



Pence is alpha on Medicaid course

Governor emerges in firm control over decision with far reaching impact

By **BRIAN A. HOWEY**

INDIANAPOLIS – While much focus has been put on Gov. Mike Pence’s tax cut during this General Assembly session, it is the Medicaid/Healthy Indiana Plan issue that will almost certainly have the greatest long-term ramifications on future state budgets, millions of taxpayers and up to 400,000 uninsured Hoosiers.

And Gov. Pence appears to be holding firm to his stance that the federal government should allow Indiana to address the Medicaid-eligible population via the Healthy Indiana Plan, and other states their own plans as well.

In both state legislative chambers this week, Pence emerged as the alpha figure on making the Medicaid determination. Senate Appropriations Chairman Luke Kenley essentially signed off on keeping Indiana from joining what he and Pence both have called the “broken” Medicaid system.

In the House on Monday, Ways & Means Chairman



Tim Brown, a practicing medical doctor, halted efforts on SB551 that would allow Indiana to expand the Medicaid program. It had been led by House Public Health Chairman Ed Clere, who sponsored a similar measure in the House that died in February.

Clere was able to engineer an 8-5 bipartisan committee vote on SB551, telling CNHI’s Maureen Hayden, “We want the (Pence) administration to make a good-faith effort, its best effort, to create an option to cover these uninsured Hoosiers.”

But after Chairman Brown slammed the door on

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Guns and common sense

By **BRIAN A. HOWEY**

NASHVILLE, Ind. – For the life of me, I don’t see how expanded background checks for gun purchases is an assault on the 2nd Amendment. Yet, that is the phrase we hear over and over and over again from the Indiana congressional delegation.



What is really happening as President Obama pushes for his gun legislation and it courses through the House and Senate is this: Fear, not from the barrel of a gun, but fear of the more than \$500,000 the National Rifle Association poured into the



“This is not my bill, and there are aspects of the agreement I might prefer to be stronger. But the agreement does represent welcome and significant bipartisan progress.”

- President Obama, on gun bill



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U.S. Senate race against Dick Lugar last year. That, and the mailings that went out to Hoosier voters that fueled his landslide GOP primary loss. Everyone knows that Indiana is a "God and guns" state.

But in the wake of the Newtown massacre and the Obama-Biden gun initiatives, conservative Republican members of Congress from Indiana are about to hyperventilate about protecting our 2nd Amendment rights. Almost every proposal in response to Newtown was viewed through that prism. Every statement from each of them is couched in "protection of our 2nd Amendment rights."

We've seen members like U.S. Rep. Marlin Stutzman, who has somersaulted in and around this issue, at one point publicly urging gun manufacturer Beretta to locate a plant in Indiana. I mean, Marlin shore do love his guns!

There's another side to this story and it has been enunciated by Sen. Joe Donnelly, who since January has used the phrase "with gun rights come responsibility." That phrase has been picked up by New York City Mayor Michael Bloomberg's TV ad campaign aimed at both Donnelly and Sen. Dan Coats.

Coats had little more to say when I met with him last week than that he is awaiting the "final language" of the bill that took a giant step forward with a deal forged by Sens. Joe Manchin from West Virginia and Pat Toomey, the Republican from Pennsylvania.

But Coats noted that assault weapons "were banned for 10 years" and has observed that a number of state laws are not fully enforced. He has been cautious about going too far out on the issue. Manchin and Toomey ended up on that mission, then Coats signed a letter by U.S. Sen. Rand Paul that stated they "intend to oppose any legislation that would infringe on the American people's constitutional right to bear arms, or their ability to exer-

cise this right without being subjected to government surveillance."

Okay, fine, but a more comprehensive background check doesn't infringe on gun rights. What Coats might really be worried about is his C+ national NRA rating that stems from his vote two decades ago for the assault weapons ban.

"The events in Newtown changed us all," said Manchin, a Democrat from a gun-lovin' state. "Nobody here in good conscience could sit by and not try to prevent a day like what happened in Newtown from ever happening again."

Toomey, who once led Club For Growth, added, "I don't consider criminal background checks to be gun control. I think it's just common sense." He added that current national law, and the one that exists in Pennsylvania, "have done nothing to restrain the lawful ownership of guns by law-abiding citizens."

"Common ground rests on a simple premise," Toomey continued. "And that is that criminals and the mentally ill shouldn't have guns. I don't know anyone who disagrees with that premise."

So the passage of gun legislation looks like it will happen.

This legislation adds a modicum of security, but it wouldn't have prevented Adam Lanza's Newtown tragedy, or that of Columbine High School or some of the other infamous massacres.

In the Indiana General Assembly, the reaction has been a bill that requires every school to have armed personnel. This is a knee-jerk "don't just stand there, do something" legislation that could provide an array of unintended consequences.

The very notion of a teacher, a janitor, or a poorly paid security guard responding to a Lanza-like scene – hallways sprayed with bullets as students cower in classrooms – is a nightmare waiting to happen. A better response would be to study the grow-



ing list of school shootings and use trained, local police to appear with some regularity. What if we learned that most school shootings occurred around 8 or 9:30 in the morning, or during lunch break?

A more reasonable response might be for the city police or local sheriff to cruise through the school parking lot or hallways on a regular basis, if nothing else than to plant the notion that an impediment to a twisted fantasy exists. Or perhaps they could talk with students and teachers at different time periods and pick up on things like who might be stressed out, or who is acting strangely that day. That would be a better use of resources than that speed trap over by the Dairy Queen.

Greenwood police were placing old squad cars in

bank parking lots as a relatively cost-effective deterrent to bank robberies. Imagine that: An empty cop car prevents pulp fiction.

Memo to our lawmakers: We need common sense, statistical analysis, metrics and some innovation. The hysteria, political posturing and propaganda are an affront to the parents of the Newtown kids and teachers now resting in Connecticut cemeteries.

I suspect if legislators had the chance to talk with one of the Newtown parents and look deep into their eyes, they might come to a similar conclusion. ❖

Howey is publisher of Howey Politics Indiana.

Medicaid, from page 1

that effort, Clere told the NWI Times that he was "very disappointed" in Brown's decision.

Essentially, this paves the way for the Pence administration to determine how to proceed. It will have two options: Approval from the Obama administration to use HIP as the framework, but if Health and Human Services rejects Indiana's request, Pence will have to muster a "Plan B" that key administration officials tell Howey Politics Indiana is in the works.

Last week, Pence was adamant that he would not expand traditional Medicaid. "Indiana will not expand traditional Medicaid as it is under the Affordable Care Act," Pence told Howey Politics. "I don't think it serves the recipients very well and I don't think it serves the state very well. There is no doubt in my mind with the federal government \$16 trillion more in debt that there is going to be some significant course correction in the not so distant future at the national level. An area I think the state should be very cautious about is betting on the future promises of the federal government in the expansion of Medicaid."

The governor is one of a number of Republicans who believe what Wall Street Journal writers Paul Howard and Russell Sykes describe as a "broken" system. In a 2010

WSJ article, they wrote: Medicaid, America's safety-net program for more than 62 million low-income uninsured Americans, is broken. It's broken at the state level, where program costs are swamping state budgets. It's broken for federal taxpayers, as Medicaid waste, fraud and abuse drain tens of billions of dollars from federal coffers every year. And, most important, it's broken for the millions of families who can't find doctors willing to accept Medicaid's rock-bottom reimbursements. Fixing the Medicaid safety net must be a priority of the next administration and Congress.

They added, "The best hope for Medicaid reforms that can improve care for low-income enrollees, reduce fraud, and put the program on a sustainable trajectory is to cap federal spending to the states by using block grants. Block grants would offer states a predictable source of federal funding in return for broad state flexibility in Medicaid administration, benefits and co-pays. We know that well-designed block grants can work and attract bipartisan support. The best example is the successful 1996 Temporary Assistance for Needy Families program for welfare reform, which helped move millions of women and children out of poverty and into the workforce. Critics of Medicaid block grants argue that they would leave insufficient funds to cover new state expenses, creating a 'race to the bottom' as states slashed funding on services for the poor. But such objections were also raised about block-granting welfare, and they turned out to be wrong."

Texas Gov. Rick Perry has also described Medicaid as a "broken system" and his assertions were backed up by



House Public Health Chairman Ed Clere is disappointed SB551 was killed by Ways & Means Chairman Tim Brown.



President Obama in his 2006 book, "The Audacity of Hope," in which he describes "the two main government-funded health care programs – Medicare and Medicaid – really are broken; without any changes, by 2050 these two entitlements, along with Social Security, could grow to consume as large a share of our national economy as the entire federal budget does today."

Texas PolitiFact analyzed Perry's claim and wrote, "Perry said that Obama called Medicaid 'broken.' In context, it's clear the President was including Medicaid as a significant part of the entire health care system and that his larger point was that health care costs need to be reined in. Still, Obama described expanding the Medicare and Medicaid rolls as putting 'more people in a broken system.' We rate the governor's statement as mostly true."

Another proponent was former Indiana Gov. Mitch Daniels, who in his book "Keeping the Republic: Saving America by Trusting Americans," described the origins of the Healthy Indiana Plan. "Recognizing that we could help at most a significant fraction of our uninsured population," he wrote, "I set out people to the task of designing an effective means of doing so. When our staff brought the first design in, it looked a lot like an expansion of old-fashioned Medicaid, just with higher income limits. I threw them out of my office (politely) and asked them to come back with 'HSAs for poor people.' Ultimately, that's what HIP became."

"Our Democratic friends would probably have preferred a more conventional approach," Daniels noted. "But to their credit they were eager to cooperate in addressing a serious problem that had bothered them for a long time."

The Healthy Indiana Plan won a waiver from the Bush43 administration in December 2007.

Daniels pointed to tangible – though limited – benefits. "We found those covered by HIP turn to the ER significantly less often than those covered by the state's old Medicaid plan. For every 1,000 people, for example, covered by the old plan, 844 individuals go to the ER for nonemergency care, while under HIP, 772 do." Daniels noted that HIP received a "97% positive rating."

The problem is that it covers only about a tenth – 40,000 – of the proposed Medicaid eligible population under Obamacare. And there has been no stated price tag on expanding HIP, though OMB Director Chris Atkins told HPI,

"It won't be cheap." Almost as many are on the waiting list, and Gov. Pence is quick to point out that his proposed biennial budget will add 90,000 to Medicaid.

"The Indiana health care experience, which involves close to 100,000 people covered by HIP and state CDHPs, exposes the paternalist conceit that health care choices are beyond the ability of Americans," Daniels observed. "Tragically, the essence of Obamacare is that exact conceit, and predictably the legislation effectively kills HSAs and plans such as HIP."

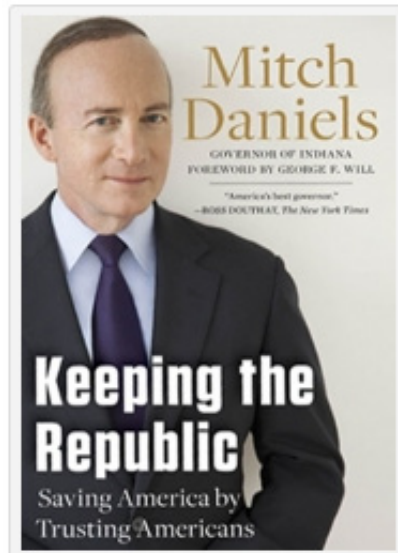
Politico reported this week that it is Obamacare that has become the "unlikely weapon" for Republicans to seek changes in Medicaid.

While a number of Republican governors, ranging from New Jersey's Chris Christie to Ohio's John Kasich to Michigan's Rick Snyder and Florida's Rick Scott, have opted for Medicaid expansion with the federal government paying 100% of the costs until 2020 and 90% thereafter.

Politico reported it this way this week: Conservatives who hate President Barack Obama's health law have been agitating to convert Medicaid into a no-strings-attached block grant for states since the Reagan era. That effort died – or at least got put on indefinite hold – with Obama's reelection. But red-state governors see another chance to ram through some of the changes they seek. Ironically, their opening was created by the health law's Medicaid expansion. A wave of anti-Obamacare governors – those who kept shunning the health law even as Ohio's John Kasich, Florida's Rick Scott and New Jersey's Chris Christie made headlines as they accepted pieces of it – are looking to take the billions of federal dollars to expand Medicaid on their terms. They're using what leverage they can muster with a White House that wants them to sign on, cover millions of uninsured and make the health law succeed. They can't get a block grant, but they can push for greater autonomy, part of their long drive to give the states more control over spending and structure.

"Governors are under tremendous pressure to expand [Medicaid], and I think a lot of them were willing to listen," said Dennis Smith, a conservative health care consultant who has worked on Medicaid for President George W. Bush, Wisconsin Gov. Scott Walker and The Heritage Foundation. "I think all the governors are going to work in the best interest of their states. They're saying, 'How can we do it our way that makes the most sense for us?'"

Clere expressed some cautious optimism for Pence's plan, telling CNHI's Hayden that Arkansas has received tentative approval from the federal government to use federal Medicaid expansion dollars to subsidize the pur-





chase of private health insurance for low-income residents who would qualify for coverage under the Affordable Care Act. Ohio is in negotiations to do something similar. Clere said that indicates the federal government is more flexible than it appeared to be just a few months ago. Clere said he wants to encourage Pence to take advantage of that flexibility.

"I have to believe that Gov. Pence would like to find a way to give hard-working Hoosiers who can't afford health insurance access to affordable health care," Clere said.

Pence, Ritz reassessing Common Core in Indiana

By **BRIAN A. HOWEY**

INDIANAPOLIS – Gov. Mike Pence is reassessing Indiana's participation in the Common Core standards.

The Heartland Institute posted a story from last Friday, saying that Pence vowed to "take a long, hard look" at Common Core. He was responding to a question from School Reform News.

In a statement to Howey Politics Indiana late Wednesday afternoon, Pence spokeswoman Christy Denault said, "Gov. Pence believes that education is a state and local function, though he certainly understands the argument for common standards. He is evaluating Indiana's Common Core and has not yet taken a position on it."

Supt. Glenda Ritz reacted by saying, "The governor and I are engaged in ongoing conversations about assessments, standards, and accountability."

Pence's comments to HPI came on the same day the Indiana Senate voted 37-13 to halt Common Core implementation until hearings are scheduled.

State Sen. Scott Schneider said, "I'm delighted that the Senate passed legislation to halt further implementation of the Common Core state standards until we hold public meetings to study this issue further. Parents and teachers across the state have stood up to fight for the highest possible academic standards for our students. Common Core threatens our high standards and our ability to determine as a state what our students need to learn to be prepared for a successful future. With the federal government's involvement pushing states to adopt the standards,

Pence, as well as governors from about eight other states, has opted for a different route, seeking the block grant approach through HIP.

It could take a decade or more to determine whether Pence was prescient in his opposition to Obamacare, emerging as a future GOP hero on the front, or, conversely, if his GOP gubernatorial brethren made the right call in bringing tens of billions of dollars to their states while massaging it into a form of great autonomy.

But the fact remains that after this week in the General Assembly, it's going to be his call. ❖

this is no longer a state-led initiative, and Indiana has lost its ability to set its own education policy."

The same bill also scraps the A to F school grading program that was passed in 2011.

At the Atlas International Education Forum last Friday, Pence noted he had been one of few politicians to oppose No Child Left Behind, the biggest federal education law in history, which dramatically increased federal education spending while requiring states to get all students testing "proficient" by 2014.

"**I will bring my anti-No Child Left Behind** biases to this," Pence said.

Heartland reported that in March, nearly a thousand Hoosiers and local businesses signed a letter to Pence, asking him to support legislation to pause Common Core implementation while the state held public hearings

on the topic and conducted a cost analysis.

The Pence administration may be in the middle of a tug of war over the issue. His legislative director is Heather Neal, the chief of staff to former Supt. Tony Bennett, who pushed for the installation of the Common Core program as well as the A to F grading system.

But Pence also received wide support from the Tea Party, which has aligned itself against Common Core. Many of the Tea Party tribes had shifted their support from Bennett to Supt. Glenda Ritz in her upset of Bennett. In fact, Ritz ended up out-polling Pence, who won with just 49% of the vote last November.

Heartland Institute described Indiana as "home to a grassroots resistance against Common Core. Their coalition, in Indiana and nationwide, ranges from anti-testing teachers and unions to parents and Tea Partiers concerned about local control and federal power grabs." ❖





Coats finds legislating harder post-Cold War

By **BRIAN A. HOWEY**

INDIANAPOLIS – Dan Coats went to Congress at the advent of the final decade of the Cold War and the presidency of Ronald Reagan.

He returned to the U.S. Senate 30 years later to a world engulfed in complexity, of cloaked enemies, a persistent jobless rate fueled, he believes, by the uncertainty of Obamacare, and a President intent on wealth redistribution. And his own political party is in the throes of an unprecedented self-analysis after an epic loss in 2012.

In the intervening 12-year period between his Senate terms, he served as ambassador to Germany, beginning that role just hours before the Sept. 11 terror attacks on the U.S. mainland. The specter hanging over him in his role on the Senate Intelligence Committee isn't terror pilots flying airliners into skyscrapers, but a "cyber 911" that could stagger the U.S. economy and infrastructure.

Is it harder to legislate now than during the Cold War?

"Much," Coats said during an interview at the Howey Politics Indiana offices last Thursday. "During the Cold War, you knew who the good guys were and who the bad guys were. Not anymore."

On Sept. 11, 2001, Americans watched on "The Today Show" and "Good Morning America" the World Trade Center in flames just prior to the second airliner assault. In a cyber 911 scenario, Americans could wake up some morning and find the networks off the air, the banking system debilitated and utilities not functioning. "You've got people constructing just that," Coats said.

His comments came a week after a number of news reports of cyber assaults on major U.S. banks. On Feb. 28, Fox News reported that after taking almost a month-long break from disrupting the websites of financial institutions, the al-Qassam cyber fighters appear to have once again resumed cyber attacks on U.S. banks. In mid-March, Gen. Keith Alexander, the head of U.S. Cyber Command, told the Senate Armed Services Committee, "The issue that we're weighing is, when does a nuisance become a real problem and when are you prepared to step in for that? That's the work the administration is going through now and highlighting that. I do see this as a growing problem."

There is now a cascading series of complexities that extend far beyond U.S. security, to the \$16 trillion in debt and the uncertain journey into the Affordable Care Act.

Noting that Indiana has a persistent jobless rate officially at 8.7% - and the U.S. rate of 7.6% which fell only because so many people are discouraged to even look for work - Coats made a direct connection to the ACA. He said a number of Indiana corporate CEOs are telling him they aren't expanding or hiring because of the uncertainty surrounding the ACA costs. "One told me, 'I'm frozen in time,'" Coats said of a CEO. "I'm not making any decisions on expansion."

"No wonder the unemployment rate is not going down," Coats said. While he cited the "skills gap" and lauded Gov. Mike Pence and the Indiana General As-

sembly for seeking to address the problem between available high tech jobs and a workforce not skilled enough to fill them, he said the ACA "is playing a role. There's a cloud of uncertainty."

Last winter, Coats was in the headlines when he was part of a group of Senate Republicans who had a



U.S. Sen. Dan Coats at the office of Howey Politics Indiana in Indianapolis last week. (HPI Photo by Chris Spangle)



private dinner with President Obama, who has renewed his pursuit of a "grand bargain" for the budget, debt reduction and entitlement reform. He was encouraged by Obama's outreach then, and while there hasn't been great movement on that front, he is still hopeful that Obama will recognize the time is running out for such a deal.

"I haven't given up on that thought," Coats said. "We passed our budget. There are now House and Senate budgets. We'll know by the end of April or early May whether the President is truly engaged. There was a consensus to get it done now," Coats said of his Senate colleagues and the President.

Coats quoted Obama as telling the senators, "I want to see my team more engaged," to which the Republicans responded, "No, YOU need to get engaged."

Obama met at the White House with about 10 senators last night.

Coats sees that door closing after July. By then, the 2014 mid-term congressional cycle will begin to ramp up. After 2014, the 2016 presidential race will be in full swing with an open White House in the balance. "If we don't get it done now, it will be 2017," Coats said, adding that the ratio of public debt to the Gross National Product will approach dangerous levels and the doomsday scenario former Gov. Mitch Daniels laid out in his book "Keeping the Republic: Saving America by Trusting Americans."

He recalled a quote by Federal Reserve Chairman Ben Bernanke, who told him that the U.S. could become "the best looking horse in the glue factory."



As Coats has met with scores of Hoosiers over the past several months, he said the overwhelming sentiment is for action. "They are telling me, 'Just get something done. Don't get hung up on taxes or spending.'"

Landing in the middle of all this is the Republicans' 100-page "Growth and Opportunity Project" that was described by the

Wall Street Journal's Neil King as a "scathing self-analysis" of a party that has marginalized itself at the presidential level while it is flourishing at the gubernatorial and state legislative levels.

"We clearly need to do a lot of soul searching," said Coats. "Clearly we need to do more listening. That's a process. I don't want to jump the process. It's helpful."

Part of that process, Coats believes, is communicating "why our principles are better than the Democrats'. We have to find a much better way of communicating our basic tenants." ❖

A wide reaction to the guns in school bill

**By MAUREEN HAYDEN
CNHI Bureau Chief**

INDIANAPOLIS — Senate Bill 1 shot to the forefront last week after it was amended by the House Education Committee with a provision that mandates every public school in Indiana have someone on staff armed with a loaded gun during school hours.

I was in the back of the crowded committee room when the amendment was offered. The immediate physical reaction was interesting: Some people leaned forward, nodding their heads in their affirmation while others recoiled in horror.

Sen. Pete Miller, the freshman Republican from Hendricks County who authored the bill, could see it too. I asked him about it later, and he said it was a small but vivid reminder about "how polarizing" the debate over guns could be.

The gun mandate wasn't in Miller's original bill and he hopes it will be gone as the bill moves through the final weeks of the legislative process.

So he's been focused instead on what Senate Bill 1 originally set out to do: Create a \$10 million matching grant fund that school districts could tap to hire law enforcement officers specially trained in school safety and set up a task force of experts to study what works best to keep kids safe in schools.

Without the gun-mandate amendment, the bill is a lot less controversial. But no less in need of some serious consideration in the wake of the tragic killing spree at Sandy Hook Elementary School in December.

"This isn't an academic issue," said Miller, the father of three school-age children. "We all worry about the safety of the environment our children are in." Miller is hoping for some thoughtful debate as the bill moves forward, so he's been listening to many voices. One of the most thoughtful voices he's heard, he said, is that of Joshua Fairchild, who recently came to lobby Miller in support of Senate Bill 1.

Fairchild isn't a registered lobbyist, but he does represent a special interest group: school children. The 9-year-old is a third-grader at Pine Tree Elementary School in Hendricks County and a member a Webelo Scout Pack.

Joshua surveyed his school friends and fellow Webelos on what they thought of having an armed law enforcement officer in school to protect them. Both Miller and Joshua's father, Mark Fairchild, thought the answer was going to be a resounding "Yes."





Instead, the response was more nuanced. In a meeting in Miller's Statehouse office last week, Joshua told the state senator that he and his friends already feel safe in their schools, but would also support Senate Bill 1's original intent of putting police officers in schools. Joshua also told Miller that he had some amendments of his own that he and his friends would like to add.

Here they are, altered only to correct spelling:

- Their gun should not be showing and they should not be in a police uniform so little kids don't get scared.
- They should be teaching classes and doing other things for kids and not looking mean all day.
- They should have special training to be nice and helpful with the kids.

Miller told me Joshua may be "the most effective lobbyist I've met."

But the voice of a 9-year-old may not carry much weight in a debate so loaded with emotion. On Tuesday, before the House Ways and Means Committee amended Senate Bill 1 to let schools opt out of the mandate to have at least one armed employee on site, Chairman Tim Brown had to stop the verbal sniper fire between the gun mandate's supporter, Republican Rep. Jim Lucas of Seymour, and mandate opponents. After Lucas argued abortions resulted in more deaths than accidental shootings, Brown halted the debate and asked Lucas to leave the room. The sole committee Republican to vote against the bill. Rep. Hal Slager of Schererville, called it a "convoluted mess."

* * *

SENTENCING OVERHAUL APPROVED BY SENATE:

A major overhaul of Indiana's criminal sentencing laws aimed at sending fewer non-violent offenders to prison has been approved by the state Senate (WISH-TV). The Senate voted 46-4 in favor of the bill Wednesday. The Senate boosted penalties for marijuana offenses and some sex crimes, though those increases are likely to be removed as lawmakers opt for the sentencing guidelines recommended by a committee of lawmakers, prosecutors and public defenders following five years of review (Carden, NWI Times).

SENATE VOTES TO EXPAND VOUCHERS: The Indiana Senate narrowly passed Wednesday legislation expanding the state's school voucher program (Smith, Indiana Public Media). The Senate scaled back the extent of voucher expansion. The original House version entirely removed the requirement that voucher recipients attend public school for at least one year after kindergarten. The Senate's version keeps that requirement but allows kindergarten to count toward that time. Sen. Carlin Yoder (R-Middlebury) says the bill is about helping ensure no Hoosier children have to attend a failing school. "That every kid in Indiana has a right to good education, the right to move themselves forward and the right to be successful in life and this bill does that,"

he says. "This bill is a family friendly bill." But Sen. Tim Skinner says voucher expansion takes much-needed money away from public schools, which serve far more Hoosier children. "I can't believe that the advocates of the vouchers can speak so loudly and hear so strongly the voices of so few and ignore the voices of so many," he says. The voucher expansion bill passed 27-23, with 10 Republicans joining all 13 Democrats voting against it.

SENATE PASSES WELFARE DRUG BILL: The Senate voted 38-12 for HB1483 which requires drug testing for welfare recipients. It passed the House in February passed it 78-17 — the debate here isn't over. Instead, the House and Senate will negotiate a final version of the bill before it can go to Gov. Mike Pence for him to decide if this should be Indiana law. (Schneider, Indianapolis Star)

SUMMER STUDY LIKELY FOR MASS TRANSIT: The Indiana Senate today passed watered-down legislation that would create a committee to study a transit expansion in central Indiana over the summer (Indianapolis Star). Lawmakers then would consider legislation to expand mass transit in 2014.

ELLSPERMANN BREAKS TIE ON SUPT BILL: The Senate passed the School superintendents (26-25): House Bill 1357 allows school boards to hire any person as superintendent, regardless of whether that person has the training or experience necessary to obtain a superintendent's license. The Senate added a requirement that superintendents at least have earned a master's degree in any subject. Lt. Gov. Sue Ellspermann, in her role as the Senate's presiding officer, broke the first Senate tie since 2005 by voting in favor of the legislation. (Carden, NWI Times)

APARTMENT REGISTRATION BILL PASSES: The Senate passed an apartment registration bill (30-19): House Bill 1313 bars local governments from establishing new apartment registration requirements or increasing fees for apartment inspection programs through July 1, 2014, while the issue is studied by lawmakers. Existing programs and fees can continue. (NWI Times)

HOUSE AGREES TO REMOVE LAKE TAX LIMITS: The Indiana House has agreed to remove a state-imposed limit on the amount of property tax revenue local governments in Lake County can collect, regardless of whether the county enacts an income tax (Carden, NWI Times). The General Assembly in 2007 punished Lake County for being the lone holdout refusing to impose a county income tax. State Rep. Hal Slager convinced the GOP-controlled chamber that it's wrong for the state to dictate to local governments what taxes they should charge. ❖



Indiana Republicans chilly to Obama budget

WASHINGTON — In his fifth annual budget proposal to Congress on Wednesday, President Obama once again put forward a fiscal mix of investments in infrastructure, education and research with further deficit reduction through tax increases and spending cuts (New York Times). But for the first time he included changes to Medicare and Social Security intended to entice Republicans back to the bargaining table. The concessions, however, showed little sign of winning them over.

The main new element of the budget is his proposal, offered previously in private negotiations with Speaker John A. Boehner, for a new cost-of-living formula that would reduce future Social Security benefits. On the spending side, Mr. Obama wants to spend \$66 billion over 10 years to help states make prekindergarten available universally, paid for by higher taxes on tobacco products.

Mr. Obama incorporated the compromise offers on Social Security and Medicare into his budget — over vehement objections from many Democrats — in part after earlier private discussions with individual Republican senators about what he could do to assure them of his seriousness about reaching a long-term deal to stabilize the national debt.

Mr. Obama is hoping that rank-and-file Republican senators can be persuaded to join with him and Senate Democrats in a compromise. He was to dine with a dozen Senate Republicans at the White House on Wednesday night. "The American people deserve better than what we've been seeing: A short-sighted, crisis-driven decision making like the reckless across-the-board spending cuts that are already hurting a lot of communities out there, cuts that economists predict will cost us hundreds of thousands of jobs during the course of this year," Mr. Obama said in the Rose Garden as his budget was released.

Here is reaction from the Indiana congressional delegation:

COATS SEES 'GOOD, BAD, UGLY': U.S. Sen. Dan Coats said, "The President's budget proposal is a case of 'the good, the bad and the ugly. I am pleased the President is finally starting to recognize the critical need to address the spiraling costs of mandatory spending programs by offering some modest changes. This is a start, and I am committed to working with my colleagues to restructure our health and retirement security programs to keep them solvent and preserve them for future generations. However, the President's budget fails to deliver a clear plan to reduce the dangerously-high \$16.8 trillion debt and instead increases net federal spending. Even worse, the administra-

tion proposes to pay for this additional stimulus spending with more tax increases on Americans. With roughly \$1 trillion of tax hikes about to begin to pay for Obamacare, the last thing our fragile economy and Hoosier taxpayers can afford is yet another tax increase."

YOUNG SEES 'TOO LITTLE, TOO LATE': U.S. Rep. Todd Young said, "In many senses, the budget proposal put forth by President Obama ... is too little, too late." For the past two years, I have asked for presidential leadership on our unsustainable social safety net programs. This budget finally pays lip service to the need to fix Medicare and Social Security, but only through miniscule reforms that do little to strengthen the programs. For the past two years, I have asked for presidential leadership on tax reform. This budget finally agrees on the vision shared by House Republicans and Senate Democrats, but relies on accounting gimmicks rather than real policy changes to achieve it. On the surface, it's tempting to say this budget is a step in the right direction—but the details prove this budget is more of the same."

STUTZMAN SEES 'EUROPEAN STYLE DEBT': U.S. Rep. Marlin Stutzman said, "Given the fact his budget never balances, I'm not sure why the President needed two extra months to recycle his failed approach of more tax hikes, more deficit spending, and more debt. Despite his incessant campaigning for a 'balanced approach,' nothing in the President's plan is balanced or ever will balance—\$1.1 trillion in new taxes, \$964 billion in new spending, and \$8.2 trillion added to the national debt. The President's budget races towards a European-style debt crisis as Washington spends money it just doesn't have and the IRS takes money Hoosiers need. Unlike the President, the House is serious about a balanced approach and last month we passed a reasonable budget that actually balances in just ten years. We can solve these problems without taking another dime from Hoosiers who already saw a tax hike in January."

ROKITA WORRIES ABOUT IRAs: U.S. Rep. Todd Rokita said: "Months after it was required by law, and weeks after both the House and the Senate passed their budgets, the President finally got around to submitting his own. While the President has found time to give more speeches, hold more concerts at the White House and play more golf, he has not found the time to come up with a new vision for our nation. Today's budget submission rehashes the same incomplete, tired themes we have heard for five years now. The President's budget envisions a country with higher taxes, more debt and a federal government that continues to grow beyond control. Most importantly, just like the Senate budget, the President's budget does not balance — ever."

MESSER SEES 'SPENDING PROBLEM': U.S. Rep. Luke Messer said, "Time and time again, this Presi-



dent has placed the wants of big government ahead of the needs of hard working Americans. The budget President Obama presented today was no exception. Like Senate Democrats, the President has proposed a budget that does not balance and increases taxes. His budget will increase

taxes by \$1.1 trillion, approximately \$7,500 per taxpayer, over the next decade. This government does not have revenue problem—it has a spending problem.” ❖

The legislature giveth, then taketh away

By **RICH JAMES**

MERRILLVILLE - It seems like yesterday that Northwest Indiana legislators – well, most of them anyway – were battling for the legalization of gambling.

It, so they said, was going to turn the industrial rust belt into tinsel town.

While it started with state Sen. Earline Rogers and Rep. Charlie Brown, both Gary Democrats, others quickly wanted in on what was being perceived as a windfall for some local governments.

Because the proposed gambling was going to be on boats, East Chicago and Hammond also wanted in on what Gary was courting. And because it became clear that legalization of gambling – other than

the state-run lottery – was a tough sell, legislators along the Ohio River, which had its own economic rust, wanted in on the action.

In the end, legalization of gambling got tied to passage of the state budget and was approved by the Legislature. A reluctant Gov. Evan Bayh signed gambling into law. June will mark the 17th anniversary of the opening of the first casino, the Majestic Star in Gary. Donald Trump’s casino opened a day later next to the Majestic Star.

Trump bailed out several years ago. Majestic Star owner Don Barden died a few years ago. The Horseshoe Casino in Hammond and the Blue Chip Casino in Michigan City opened within a year of the two in Gary.

The casino promoters envisioned a substantial impact on Lake County. Jobs, they said, would be plentiful and new businesses would sprout up all around the casinos. The casino dollars would be used to repair an aging infrastructure.

Most of that didn’t happen, although it’s not all the fault of the cities. Several thousand jobs were provided, although too many of them went to people outside of Gary, Hammond and East Chicago, including folks in Illinois.

Gary spent \$45 million in casino money – much too much – to build the U.S. Steel Yard. While it is a beautiful facility, it failed to foster development around the stadium.

Gary also used millions to convert Mercy Hospital into a Public Safety facility. While that was a needed improvement, it did nothing to foster economic development.

From 2000 – four years after the two Gary casinos opened – to 2010, the city lost more than 20,000 residents.

Much of the casino money is used today to keep Gary afloat.

East Chicago, too, was using about \$13 million of the \$20 million it received yearly in casino taxes for general fund expenses, including salaries and benefits. That \$13 million has been reduced in recent years. The city this year is using about \$3 million for the general fund, said Mayor Anthony Copeland. No casino money will be used next year, the mayor said.

Instead, Copeland said the city will cease to be an employment agency and instead use the money for infrastructure and public works projects – things Copeland said will attract businesses.

Hammond has divided much of its casino money among the councilmen to be used for projects in their districts. Hammond Mayor Thomas McDermott also has been using casino dollars to fund his highly successfully College Bound scholarship program.

With the threats of casinos in Chicago, McDermott said he doesn’t want to further rely on casino taxes to fund the college program. Rather than fostering economic development, the Hammond casino led to the closure of the seemingly ageless Phil Smidt’s restaurant, which was in the shadow of the casino.

The recession hit Lake County hard and has resulted in a lower property tax collection rate, forcing the use of some casino money. While the General Assembly approved gambling to help the urban core, legislators made a terrible move 11 years after the casinos opened. The Legislature froze local levies because the county refused to enact an income tax. That forced the use of casino dollars for operating costs.

Casinos have helped, but they also have been hurt by the state.

And as we speak, there is another legislative assault on the casino money now going to cities.

I guess what the Legislature giveth, it also taketh away. ❖

Rich James has been writing about state and local government and politics for more than 30 years. He is a columnist for NWI Times.





4% fear the very real threat of the Lizard People

By JACK COLWELL

SOUTH BEND – American voters don't understand the very real threat of the Lizard People. Don't they see on the Internet about those shape-shifting reptilian people seeking to rule the world?



A nationwide survey conducted by Public Policy Polling finds only 4 percent of American voters believe the Lizard People are taking human form to take power. Only 4 percent. What's this country coming to?

What would the Founding Fathers think?

OK. If this small percentage understanding what's right there on the Internet is reflective of the whole voting age popula-

tion, it does mean that about 10 million adults in this country realize the threat. A start. But there should be more, what with the photographic and scientific proof on the Internet. What with the clear identification of Lizard conspirators like George W. Bush, Queen Elizabeth and Justin Bieber.

I mean, it's on the Internet. This isn't just something in the lamestream media. You don't find it in suspect publications like the Wall Street Journal, the New York Times or the Chicago Tribune or hear about it from some TV anchor like Brian Williams.

Some findings are encouraging in the poll, conducted March 27-30. And of course there are differences along partisan lines.

Twenty percent of Republican voters believe that President Obama is the Anti-Christ and another 17 percent of them aren't sure. So more than one in three Republican voters believe or suspect that Obama is the Anti-Christ.

This encourages the Republican members of Congress that they elect to oppose Obama at every turn.

Only 6 percent of Democratic voters believe Obama is the Anti-Christ. It's kind of interesting that most of them with that view still voted for Obama over Mitt Romney.

One in four of Democratic voters believes or thinks it's possible that the government of George W. Bush knowingly allowed the attacks of 9/11 to happen. This encourages the Democratic members of Congress that they elect to oppose the GOP as evil. Wow, letting planes smash into

the Twin Towers and the Pentagon.

There is bipartisan agreement on some things. Percentages of belief in Big Foot: Democrats, 14; Republicans, 15. Belief that the government adds fluoride to water for sinister purposes: Democrats, 8; Republicans, 9. Belief that there's secret mind-controlling technology in TV broadcast signals: Democrats, 15; Republicans, 17.

But there are big differences between the parties on other matters. Among Republican voters, 58 percent believe global warming is a hoax and another 16 percent aren't sure. Among Democrats, only 11 percent believe it's a hoax and another 12 percent aren't sure.

Is there a conspiracy for a New World Order? The "yes" percentages: Republicans, 34; Democrats, 15.

The Iraq war likely was still on voters' minds in the presidential election. Sixty-nine percent of those who voted for Obama said they believe President Bush intentionally misled the public about weapons of mass destruction in Iraq. Not just mistakenly. Knowingly. Only 18 percent of voters for Romney held that belief.

Is there hope for the future?

Well, while only 6 percent in the survey believe Osama Bin Laden is still alive, that belief was held by 21 percent of voters ages 18-29. And while 7 percent overall believe the moon landing was fake, 11 percent of the younger voters believe it was.

Back to the deploring failure to understand the threat of the Lizard People. Only 4 percent. Although among younger voters it was 13 percent. And among voters describing themselves as very conservative it was 11 percent. Maybe the young and the very conservative are more familiar with Internet proof provided by the great conspiracy theorist David Icke and sites with the history of the Lizard People.

It seems that they co-existed with humans into the 12th Century B.C. and joined in fighting the Mongoloids, described as a "terrible race of Mongs and Loids." The Mongs and Loids were driven into the oceans by the human-lizard army and "slowly evolved into jellyfish, forever taking their revenge by stinging unsuspecting people at the beach."

Sure, some of this could be satire, but that won't stop American voters determined to learn of this threat. Would be interesting to know how many members of Congress have the same beliefs as so many of the voters who selected them. ❖

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



Privatize another state resource

By **MORTON J. MARCUS**

INDIANAPOLIS — Hortense and I were strolling from our car to the Exposition Hall of the Indiana State Fairgrounds. Our goal was the Indiana Artisan Marketplace, but we had to pass the Southwest Pavilion where they were holding the Midwest Reptile Show.



"Despicable," was her comment and I could not disagree. "How many of those snakes and other 'pets' will survive the week? Isn't the State Fair supposed to be an educational and environmentally responsible arm of state government?"

"I don't know," I said in response to each of these questions. "I'm not sure what the State Fair is supposed to be or what the State Fairgrounds is supposed to be other than the landlord of the State Fair."

"That's why they should get rid of it," Hortense declared.

"What?" I cried too loudly. "Get rid of the State Fair?"

"Yes," Hortense was emphatic. "Here we have 250 acres of land smack in the middle of the state serving as a place where nature is exploited rather than appreciated. This entire establishment is designed for entertainment and excess, not for the cultural enrichment of the many but the financial benefit of the few."

I could feel the aura of a headache, the precursor of distress as these words were spoken. Our casual outing was verging toward the cliff of philosophical discord.

Then, with our goal in sight, I made the big mistake when I said, "What would you do about the Fair and the Fairgrounds?"

"Privatize them," was her terse answer.

"**But they are a public good**, a resource for Indianapolis, Marion County, the metro area, and the entire state," I objected. "They represent tradition and values inherent in the lives of everyday Hoosiers. You cannot sell off or lease state assets as if they were the Toll Road, parking meters, or entire departments of government."

"And why not?" she asked, but did not wait for a reply. "This is an entertainment facility with aspirations to compete with the private market for convention and tourism business."

"But the Fairgrounds pays no taxes like a private

venue would. Their 2011 annual report shows subsidies from the state of \$7 million with no flow of cash back to the general fund," she continued.

"Who would buy such a property?" I asked.

"No problem," she responded. "I can think of at least three classes of potential buyers. First, entertainment companies like Disney. Here is an ideal urban complex that will someday be located on the natural transit route between Downtown, Castleton and Fishers."

"**Second, developers** who want to build a city-within-a-city. Think what such a massive construction project would mean to the rejuvenation of Indianapolis. Thousands of condos and high rise office buildings all integrated with parking, public transit, shopping and a natural linkage to Fall Creek."

"Third, a conservation group that has a chance to recover and preserve a large natural space in a developed city. Find me another such opportunity!"

"Here we are," I changed the subject. "The Artisan Marketplace, a chance to enhance the interest of any home with brilliant Hoosier crafts."

And it was true. There were many booths with delightful works of talented people. I'd bet none of them thought of privatizing the Fairgrounds. ❖

Mr. Marcus is an independent economist, writer and speaker. Contact him at mortonjmarcus@yahoo.com

64% support pathway to citizenship

WASHINGTON - Nearly two-thirds of Americans support a pathway to citizenship to illegal immigrants, according to a poll released Thursday, and that number spikes to 76 percent once told what the pathway to citizenship may involve.

The NBC/Wall Street Journal poll has 64 percent of Americans supporting a pathway, including 82 percent of Hispanics but only 47 percent of Republicans. A majority of the GOP — 51 percent — opposes the pathway. But Republican opposition melts away after respondents were told the pathway required paying fines and back taxes and passing a criminal background check. GOP support jumped to 73 percent. Republican support will be critical if a bill including a pathway to citizenship is going to make it out of the GOP-controlled House. Some lawmakers there have suggested legalizing undocumented immigrants, but stopping short of granting them citizenship. Democrats have declared that unacceptable, arguing it would create a permanent underclass without voting rights. A majority of both Americans and Latinos believe undocumented immigrants should be eligible for citizenship five years after they apply. ❖



GOP super PAC leader backs immigration reform

By MAUREEN HAYDEN
CNHI Bureau Chief

INDIANAPOLIS — As the politics of immigration reform heats up in the Statehouse and Congress, a prominent Republican is ramping up his efforts to rid the influence of what he calls anti-immigrant “extremists” in his party.



Former U.S. Commerce Secretary Carlos Gutierrez was scheduled to be in Indianapolis Tuesday for private meetings with well-heeled potential donors to his new Super PAC, Republicans for Immigration Reform.

His ultimate goal: To raise the mountains of money needed to “provide cover” for pro-immigration Republicans at risk of being targeted in their next primary election.

“We need to prevent the extreme voices from speaking for our party,”

Gutierrez said.

“We’re supposed to be the party of prosperity and opportunity,” he added. “But we can’t be those things if we’re seen as the party of anti-immigrants.”

Gutierrez, a Cuban-American, is a significant voice in the immigration reform debate. He was commerce secretary to President George W. Bush and an adviser to the 2012 Mitt Romney presidential campaign.

After Romney’s loss, he teamed up with Washington lawyer Charlie Spies, co-founder of the pro-Romney super PAC Restore Our Future, to create the new Republicans for Immigration Reform super PAC.

Gutierrez is unabashed in his criticism of how Romney and the Republican Party blew the last election.

He said Romney’s call for the 11 million undocumented immigrants in the U.S. to “self deport” was pandering to far-right Republicans who are the harshest critics of illegal immigration.

Gutierrez said immigrants of all kinds, including those here legally, were offended. “By treating one group of immigrants with such disdain, all immigrants felt like the Republican party was saying to them: ‘You’re not welcome here.’ ”

Romney won only 27 percent of the Hispanic vote. “We lost the Asian-American vote by an even larger margin,” Gutierrez said.

Former Republican state legislator Mike Murphy said Gutierrez’s visit to Indiana sends two signals:

One, that national Republicans believe some members of Indiana’s congressional delegation may be open to federal legislation that would create a pathway to legal status for undocumented workers, students and children.

Second, said Murphy, “It’s clear that Indiana is being seen as a battleground for the hearts and minds of people on this issue.”

Gutierrez wants his super PAC to raise the needed millions of dollars to counter the super PAC money that’s been spent in the past to knock off pro-immigration Republican candidates.

It won’t be an easy task: Last May, longtime U.S. Sen. Richard Lugar lost his primary bid after outside super PACS – including the pro-Romney super PAC Restore Our Future – poured money into his opponent’s campaign.

One of the issues Lugar was hammered on: His support of the federal DREAM Act, which would have created a path for citizenship for children who were brought to the U.S. illegally by their immigrant parents.

Brian Howey, longtime political analyst with the Howey Politics Indiana, said Gutierrez’s plea for support may resonate with Republican stalwarts who still mourn Lugar’s loss. Democrat Joe Donnelly won the seat in the November election.

“They booted away a safe Republican Senate seat,” Howey said.

Congress is expected to take up debate soon on federal immigration reform. A bipartisan group of U.S. senators, known as the “Gang of Eight,” has been working on comprehensive legislation that includes measures to secure the U.S. border, allow thousands of foreign workers into the country, and grant eventual citizenship to undocumented immigrants living here illegally.

In the Indiana Statehouse, legislators are debating a bill that would roll back the state’s two-year-old ban on in-state college tuition for the children of undocumented immigrants. The bill is being carried by some key Republicans, who’ve called the ban unnecessarily punitive because the high cost of out-of-state tuition blocks those students’ access to college. ❖

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Eric Bradner, Evansville Courier & Press:

Strange as it might sound, Indiana's current budget debate — focused largely on whether Gov. Mike Pence will get the small individual income tax cut he has proposed — has a lot to do with John Gregg. The ultimately failed Democratic candidate for the job Pence got stood outside an Indianapolis gas station last summer and proposed suspending Indiana's sales tax collections on gasoline purchases. The proposal would have cost the state about \$500 million per year. It was a populist idea, but unrealistic, since Gregg also wanted to beef up Indiana's funding for education and health care while also launching a pre-kindergarten pilot program. Still, it wasn't long before the Pence campaign hit back. The Republican proposed a similar-sized tax cut, also worth a little more than \$500 million per year total. He'd reach that total a different way: By lowering the state's income tax rate from 3.4 percent to 3.06 percent — or, as the public-relations pitch goes, by 10 percent. The income tax cut became the central plank of Pence's campaign, and once he was elected, the new governor, who is still working to overcome criticism that he failed to shepherd any bills he introduced into law during his 12 years in the U.S. House, knew he had to stick with it. He highlighted the tax cut in his inaugural address and his first State of the State speech. That the governor has so much riding on the tax cut helps explain his dramatically different reactions to a budget approved by the House earlier this year and one the Senate unveiled last week. That focus on the tax cut gives lawmakers enormous leeway to set state policy through other measures both in and out of the budget — a reality that will ultimately serve as a learning experience as Pence heads into future legislative sessions. Though Pence's full tax cut would save average Hoosiers less than \$5 a paycheck, surely the most significant impacts of Indiana's next two-year state budget, which will be worth \$30 billion or so, will be in the areas of public education and health care. But Pence staked so much on an income-tax cut — one with roots in the back-and-forth of last summer's campaign — that it is how his clout will be measured once the legislative session wraps up by April 29. For better or worse, that's why the governor is pouring all of his political capital into that one proposal. ❖

Dave Bangert, Lafayette Journal & Courier:

My boss looked at the ceiling and then back at me, a smirk sucking the air out of the room. "Do you even know what you're asking?" I thought I did. But now I wasn't so sure. Purdue President Mitch Daniels had just been on WBAA earlier that morning, talking about a two-year pay freeze he instituted for administrative staff making \$50,000 and more. The move coincided with a tuition freeze Daniels

offered last month — a move that will save students \$40 million over the next two years. The moratorium on those upper-end administrative salaries will hack \$5 million out of savings needed on campus. A question for Daniels was about the incentive pay being written into his contract. That, he said, wouldn't be affected. "We're talking about base wages," he said on WBAA, before following up with this: "Frankly, I'd be cheered up to know we had a fairly significant amount of incentive pay around. I think it's a good principle, when it's well done." Sounds as if we all need to get in on that incentive pay train, I told my boss. Cue eye roll, soul-reducing smirk. If I'd given the boss another couple of days, he could have just ripped his lecture from the quotes Daniels offered during a campus forum devoted to an affordable Purdue. When challenged to defend the incentives in his salary — he could earn up to a 30 percent bonus on top of his \$420,000 base pay — Daniels turned it around: "By the way," he said in the Purdue Memorial Ballroom, "if you're willing to put 30 percent of your pay at risk for certain things, we'd be happy to discuss that, too." ❖



Sheila Suess Kennedy: I attended a small political gathering yesterday, and during the "mixing and mingling" had a conversation with a member of the Indiana House. We were discussing the legislature's refusal to allow Indianapolis to hold a referendum on public transportation, and she noted that the same people who don't believe Indianapolis residents can be trusted with that vote are among the most vocal proponents of "letting the people decide" whether Indiana should constitutionalize its ban on same-sex marriage. Evidently, we aren't capable of deciding whether to pay for better bus service, and it would be dangerous to put such a serious matter to a vote; however, we are perfectly capable of deciding whether other citizens should be denied equal access to a fundamental human right. ❖

Greg Sargent, Washington Post: Okay, if this isn't the clarifying moment we've been waiting for, nothing will ever be. On CNN, GOP Rep. Greg Walden, the chairman of the NRCC, opened fire on Obama's budget by claiming it is an assault on seniors: "I'll tell you when you're going after seniors the way he's already done on Obamacare, taken \$700 billion out of Medicare to put into Obamacare and now coming back at seniors again, I think you're crossing that line very quickly here in terms of denying access to seniors for health care in districts like mine certainly and around the country," he said on CNN Wednesday afternoon. This makes it all but certain that Republicans will use Obama's Chained CPI proposal to attack Democrats in the 2014 elections for cutting Social Security. ❖



Employer insurance declines in state

WASHINGTON — Indiana has seen one of the biggest drops in the share of residents getting health insurance through an employer, according to a report to be released Thursday (Groppe, Gannett News Service). While 78 percent of non-elderly Hoosiers had coverage through their job or a family member's job in 2000, only 63 percent did in 2011, according to the report by the Robert Wood Johnson Foundation, a philanthropy whose mission is improving health care. That means about 600,000 fewer Hoosiers receive their health coverage through a job than did at the start of the century. Michigan and South Carolina also saw a 15 percentage point decline, the largest in the nation. Only half of Indiana's private-sector employers even offered health insurance to their workers in 2011, the study found. Despite the decline, however, Indiana still has a higher percentage of non-elderly residents getting employer-sponsored coverage than the 60 percent national average. New Hampshire has the highest rate (73.8 percent) and New Mexico has the lowest (48 percent). Indiana's change was greatest among families earning below 200 percent of the federal poverty level, or \$39,060 for a family of three. Coverage fell from 53 percent of those households getting insurance through an employer to 32 percent, the largest drop in that income category in the nation.



USPS to keep Saturday delivery

WASHINGTON - The U.S.

Postal Service says it will delay plans to cut Saturday mail delivery because Congress isn't allowing the change (Associated Press). The Postal Service said in February that it planned to cut back in August to five-day-a-week deliveries for everything except packages, as a way to hold down losses. But a statement Wednesday from agency's Board of Governors notes that Congress has passed a spending bill that continues the long-time prohibition against reducing delivery days. As a result, the board says it believe that Congress "has left it with no choice but to delay implementation" of the five-day-a-week plan.

Center Twp. has \$6.7M balance

INDIANAPOLIS - Unlike his predecessors, Center Township Trustee Eugene Akers has no interest in hoarding cash (McLaughlin, Indianapolis Business Journal). The township ended 2012 with \$6.7 million, the lowest bank balance in recent history, but the money won't be going back into taxpayers' wallets. trustee "Saving money is not one of my business deals," Akers said. "I am here to help the indigent." Yet the biggest checks Akers has written didn't go to people in need of food, shelter or other emergency services, which is the township's main mission. Akers, a Democrat elected in 2010, has launched a job-training program, acquired real estate, and made major improvements to the Julia M. Carson Government Center on Fall Creek Parkway. The trustee's activities show how little has changed in the world of township government, while cities and towns struggle to balance their budgets under property-tax caps. Indianapolis Mayor Greg Ballard and City-County Council leaders are trying to cut an additional \$30 million from the 2013 budget, in anticipation of another revenue shortfall next year.

"This is sad because the city is up against budget problems," said state Rep. Ed DeLaney, a Democrat who has pushed for eliminating township government. "And yet this goes on underneath." Akers inherited a cash balance of \$8.5 million, the result of years of accumulating surpluses that began under Julia Carson, the late Democratic congresswoman who was Center Township trustee from 1990 to 1996. Under Akers, the township spent \$1.7 million each of the past two years. Poor relief accounted for about 20 percent of the \$8.57 million taxpayer-supported budget in 2012. The biggest chunk of that budget, \$3.7 million, went to personnel costs for the township's 74-person staff.

House waters down Rockport bill

INDIANAPOLIS - The Indiana House has stripped a provision from a bill that would have subjected a proposed \$2.8 billion coal-gasification plant to a second in-depth review by state regulators. Republican state Rep. Matt Uebelhor of Bloomfield pushed the changes Thursday to shield the southern Indiana project from such a review. Uebelhor manages coal mines for Peabody Energy and told fellow lawmakers the project would be a huge boon for Indiana's coal industry. The Evansville Courier & Press reports the changes would mean Indiana state government's contract to buy and then resell the Rockport plant's synthetic gas would be more likely to survive legislative and legal challenges. A group of opponents led by Vectren Corp. who contend the project could saddle ratepayers with higher bills were frustrated by House's move.