he intends to campaign all-out for the office he really has already won.



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



Scott Fluhr, Hoosier Pundit: The endless rumors of a third candidate that seem to crop up with curious regularity in Indiana Republican Senate primary remind me of the rumors the candidate was hearing. Invariably, some rumor comes up that somebody is considering a Senate bid. Now comes the resurrection of Mike Delph, whose Senate candidacy is back from the grave of Delph failing the bar exam this past spring. The impetus for this latest round of speculation about a Delph candidacy is a particularly curious, and rather obscure, campaign finance reporting error by the Lugar campaign in which they listed Delph as being the contact for a political action committee for Comcast. Delph had not been involved with them since 2007, four years ago. Then this rather obscure campaign finance reporting error was somehow brought to the attention of a newspaper in Fort Wayne, which promptly mentioned it in a story. The cynic in me thinks that this information was fed to them by someone interested in making a Delph candidacy a topic of conversation again, but I digress. Nothing had changed in Delph's answer to questions about him running, but there ended up being a story anyway. Mike Delph, in a move that certainly made him no friends, then decided to criticize Mike Pence, Dick Lugar, and Richard Mourdock for not doing more to focus on municipal races. This was a typical Delphic drive-by shooting. Pull the trigger, then aim after the rounds were fired off. If Delph expected conservative adulation over him allowing his name to be floated as another candidate in the Senate race, or his criticisms about the 2011 elections, he must have been sorely disappointed. He was instead roundly criticized. Regardless how nonsensical Delph's criticism of Pence and Mourdock was, his actions gave succor to the Lugar campaign's ceaseless efforts to pretend that the Senate race might have a third candidate. One could be forgiven for thinking that Mike Delph is getting perverse pleasure in letting Mourdock twist in the wind, even as he is clearly being used by the Lugar team. The longer Delph floats out there undecided, the more money (particularly out of state money) sits on the sidelines and doesn't flow to Mourdock. If Mike Delph doesn't know these things, then he's not remotely near as intelligent a man as I have always believed him to be. Either that or he is living in a fantasyland constructed entirely for his benefit by the whispered sweet nothings of the likes of Brian Howey and David Willkie. ❖



end the unconstitutional state-imposed property tax levy freeze in Lake County. I've got to say, I was surprised. You would have thought that sometime over the last four years that someone from county government, or municipal government or township government would have filed suit to end the nonsense. Elected officials groused about it at every turn — wringing their hands and wiping their brows — not sure if life as they knew it would go on. I seem to remember each of them wearing a Chicken Little lapel pin. But, did they do anything but give lip service to their plight? Nope. Then it happened. Two county police officers — Daniel Murchek and Robert Klasner — filed suit against the state, alleging that the state's action to freeze the levy because the county wouldn't impose an income tax was unconstitutional. Never again will I wonder, "Where is a cop when you need one?" Nope. God bless those two guys. ❖

Doug Ross, NWI Times: Amid the recent discussion of the federal debt ceiling and federal spending, AT&T Indiana President George Fleetwood made an intriguing offer. In a recent meeting with Times business writer Keith Benman and me, Fleetwood gave the talking points for AT&T. The company invested \$20.38 billion in its network in 2010, which is impressive by any measure. It is the world's largest communications company. And AT&T operates the backbone of the Internet in Indiana. Do you see the direction this is headed? The Obama administration is pushing to expand availability of broadband service in rural areas to eventually offer nearly every American high-speed Internet access. On Friday, the White House Rural Council released a report called Jobs and Economic Security for Rural America, which highlights an Obama administration success story: "Expanded broadband access to over 7 million rural Americans, including 3 million rural households and over 350,000 rural businesses. This expansion of rural broadband access is helping to lower costs for businesses and bring jobs back to rural communities." Meanwhile, the U.S. Census Bureau has reported the emptying of rural America continues, with about 16 percent living in rural areas. That is down from 20 percent in 2000. Give those areas better access to the Internet, and workers could remain there as easily as they could in, say, the Chicago area -- and with a lot shorter commute. Now look at what AT&T is up to. The company is seeking regulatory approval for its merger with T-Mobile -- and for a very good reason. AT&T is running out of bandwidth for mobile phones because so many people are using them for sending data across the Internet. If the federal government wants to cut back spending but still increase broadband access in rural communities, Fleetwood said, the answer is easy. "All they've got to do is approve this, and we'll do it without any federal investment," Fleetwood said. ❖

Rich James, Post-Tribune: What a week it's been, and no, I'm not talking about the Republican debacle in Iowa. No, I'm talking about right here back home in Lake County. Where Democrats are Democrats. What happened was that, finally, after almost four years of bellyaching, someone said enough is enough. They said it was time to



Romney coming to Indy Sept. 23

INDIANAPOLIS - Republican presidential candidate Mitt Romney will stump for party support in Indiana next month. State party officials announced Wednesday that the former Massachusetts governor plans an event in Downtown Indianapolis on Sept. 23. Romney will be the third Republican presidential candidate to campaign in the state this campaign cycle. Herman Cain visited Indianapolis last week, and former Utah Gov. Jon Huntsman will be in the city Monday.



Bauer blasts Daniels on ed funds

EVANSVILLE - While he heaped individual praise onto the Evansville Vanderburgh School Corp., Indiana House minority leader Pat Bauer accused Republican Gov. Mitch Daniels of "demonizing" the public school system by slashing funding and then implementing the private school voucher program. During a meeting with the Courier & Press editorial board Wednesday, Bauer — a South Bend Democrat — disputed that the new voucher program simply gives parents an out from underperforming public schools. Bauer said the program, along with the several millions of dollars Daniels has cut from public schools since 2010, will end with public schools handcuffed and unable to pursue new programs and compete with charter and other private schools. "They're being cut, they're being cut dramatically," Bauer said. "You can't do anything without money and that

right now is what public schools are having to do: cut teachers and cut programs. Bauer and Daniels don't agree on how deep the education cuts are. On Wednesday, Bauer said they will amount to about \$600 million by the end of this year. That is the figure often referenced by House Democrats, which is twice the \$300 million cut Daniels made to K-12 education in 2010, But Daniels has said school funding levels stayed the same this year. Furthermore, the state applied more than \$200 million in federal stimulus money to aid education after the governor announced the initial cut. The 2012-13 budget approved by state lawmakers this year increases public school funding by 0.5 percent next year and 1 percent the following one.

Probe requested for prosecutor

FRANKLIN - The Johnson County sheriff has asked the Indiana Supreme Court's disciplinary commission to review an incident involving the county prosecutor, a police officer with a troubled history and the prosecutor's alleged romantic pursuit of another county employee (Indianapolis Star). According to a police report released Wednesday, a sheriff's deputy in April found Prosecutor Brad Cooper in a van driven by Bryan Burton, a narcotics detective who at the time was suspended from the Franklin Police Department. The report said Cooper was holding an open bottle of beer, a traffic infraction under Indiana's open-container law, as Burton drove through a Johnson County neighborhood. Sheriff Doug Cox said he forwarded the case to the commission, which reviews attorney conduct for compliance with professional standards, after concluding there was no criminal violation.

Public hates ruling on police entry

INDIANAPOLIS - Indiana residents overwhelmingly told Indiana lawmakers that a high court ruling allowing police entries broadly violates their constitutional rights. Paul Wheeler told the panel of lawmakers Wednesday that the Indiana Supreme Court did an "end-run" around the Legislature when it gave police broader ability to enter homes. Wheeler wore a knight costume to symbolize the "castle doctrine" that protects against unlawful entries. Rep. Linda Lawson, D-Hammond, said it's hard for police officers because they make split-second decisions once they reach a home. Lawson is a former police officer.

Donnelly calls for public debt hearing

WASHINGTON - U.S. Rep. Joe Donnelly is calling for an open and transparent process with the new supercommittee on debt. "Voters deserve to know what is going on in these meetings," Donnelly wrote in an e-mail to supporters. "This is a critical time for our country, and it is imperative that every detail of the committee's work is available to the public." Donnelly emphasized the need to protect common-sense priorities in his message, focusing on job creation, the defense of Social Security and Medicare and ensuring a balanced approach to deficit reduction.

Bennett to talk school takeovers

INDIANAPOLIS - Indiana's state schools superintendent is set to announce whether he'll support the first state takeover of troubled



public schools (Associated Press). Five high schools and a middle school in the Indianapolis Public Schools and Roosevelt High School in Gary face that possibility based on test results released this summer by the state Department of Education. State schools superintendent Tony Bennett is scheduled to discuss what intervention measures he'll recommend for the schools during news conferences today in Gary and Indianapolis. The State Board of Education is expected to vote on those recommendations when it meets Monday.

Delph talks about immigration law

GOSHEN - It's a sensitive issue that draws a lot of emotion and a topic State Senator Mike Delph was in Goshen talking about on Wednesday (WSJV-TV). The senator of District 29 spoke to the Goshen Chamber of Commerce about Senate Act 590. The law institutes new rules designed to crack down on illegal immigration. Delph stressed what's called "e-filing" for businesses to submit records. It's a federal database that interfaces social security information with homeland security information. Delph says when it came right down to it, lawmakers were trying to do what they believe to be right by taxpayers. "It's the government by the people and for the people and it's the taxpayers government," said Delph. Delph believes illegal immigration costs Indiana taxpayers \$608 million a year.

Zoeller files suit at credit service

INDIANAPOLIS - Indiana Attorney General Greg Zoeller filed a lawsuit today against two out-of-state credit services and foreclosure consultant companies that were operating ille-

gally in Indiana. Zoeller said Hoosiers in 13 Indiana counties – including Porter, Kosciusko and St. Joseph – signed contracts with Community One Law Center based in Florida and National Law Partners based in Florida and California. The lawsuit alleges both companies collected money up front and failed to provide refunds to customers after services were not provided. "Many desperate consumers with bad credit or near foreclosure see offers of this kind as their last chance to improve their financial situation," Zoeller said. "Despite believable sales pitches, services were not rendered and promised refunds were not returned. It's important that Hoosiers are aware of these scams and seek foreclosure counseling services from legitimate, non-profit sources." Community One Law Center and National Law Partners are accused of violating Indiana's consumer protection laws by not registering \$25,000 surety bonds with the Office of the Attorney General. Indiana law requires credit service organizations and foreclosure consultants to register bonds prior to performing any services, including collecting money up front.

Lake grapples with 911 consolidation

SCHERERVILLE - Town leaders left with more questions than answers after a discussion Wednesday about a state-mandated 911 dispatch consolidation (NWI Indiana). Tom Dabertin, a consultant for the consolidation, explained the status of the project before fielding questions for more than an hour. By Dec. 31, 2014, each Indiana county can have no more than two emergency dispatch centers. Lake County has 18. "This is a very challenging, difficult process," Dabertin said. "There are a lot of unknowns." Councilman Tom Schmitt asked whether the consolidation law can be

repealed. Dabertin said that's unlikely. A 21-member consolidation commission of local and county officials will meet for the first time today. An interlocal agreement is being drafted. Communities will be asked to join, as a sign to legislators there is movement on the consolidation effort, Dabertin said.

Howard township consolidations eyed

KOKOMO - Howard County officials discussed their proposal to consolidate townships along school boundaries as they move toward making a recommendation (Kokomo Tribune). Township officials discussed the responsibilities of the office and the ongoing consolidation talks during a forum Wednesday sponsored by the Citizens Committee for Consolidation on the Indiana University Kokomo campus. Nine of the 11 townships have been working since last October on a proposal to consolidate down to five trustee offices along the boundaries of the school systems in the county. Lin Ortman, a member of the Ervin Township Advisory Board, said township officials are looking at a pilot program that would combine Howard, Clay and Ervin Townships. ❖