

Pence reboots '16 White House option

Governor says he's just 'listening' to national figures 'reaching out'

By **BRIAN A. HOWEY**

INDIANAPOLIS – The swirl of 2016 national ticket talk surrounding Gov. Mike Pence has intensified over the past few weeks. We know it's a scenario the first-term Republican hasn't spent so much as a minute pondering, though he is now acknowledging to Howey Politics Indiana that national figures are "reaching out" to him.

So when Howey Politics Indiana sat down with Gov. Pence on Tuesday morning, just as the Weekly Standard's Bill Kristol was anointing Pence and Wisconsin Gov. Scott Walker as presidential timber on MSNBC's "Morning Joe," and 24 hours before Chief of Staff Bill Smith turned in his resignation, two questions were asked. First, does Pence believe he's ready for national office?



And what would be the scenario he sees where it might happen?

The most obvious path, though it involves lightning-strike statistical odds, is that a Chris Christie, Jeb Bush or Ted Cruz wins the nomination and needs a social conservative with gubernatorial and Midwestern resume postings to balance a ticket. This has played out quadrennially in Indiana since 1972 with Dick

Lugar, Birch and Evan Bayh, Lee Hamilton, Dan Quayle, and Steve Goldsmith posited on various veepstakes speculation lists.

The second potential scenario is the kind of void that created Bill Clinton in 1992 and John McCain in 2008.

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Hogsett tackles graft

By **MAUREEN HAYDEN**
 CNHI Statehouse Bureau

INDIANAPOLIS – Joe Hogsett was being vetted for the job of U.S. attorney four years ago when he asked a federal judge for advice.



That judge observed that there hadn't been a high-profile public corruption case in the southern district of Indiana since the early 1990s, when federal investigators separately brought down a bribe-taking state court judge and a well-connected union president caught skimming dues.

The judge cited two possibilities for the dearth of corruption cases, Hogsett recounted recently: "One, we have the most



"My job is to protect the integrity of the institution."

- House Ethics Chairman Greg Steuerwald, on the probe of State Rep. Eric Turner. A hearing set for today had been cancelled and has not been rescheduled



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honest, ethical, above-the-board public officials in the entire land. Or, two, somebody is asleep at the switch." Hogsett bet it was the latter.

Hogsett has raised his profile by ramping up prosecutions of gang members and corrupt politicians, arguing that both undermine the public's sense of safety, since he became top federal prosecutor in a district that covers two-thirds of the state.

He created a multi-agency Public Corruption Working Group, a team of federal and state investigators in 2012. Since then his office has charged 30 public officials with various crimes – three times the cases charged in the previous two years.

Last month, Hogsett reaffirmed his commitment to rooting out corruption as he traveled the state to announce a trio of indictments of public officials – including a rare perjury charge against a county child-welfare director accused of lying to investigators about a sex-abuse case.

Hogsett revealed that FBI officials in Indiana are beefing up their resources, creating a stand-alone team of agents tasked with investigating public wrongdoing, which mirrors a national priority by the FBI to expand investigations of public corruption.

"Our message has been consistent, but bears repeating," Hogsett told reporters. "It doesn't matter what your politics are or who you know. If you violate the public trust, this working group will find you and investigate you, and the U.S. Attorney's office will then prosecute you to the fullest extent of the law."

Only later did Hogsett admit how tough that threat is to carry out.

"The plain fact is," he said, "cases of public integrity and corruption are often very difficult to make and to prove."

Last fall, for example, Hogsett reluctantly shut down a high-profile

probe of former Marion County prosecutor Carl Brizzi. A three-year investigation failed to yield sufficient evidence that the top cop in the state's capital had accepted bribes while in office.

The corruption task force had nailed two of Brizzi's associates, including a former deputy prosecutor. But Hogsett had to tell investigators their mostly circumstantial case against Brizzi wouldn't hold up in front a jury.

A few weeks later, that convicted deputy prosecutor, whom Hogsett wanted to be sent to prison, was sentenced to probation.

The results were discouraging, but Hogsett was undeterred.

"Those kinds of prosecutions,



in the final analysis, are worth doing, even if the result isn't what you hoped it would be," he said during a recent interview. "It sends a very important message to everybody up and down the government chain that somebody is out there watching what they're doing."

Public officials caught under Hogsett's tenure have included city councilmen with dirty money, township officials who embezzled public funds, IRS employees convicted of unemployment fraud, and a wealthy financier who spent stolen money on campaign contributions to prominent state politicians. The caseload has also included a police chief who used town money to buy himself a cache of guns and a deputy sheriff accused of brutalizing suspects in his custody.

Robert Jones, the FBI's special-agent-in-charge Indiana, said the range of cases is telling: "There is no acceptable level of public corruption," he said.

Hogsett hasn't been without critics. His early decision to crack down on corruption raised questions about his political ambitions.

Hogsett, 57, a father of three and Rushville native, launched himself into state politics more than 25 years ago. He was a top aide to former Democrat Gov. Evan Bayh, elected as secretary of state in 1990, and later served as chairman of the Indiana Democratic Party.

But, earlier this year, Hogsett killed rumors he'd be leaving the U.S. Attorney's office to run for Indianapolis mayor. In committing to stay in office until his term is up in January 2017, the Obama appointee effectively ruled out a 2016 run for governor or Congress.

"I cannot in good faith walk away from the responsibility that I have," he said at the time.

His commitment to the job has earned him the "Mr. Clean" award from the Indiana chapter of Common Cause, the government watchdog group. The group honored him last summer for his decision to prioritize prosecu-

tion of public corruption.

But it was also a recognition of his history as a good-government advocate, said Common Cause Indiana director Julia Vaughn.

Back when he was secretary of state, Hogsett, a Democrat, worked with the state's then-attorney general, a Republican, to get a strict interpretation of lobbying disclosure laws. Both men, said Vaughn, drew the ire of party leaders and legislators who later rewrote the laws to make them more lax.

"He's not a Johnny-come-lately to the idea that public service should be about public service and not about private gain," Vaughn said.

Hogsett appreciated the award but sees the praise as fleeting. "If you decide to go after public corruption, you don't make many friends," he said. "Usually just enemies." ❖

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That's when the biggest names – the Cuomos, Rockefellers, Bushes, Bradleys or Kennedys – either take a pass or through scandal or personal circumstance, beg off. The names in the second or third tiers then move up. In the 2016 scenario, all eyes are on former Florida Gov. Jeb Bush, who told the Washington Post earlier this week that he would make his decision by the end of the year. "In my case, that means can one do it joyfully without being tied to all the convention of the here and now," Bush explained in what was called a rambling stream of consciousness.

In that time line, the 2016 Republican presidential race doesn't really begin to sort out until November or December. Without Jeb Bush, there is no clear frontrunner.

The question to Gov. Pence was asked by HPI like this: "I know you haven't spent a minute thinking about a national ticket run. But do you believe you're ready for a national ticket? And under what scenario might that come about?"

"Well, what I can tell you is I really haven't spent any time thinking about any other job than serving the people of Indiana as governor," Pence said in his Statehouse office, foiling the writer's attempt to move him beyond the wellworn talking point.

Then Pence made it interesting.

"But we've had people talking about that with us," the governor said. "With regard to the other aspects to your question, I would just say, our decision on making any kind of decision on reelection will come sometime in the next calendar year."

Late last year, senior Pence administration officials suggested the classic "follow the money" on Indiana campaign and Federal Election Commission reports. In the Feb. 6 edition of HPI, we reported Pence's Indiana campaign finance filing was \$1,354,038.63 in contributions and \$491,610.51 in expenses. He had a year-end cash-on-hand balance of \$1.357 million. As for Pence's FEC accounts, the Mike Pence Committee had a balance of only \$4,736, and his Win Back American PAC showed a balance of \$5,210.

There haven't been trips scheduled to Iowa, New Hampshire or South Carolina events recently. The easy conclusion to reach was that Pence was firmly preparing for a reelection. Now we learn that both he and Jeb Bush are on a similar 2016 timeline.

Out-going Chief of Staff Bill Smith told HPI, "He's not in any way proactively doing anything nationally. He's listening to people. He hears people out. In the mean time, he's moving forward with being governor of Indiana. No other plans are in the works."

But Pence and his staff are now in the process of rekindling the possibility.

We noted that national figures like Gary Bauer, the Koch brothers, those associated with Forbes Magazine, Club For Growth's Chris Chocola, and now Kristol were all talking about Pence for 2016. Bauer called Pence a potentially "formidable" candidate. Politico quoted Pence pollster Kellyanne Conway as saying, "One thing that surprises me is who is urging Gov. Pence to consider the presidency. It goes beyond his inner circle to folks I'd have thought were already committed to other candidates. They know the governor is 110 percent focused on his day job, but they

want a full-spectrum conservative who has experience and trust in all of the main policy spheres.”

Those spheres include social and evangelical conservatives, Tea Party, House Republicans, and those who believe a governor could articulate the outside-the-beltway message needed to take on Hillary Clinton.

“I understand the interest in who we’re talking to and I’ll leave you to your own devices on that,” Pence said. “We’ve had people reach out. We’re very fortunate to have friends around the country who appreciate the leadership we’re providing here.

“But I will say, in all honesty, any interest in me is as much a reflection in the progress Indiana has made as it is with me or my leadership,” the governor continued. “I really believe that. When you look at the fact our state has seen unemployment decline, lowest in Midwest. When you see the education choice opportunities, when you see what we’re doing in the area of workforce, career and education, Indiana is leading the nation in that. When you look at what we’re able to do with education funding and infrastructure funding, Indiana really stands out.

“When I was at the Forbes conference, a lot of people were saying how impressed they were with the progress that Indiana has been making,” Pence continued.

The governor then laid out the skeletal steel framework of a potential national candidacy, based on what might be called from his viewpoint the “Indiana miracle.”

Pence explained, “I said look, it’s about common sense, it’s about living within your means, it’s about letting people keep more of what they earn, it’s about promoting economic freedom, it’s about promoting educational opportunity on the basis of equality, it’s about having roads and bridges and infrastructure to support growth, and it’s about having a workforce that is attuned to the strengths of your economy. None of that is rocket science. I don’t think it’s especially headline grabbing, but it’s working. It’s obvious in the Midwest and, increasingly, around the country.”

“I really do think that some of the attention and reflections we’ve been getting is as much of a reflection of the choices people of Indiana have been making and supported over the last 10 years,” Pence said.

So there is the political rationale. Influential national Republicans are in contact – “reaching out” – and Pence weaves the attractive business climate and Major Moves forged by the last Hoosier Republican to titillate a national base, Mitch Daniels.



Gov. Pence’s office includes the portraits of Vice Presidents Hendricks and Marshall, and Presidents Lincoln and the two Harrisons.

Does Pence believe he is ready for national office?

This is where Pence begins to blend his legislative and now executive portfolios into a national storyline.

“The last year and a half has been an extraordinary learning experience for me,” said Pence, who had been urged by supporters to build up his executive resume after a brief presidential flirtation in 2010-11. “I have enjoyed and benefitted. I do enjoy it, I really do. The opportunity to serve in leadership in the executive branch of government is a fundamentally different thing than the legislative branch. I have great respect for people serving in the legislative branch. Some think I am a little too differential. I think we’ve got the best legislature in America, immensely talented men and women. I relish the legislative procedures.”

He pointed to his first General Assembly session as a collaborative effort between himself and the legislature. “I was asked after last year’s session about our tax cut proposal, ‘You asked for 10 percent, got 5, and got a combination of all the other tax cuts.’ That was in reference to his proposed 10% income tax cut that was reduced to 5% in a multi-year phase-in, and then paired with an array of business tax cuts.

“I honestly believe the tax cut package we produced was better than what I proposed,” Pence said. “It laid the framework for the growth and prosperity –income tax relief that was significant, full death tax repeal, a continuation of corporate tax reductions and financial services reductions that I think lay the framework for the growth and prosperity we’re seeing today.”

He points to the 8.6% jobless rate he inherited in January 2015, and how it has fallen to 6.1%. It defies an April 2013 IHS Global Insight analysis that projected full employment this year in the 7.5% jobless range.

It is framed as the state-based education of a fledgling governor, as he describes, “Serving in the executive branch, being able to lay out an agenda, derived from traveling the state relentlessly, listening to the people, hearing the priorities. It’s been a real joy and privilege. I’ve learned a lot.”

The Pence political apparatus is doing what Mitch Daniels did five or six years ago. It is seeding the Indiana story to national pundits and figures who pay scant attention to the growing pains those in the Statehouse gripe about. The details of the journey are less interesting than the post sine die headlines.

Four hours after Pence’s HPI interview, the National Tax Foundation was in his office, honoring his efforts with the “Outstanding Achievement in State Tax Reform Award.” It’s an important resume booster for a leader who believes he’s still in the mid-stages of a national journey. ❖

What does the Smith resignation mean?

By **BRIAN A. HOWEY**

INDIANAPOLIS – What should we read into the resignation of Pence Chief of Staff Bill Smith?

This move appears to be the preparatory shift from a footing of governance to that of political options for a governor who acknowledges that national Republicans are reaching out to him in the context of the 2016 presidential race.

Smith told HPI this morning that he will be forming a public affairs, communications and consulting group. "My first client is the governor and his political activities," Smith said. "My focus is going to be on Indiana, but that doesn't mean he's hasn't been approached by a lot of people nationally. He will certainly listen to anyone. But the focus will be on the Indiana side."

Smith said he will do an exit interview before the Indiana Ethics Commission in early May, which is standard for an official of his stature leaving an administration who will engage in business and politics afterwards.

Smith is one of the longest serving Pence associates, having gotten on board in 2000 when Pence won a Congressional seat on his third try. Over the next 12 years, Smith alternated from Pence's congressional office chief of staff, to running his district office and campaigns. Smith was at the helm of the governor's 2012 gubernatorial campaign.

In accepting his resignation on Wednesday, Pence said, "Bill Smith's contributions since the outset of our administration have been incalculable and I will always be grateful for his tireless service to the state of Indiana. His integrity and strong leadership as director of our transition team and then as my chief of staff contributed significantly to our success. Bill Smith made a difference for the people of Indiana.. We wish him well in his new endeavor and look forward to working with him often in his new capacity."

Smith's legacy as an operative is marked by an undefeated record politically, but where he experienced an edgy transition from a congressional office to that of governor. He certainly had the confidence and trust of the congressman and governor. On the campaign front, after

losing two races to U.S. Rep. Phil Sharp in 1988 and 1990, Pence won what was then the 2nd CD with 51% of the vote over Democrat Robert Rock and independent Republican Bill Frazier who carried 9% with Smith at the helm. After that, Pence won five successive elections with landslide margins with 64% in 2002 in what became the 6th CD, 67% in 2004, 60% in 2006, 64% in 2008 and 66% in 2010.

Pence's 2012 gubernatorial campaign found the future governor winning with just 49% of the vote, the first governor in 50 years not to carry a majority of the vote. The path for Pence was cleared after he opted out of a 2012 presidential run that put him on a potential collision course with Gov. Mitch Daniels, who was being urged to run by much of the Bush family political establishment. Pence was encouraged to seek the presidency by evangelical conservatives, skeptical of the "truce" on

social issues that Daniels had called for in 2010. Multiple GOP sources have told HPI that Daniels helped clear the way for Pence to exit the presidential speculation and win the gubernatorial nomination after Lt. Gov. Becky Skillman abruptly dropped her fledgling gubernatorial campaign citing a "minor health issue."

The irony is that several months later, Daniels would bow out of the presidential race himself, citing opposition from his family's "female caucus."

Despite his own career in media as a radio talk show host, and his efforts in Congress to sponsor journalistic shield laws, the Pence gubernatorial campaign sought to communicate directly to voters and largely bypass

the press. The announcement of his candidacy came with a video on the Internet to supporters. There were only a handful a press conferences where Pence unveiled his six key objectives on his campaign "Roadmap." His accessibility to the media was limited as the campaign attempted to shift emphasis on Pence's longstanding activism on social issues to that as an economic conservative.

The Pence candidacy was bookended by what became a \$51 million U.S. Senate race where Indiana Treasurer Richard Mourdock defeated Sen. Dick Lugar in the Republican primary, often obscuring the gubernatorial race. The Indiana Republican congressional delegation sat passively on the sidelines, as the state's most prolific Republican vote getter in history was defeated despite the Howe/DePauw Indiana Battleground Polls that showed a potential fall matchup between Mourdock and Democrat Joe Donnelly to be a tossup.

Murdock would go on to implode in the home-stretch of the campaign with his "God intends rape" abortion remarks at the New Albany debate with Donnelly.



Pence initially called on Mourdock to apologize for the rape/abortion remarks, then rallied to his side. It almost cost Pence the governorship, as Democrat John Gregg closed in on the final days, losing by only 2.3% of the vote as female and moderate "Lugar Republicans" scratched, or voted for Libertarian Rupert Boneham or Gregg.

Instead of a landslide many expected, coming in a state Republican presidential nominee Mitt Romney carried with 56%, Pence barely escaped with a win. On election night, the Pence campaign victory party was set in the cavernous Lucas Oil Stadium, an outsized venue that made the crowd seem much smaller than it was. The campaign had to sweat out the unexpectedly close fight with Gregg, finally declaring victory mid-evening. The perception of the Pence gubernatorial campaign was that of an awkward underachiever.

The frequent criticism heard in the Statehouse hallways was that Smith ran the Pence operation much like a Congressional operation, instead of one that managed a \$30 billion biennial budget, a complex legislative operation and thousands of state employees. That's a tough job even for someone with a Statehouse pedigree.

Pence won a series of lopsided bipartisan votes on education-related issues in both sessions, but legislative Republican leaders led the way on much of his tax-oriented legislation. Pence saw both sessions as a coordinated effort by the legislative and executive branches, but many sources HPI has talked with saw a pattern of legislative

Republicans asserting control over the process following eight intense years where Daniels was the alpha figure.

Much of the Pence modus operandi comes from Smith and a small leadership coterie that includes the First Lady Karen Pence, the governor's brother, Smith and long-time allies like Van Smith.

The administration says it is looking at both internal and external replacements with Smith. Internally, names cropping up include Policy Director Chris Atkins and Deputy Chief of Staff Marilee Springer.

The governor is just beginning to review a list of external candidates.

Whether Pence decides to seek reelection, or make a run for an open White House, the 2015 budget-writing session of the Indiana General Assembly will be a critical one for the ambitious governor.

The expectation within the Statehouse is that Pence has had two sessions to learn the traps. He now needs to retool with an operative who can build relationships, and prepare a critical legislative package much earlier in the process.

It will be one that that will transcend budget, jobs, education, health care and the methamphetamine scourge afflicting the state.

Success in 2015 has the potential to cement the governor as a heavy favorite for reelection, or possibly propel him into a national trajectory later that year. ❖

Pence reviews his 2nd session, looks forward

By **MATTHEW BUTLER**
and **BRIAN A. HOWEY**

INDIANAPOLIS – Tuesday morning Howey Politics Indiana sat down with Gov. Mike Pence in his office to assess the 2014 session and what he feels are the state's priorities in the months to come.

Shortly before he departs on an economic development trip to Germany, Gov. Pence discussed the imperatives of keeping Indiana competitive and attracting investment to the state. He believes the business personal property tax reform and reduction in the corporate tax rate are integral to a larger effort, which includes workforce development, to attract jobs to Indiana. Gov. Pence sheds light on how he met with GE CEO Jeff Immelt to attract and help close the GE Aviation deal which is slated to create 200 high-paying jobs on the Purdue University campus.



The governor also discussed why he felt it was important to initiate a pre-kindergarten pilot program for disadvantaged children this year and begin studying longterm early childhood education. We also discussed healthcare policy and when the state might expect to hear back from HHS regarding a waiver request to expand the Healthy Indiana Plan under the Affordable Care Act.

HPI: Are you satisfied with the direction of Indiana's job numbers and economy?

Pence: "I think every Hoosier should be encouraged about the progress our economy is making. When I came into office unemployment was over 8%; it's down to 6.1%. All the fundamentals are strong. We have one of the fastest growing workforce populations in the country. People are coming to Indiana because of opportunities which the evidence suggests. And, according to federal statistics, we saw 50,000 net new jobs created in Indiana last year. I think that represents evidence that the course that we've been on for a number of years and the course that we renewed, through now successive sessions of pro-growth policies and practices, is working. Indiana's economy has great momentum but we're not there yet. We still have nearly 200,000 people out of work. We still have some 200,000 kids that go to school every day in under-performing schools. I just think we need to stay relentless

in our effort to improve and tell Indiana's story, as I did in Chicago a week ago at a conference sponsored by Forbes magazine. We're going to continue to reach out far and wide. It's also about continuous improvement. I believe the progress that we've made in tax reform, in education reform, and our commitment to infrastructure have all contributed in giving confidence to businesses large and small that Indiana is a place to grow and that Indiana is a place to go.

HPI: During the months preceding the 2014 session, it seemed all of the discussion by you and others, like the Indiana Chamber, was about eliminating the business personal property tax (BPPT). Yet, after all was said and done, the corporate rate reduction was widely considered the most important tax measure. Why or how did the focus shift?

Pence: "I don't think the focus did shift. If you look at my speeches last fall on our economic growth agenda, I said I wanted to find a way to responsibly phase out BPPT but one of the things I specifically cited, in a speech I gave on Dec. 17, was, 'We might allow our local communities to make the decision about the option to eliminate or phase out the tax.' I would say first and foremost that I'm very pleased with the progress that I we made in advancing meaningful reform of the BPPT. I was seated next to Gov. Rick Snyder at the Forbes conference and he touted the fact that Michigan's on track to completely eliminate the BPPT. I think the fact that we arrived at a legislative outcome that included a portfolio of options for communities to phase out the tax on small businesses or individual transactions or county-wide strengthens the hand of local officials and makes our economy strong. In my State of the State Address, if you take note, I not only called for reforming the BPPT, but looking in the direction of legislators, said I welcome other proposals to improve our competitiveness, to improve our tax code that will encourage the kind of investment that will create jobs. I strongly supported, early on in the legislative session, a call to lower our corporate tax rate, which, when it's fully implemented, will be the second lowest corporate tax rate in the nation. Although I'm informed that North Dakota just yesterday voted to lower theirs; we maybe in a jump-ball for second place. From very early on, I signaled a strong support for lowering our corporate tax rate. I'm very pleased that a combination of those ideas came to my desk and was signed into law. I think the combination of those two businesses tax changes will make Indiana more competitive and more attractive to the kind of investment that will create long-term prosperity."

HPI: Do you know of any specific counties or major local elected officials who will pursue the local option BPPT cut?



Pence: "We've traveled around the state since the session ended, and obviously there is a period of time before they have that legal authority. From my standpoint, this was about making Indiana more competitive and our communities more competitive for investment. From my perspective, I consider it a local option. I'm certainly interested in seeing what counties may elect to do, but I want to make it clear to local communities that's entirely their choice based on their best interest for long-term growth. I

recognize the fact there are some communities that are very dependent on BPPT revenue and there are some communities that are not. I think the way this option is structured will give counties more tools to be able to get jobs they feel are most appropriate."

HPI: The GE deal announcing 200 jobs at Purdue-West Lafayette, was that contingent on the corporate tax reduction?

Pence: "I met with the chairman and CEO of GE, Jeff Immelt, on a couple of a occasions and last fall when I heard he was going to be on the Pur-

due campus I met with him there for extensive discussion about the possibility of GE Aviation coming to Indiana. The speech he gave at the National Governor's Association really spoke to importance of competitiveness in the competition for jobs. I recommend his speech to your attention. Actually, you'll find in his speech he alluded pretty clearly, to the GE Aviation deal although he didn't say it by name or state. He talked about the importance of competitiveness, of a competitive tax code, of the right business climate. He talked about the importance of synergy and higher education, the importance of workforce. In regard to the GE Aviation deal, I don't think there was any one factor. Certainly my ambition about tax reform this session of the General Assembly was not tied to any one particular deal. Our commitment to balanced budgets, to workforce, to continuous improvements that create a pro-business climate is certainly at the forefront of all of our discussions.

HPI: The fact that the 2014 session was a non-budgetary year was a major impediment to the pilot pre-K proposal. Why didn't you push this initiative hard last year or wait until next year?

Pence: "We had a pre-K proposal in the last session. In my first session of the General Assembly our focus was on an honestly balanced budget, income tax reform, and workforce and the like. We had a proposal to encourage private investment and contributions in pre-K programs. But I made a very concerted effort over the summer and fall to visit quality pre-K programs across the state. While I'll always believe that the best pre-K program is a prosperous family that can provide enrichment in the home for the kids, I became convinced over that, the time

had come for Indiana to make an investment in quality Pre-K for disadvantaged kids. Some thought it better to wait a year for a budget session; I felt there was no time like the present to get started. I couldn't be more grateful to the Republican and Democratic leadership in the House and the Senate for their willingness to work through this and arrive at a conclusion that reflects not only the priorities and compassion of the people of Indiana, but that we're doing this the Indiana way. We're doing a five-county pilot program. We're already in the process of beginning to frame out the program and set out the criteria for selecting those five counties. We're going to have the opportunity to study that pilot program even while we're doing a separate long-term study on the value of these kind of quality pre-K programs that will inform any decisions by policymakers in the years ahead. I'm very pleased that we were able to start, and it would not have been possible without strong bipartisan support in the House and Senate.

HPI: Why is the pre-K pilot program under FSSA and not the Department of Education?

Pence: "It had to do with the jurisdiction of the FSSA and existing programs. I thought that the way we ought to accomplish this was through a scholarship voucher program, which is in effect what we did. These resources will go directly to parents who may choose public, private, or church-based quality pre-K. I think for practical reasons, the Child Care Development Fund was modeled as an independent program; it is independent of K-12 education.

HPI: Starting with Gov. O'Bannon, achieving full-day kindergarten was almost a decade-long process. Was that part of your thought process in getting the pre-K program up and running now?

Pence: "I think that politics is the art of the possible. Sometimes it's not possible to bring people around to an idea, and often new ideas have a modest beginning. I think having our state join 41 other states in providing public support for disadvantaged children to attend quality pre-K programs was an enormously important step. But I recognize it was just a step and decisions that policymakers, from this office to the legislature, make after careful study and analysis will really benefit kids. Our office prepared a study that we distributed to the legislature earlier in the year, a very thoughtful research piece on Pre-K education. My sense is that the jury is out on the value of pre-K education for middle class kids and above. But for disadvantaged kids, who are not getting the enrichment in the home, there is evidence that these programs can make a difference so that these children start school ready to learn. As long as I am in office, pursuing this debate, my focus is going to continue to be on learning from our

pilot program and our long-term study, and that the focus remains on disadvantaged kids."

HPI: Gallup Healthways recently ranked Indiana 40th in the nation in terms of health and wellbeing. Coming on the heels of that, fellow physicians U.S. Rep. Larry Bucshon and House Ways and Means Chair Tim Brown recently announced a statewide healthcare tour. Will you be following its results and how do you see healthcare policy for the state in the coming year and legislative session?

Pence: "I'm grateful for their engagement at the federal and state level. I respect both men and their background on this area. I look forward to their dialogue. We're focusing on infant mortality. We held a summit on infant mortality last fall, we brought together people involved in any way that touches on young families and newborn children, people from a broad range of agencies and institutions. We've committed ourselves to reducing our troubling infant mortality rate. The focus of this administration has been and will be the health and wellbeing of Hoosiers. If you look at our Roadmap for Indiana, that was one of the six goals we articulated. The policies we've been advancing from the renewal of the Healthy Indiana Plan (HIP) to our current negotiations with the federal government over admitting expansion using the framework of HIP. These all have the potential to

encourage wellness in Indiana and improve Hoosiers' health. We're also modeling for the state government; we'll have some announcements this year about wellness with state employees, 95% of whom have health savings accounts. We're the first state to contract to get information for state employees shopping for healthcare services. And Mrs. Pence and I started the 'Mile-With-Mike walks.' As we traveled the state, we'd rally with hundreds of school kids, local citizens, and mayors and show them how good you feel if you walk a mile.

HPI: Do you have any idea when you will hear back from HHS on HIP?

Pence: "We're working through that right now. In the next few months we expect to be in the position where we can determine the needs and bounds of a waiver request we have yet to submit. I will tell you when I met with Secretary Sebelius after the first of the year, it was a very cordial and constructive meeting. She expressed a willingness to consider the flexibility to allow us the HIP, or a version of it, for expanding coverage for Indiana. I think both sides are working in good faith. As we did a year ago with the existing waiver, I'm convinced we can find a way forward that's consistent with our priorities. I want to be able to do this within a consumer-driven framework and, second, I want to be sure we can do it without burdening Hoosier taxpayers." ❖



Bopp rewrites U.S. election law

By **BRIAN A. HOWEY**

NASHVILLE, Ind. – As Indiana Treasurer Richard Mourdock kicked off his U.S. Senate campaign in February 2011 at the Artsgarden, the most conspicuous person in the wings was Terre Haute attorney Jim Bopp Jr.



There stood the man who has changed the federal election finance system with a series of U.S. Supreme and district court victories he framed and argued - Citizens United, SpeechNow - and on Wednesday of this past week, McCutcheon v. the Federal Election Commission. Mourdock's Republican primary challenge to U.S. Sen. Dick Lugar, and later, his losing race against Democrat Joe Donnelly, would be the petri dish of how

two of those decisions would impact American and Indiana politics.

That 2012 Indiana Senate race would see \$51 million spent by Mourdock, Lugar and Donnelly, and on their behalf by corporations and Super PACs - the political action committees that bundled donations and spent them, in theory, independent of the candidates. To give you contrast, Hoosier voters had not seen a U.S. Senate race over the \$10 million mark prior.

So here's a primer. Citizens United was decided by the U.S. Supreme Court in 2010 that basically ruled that government has no right to regulate political speech, paving the way for corporate money to flood into political races. In March of 2010, the U.S. Court of Appeals for the District of Columbia issued a unanimous opinion in SpeechNow.org v. FEC, deciding that the FEC could not limit donations to independent political groups that will spend money to support or oppose candidates. This essentially created the Super PACs - affiliated with groups like the National Rifle Association, Club For Growth, Crossroads GPS, Freedomworks, ActRight, Americans For Prosperity - that pumped in millions of dollars on behalf of Mourdock's candidacy in the homestretch of the campaign that fall.

In the final weeks of the Mourdock/Donnelly race, Karl Rove's Crossroads GPS spent around \$3 million on behalf of Mourdock. The irony is that Hoosier TV and radio stations, newspapers, advertising agencies and campaign consulting groups saw little of this money. Most was spent on Fox News and to out-of-state direct mail houses. Donnelly received more than \$5.5 million in a similar time frame from Democratic-affiliated advocacy groups.

The McCutcheon ruling ends the existing rules limit of \$74,600 to party committees and PACs, and \$48,600

to all federal candidates. This would allow a rich donor like Sheldon Adelson to contribute the maximum \$5,200 to every Republican (or Democrat if you're George Soros) in the country.

Justice Stephen G. Breyer said in writing the McCutcheon dissent that it essentially opens "the floodgates" for the rich and powerful to spend on campaigns. But Chief Justice John G. Roberts, the Long Beach, Ind., native who wrote the majority opinion, reasoned, "Money in politics may at times seem repugnant to some, but so too does much of what the First Amendment vigorously protects. If the First Amendment protects flag burning, funeral protests and Nazi parades, despite the profound offense such spectacles cause, it surely protects political campaign speech despite popular opposition."

Bopp explained, "This is also a great victory for political parties, who have been disadvantaged recently by the rise of super-PACs. Political parties serve vital purposes, such as tempering polarization, and this is a step in the right direction to re-empower them."

Republican National Chairman Reince Priebus added, "Today's decision is an important first step toward restoring the voice of candidates and party committees and a vindication for all those who support robust, transparent political discourse."

Those perspectives depend on your position. Clearly the political parties had lost clout to the Super PACs in recent cycles. In the midst of the 2012 Senate race, Donnelly said, "I think that there are people out there trying to buy Indiana's Senate seat. The Supreme Court decision a few years ago - Citizens United - was a terrible mistake. Even further, what was a mistake was much of this money we don't even know where it comes from." I asked Mourdock after his first debate with Donnelly about the millions of dollars gushing in around his campaign, with the candidate having little control. In the craziness of the 2012 Senate race, the supposedly uncoordinated spending created a hodgepodge of messaging and it nearly obscured the Mike Pence/John Gregg gubernatorial race. "That's a fair question," Mourdock answered. "I want to be very careful here. Some candidates have gotten in trouble - accused of sending a message independent of what they said in the microphone. I'm not doing that. Am I comfortable with the system when so much money comes in?" A few seconds later, he added, "I wish we had a better system."

I spent hours sifting through the FEC filings of Super PACs and it was anything but transparent.

Today, the technology exists for complete transparency. In theory, a donor could scan a check into a digital format before sending it on to a candidate, political party or PAC. It could be quickly posted on the FEC website into the candidate, campaign or PAC's account. Citizens should be able to see who is spending what for who. The rich are going to spend money on campaigns and parties. The key is to allow voters to know who is writing the checks and as quickly as possible. ❖

Pew analysis sees ‘dramatic’ change in Indiana elections

INDIANAPOLIS – Pew Charitable Trusts reported in a comprehensive national analysis that Indiana has improved its election processes in “dramatic” fashion between the 2008 and 2012 elections.

Indiana had a “dramatic 13-percentage-point improvement in its Election Process Index average between 2008 and 2012, the third-largest increase in the country,” the report released Tuesday revealed. Major factors in this jump were a sharp drop in military and overseas ballots unreturned, the addition of online registration, and a decline in average wait time to vote.

In 2008, Indiana had the second-highest rate of unreturned military and overseas ballots, but in 2012, it had the third-lowest rate. In 2008, it transmitted 15,420 military and overseas ballots, with 7,275 unreturned. In 2012, it transmitted only about half as many ballots, 8,194, but only 999 were unreturned. Indiana was also one of 11 states to add online voter registration between the 2008 and 2012 elections, and the state’s average wait time to vote fell by nearly 10 minutes, the fifth-largest decrease in the country.

In a section called “Room for Improvement,” Pew noted that Indiana did not report complete data on military and overseas ballots rejected in 2008, but in 2012 it had the highest rate in the nation. It rejected 1,481, or 20.6 percent, of the 7,195 military and overseas ballots returned for counting. Improved data collection to provide further detail on why these ballots were rejected could help the state identify the cause of this rate spike.

The state’s residual vote rate—the discrepancy between the number of ballots cast and the number of votes counted for an office—was third-highest in the country in 2008 and eighth-highest in 2012. Residual vote rate is a good indication of vot-

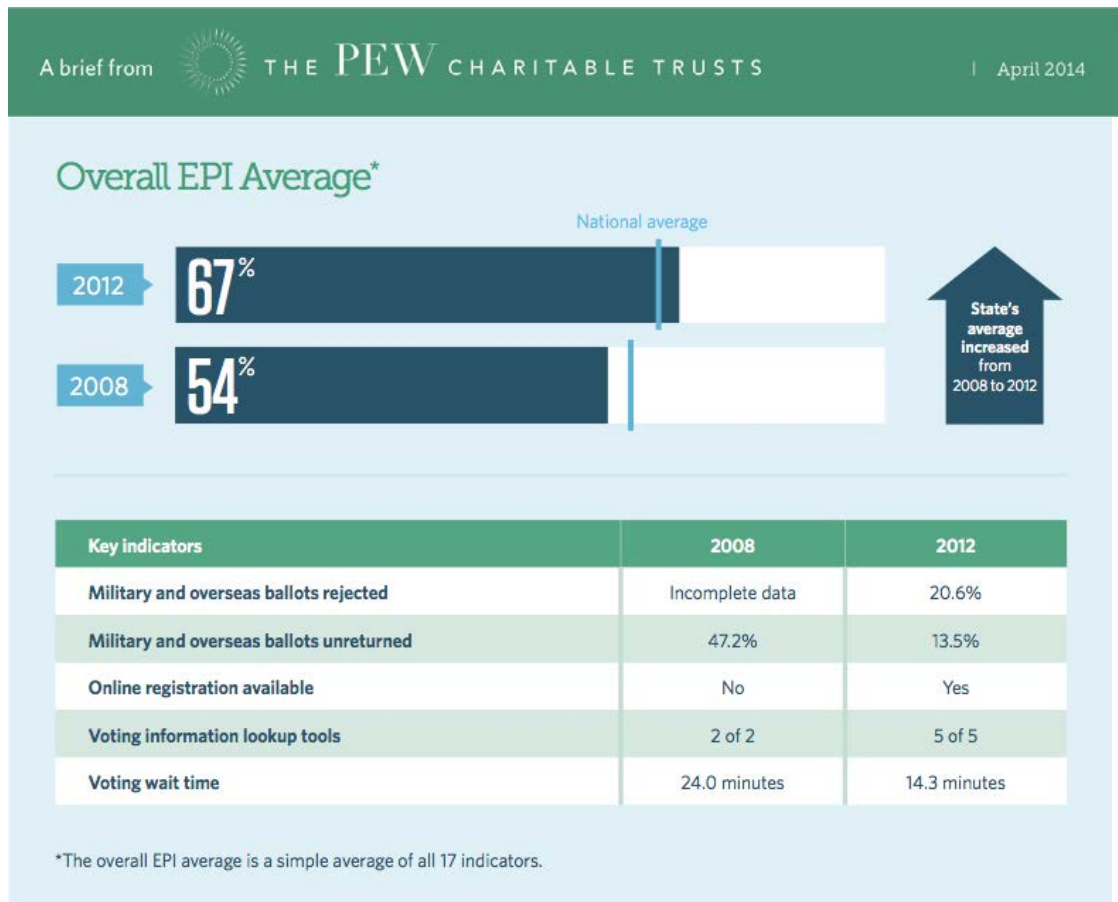
ing technology accuracy, so more research is needed in Indiana to determine if these high rates are a problem with one county or municipality, or a more systemic product of poorly functioning or outdated voting technology.

Finally, Indiana does not require post-election audits of voting equipment, which are recommended by the Presidential Commission on Election Administration. It said that requiring audits would improve the state’s election performance and ensure that voting equipment is performing as intended.

In 2012, The Pew Charitable Trusts unveiled the Elections Performance Index, or EPI, the first comprehensive assessment of election administration in all 50 states and the District of Columbia. The release introduced the index’s 17 indicators of performance and summarized 2008 and 2010 data, giving users a way to evaluate states’ election performance side by side.

Pew’s next edition of the index adds analysis of the 2012 election and provides the first opportunity to compare a state’s performance across similar elections—the 2008 and 2012 presidential contests—as well as with other states, regions, and the nation as a whole. This expanded analysis reveals key features of state elections and presents a rich picture of the U.S. democratic process that will be enhanced as new data are added each year.

Overall, states did better in 2012 than they did in 2008. Although voters turned out at a lower rate in 2012, fewer of those who did not vote said they were deterred



from the polls by illness, disability, or problems with registration or absentee ballots. And more states offered voters the option to register online, which may have contributed to some of this improvement.

Nationally, 12 of the 17 indicators improved, with notable gains in six areas:

- Wait times decreased about 17 percent, or by 3.1 minutes, on average, from 2008 to 2012.
- 13 states had online voter registration in 2012, compared with just two in 2008.
- 18 states and the district reported 100 percent complete data to the Election Assistance Commission in 2012, compared with only seven in 2008.
- Rates of nonvoting due to disability or illness declined nationally by nearly 0.5 percent; rates declined in 27 states and the district.
- Rates of nonvoting due to registration or absentee ballot problems decreased nationally by nearly 0.4 percent; rates declined in 28 states and the district.
- 30 states and the district required postelection audits in 2012, compared with 23 in 2008; audits allow states to ensure that voting equipment is functioning properly and delivering an accurate result.

■ The highest-performing states—those in the top 25 percent—were Colorado, Connecticut, Delaware, Maryland, Michigan, Minnesota, Montana, Nevada, North Carolina, North Dakota, Washington, and Wisconsin.

■ The lowest performers—those in the bottom 25 percent—were Alabama, Arkansas, California, Hawaii, Idaho, Kansas, Mississippi, New York, Oklahoma, Texas, West Virginia, and the District of Columbia. Six of these—Alabama, California, Mississippi, New York, Oklahoma, and West Virginia—were also ranked at the bottom in 2008 and 2010, and Mississippi was the lowest performer in all three years tracked. ❖

Pew to study state incentives

INDIANAPOLIS - Indiana has been tapped as one of seven states to participate in a review of economic development incentives.

The Pew Charitable Trusts will conduct the 18-month review of which tax breaks and other incentives are effective in luring business to a state. Gov. Mike Pence said Wednesday the state's inclusion in the review will help Indiana become more competitive.

The Indiana Economic Development Corp. includes penalties in its incentive packages if companies don't produce the number of jobs they promise. The agency also has refused to release job creation numbers to the public.

The other six states included in the study are Louisiana, Maryland, Michigan, Oklahoma, Tennessee, and Virginia. ❖

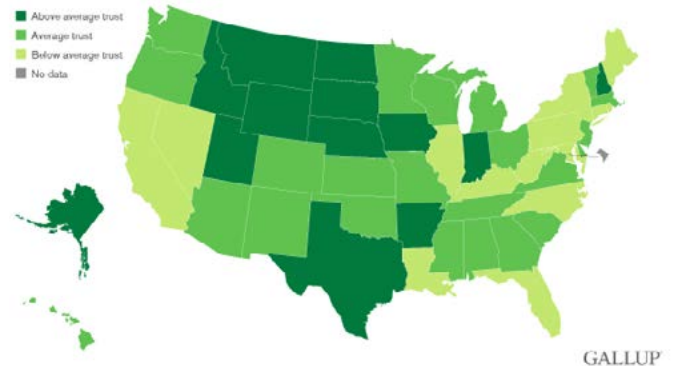


GALLUP DAILY

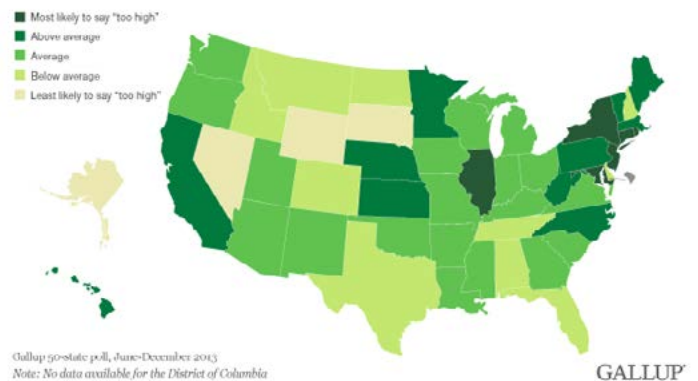
Apr 6-8, 2014 – Updates daily at 1 p.m. ET; reflects one-day change

Obama Approval	44%	-
Obama Disapproval	51%	-

Trust in State Government, by State



View That State Taxes Are Too High, by State

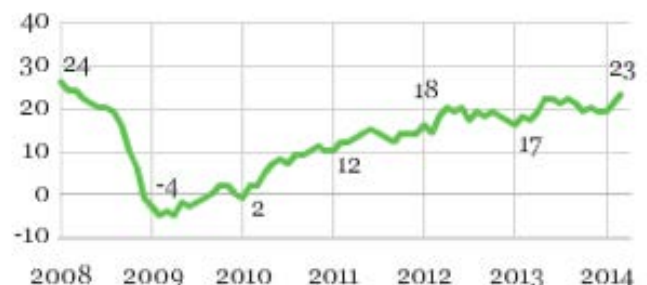


Gallup 50-state poll, June-December 2013
Note: No data available for the District of Columbia

U.S. Job Creation Index Reaches Six-Year High in March

April 2, 2014

Job Creation Index Among All U.S. Workers



Braun, Raatz, Fries pick up key nods

By **BRIAN A. HOWEY**

INDIANAPOLIS – The Indiana Manufacturers Association and IMPAC, the group's political action committee, have voted to endorse Allen County Sheriff Ken Fries for the Republican nomination for Indiana Senate District 15 in the May 6 primary election (Fort Wayne Journal Gazette). The group also recently endorsed Rep. Bob Morris, R-Fort Wayne, for re-election to the House District 84 seat.

"Sheriff Fries has a unique background as a law enforcement officer, businessman and inventor," said IMA President Pat Kiely. In 1989, Fries invented the Hat-Trap, which he designed to protect the hats of law enforcement officers from accidental crushing, fading and warping. He later sold the business.



Kiely also noted, "Sheriff Fries expressed to us his support for the recent reduction in the state corporate tax rate, personal property tax reform, Right to Work and other pro-manufacturing positions on energy and environmental is-

ssues." Jean Ann Harcourt, president of Harcourt Industries and chairwoman of the IMPAC Board, said, "Sheriff Fries knows Allen County very well as a two-term county sheriff. Additionally, with his prior experience as an inventor and businessman, Sheriff Fries will be a great representative for Allen County manufacturers in the Indiana Senate." Senate District 15 is in Allen County, and the office is being vacated by the retiring Sen. Tom Wyss, R-Fort Wayne, who has represented the district since 1985. Others seeking the Republican nomination are Liz Brown, Darren Vogt and Jeff Snyder. Brown received the Allen County Right to Life endorsement. **Horse Race Status:** Tossup

SD27: HEQ endorses Raatz

Hoosiers for Quality Education PAC, formally known as Hoosiers for Economic Growth, has endorsed Jeff Raatz for SD27. HQE joins the Indiana Family Institute and Indiana Manufacturers Association in supporting Raatz's campaign. "At HQE, we are optimistic that Indiana can be a leader in the competitive national and international economies if we continue to develop a first-rate education system and a skilled workforce," said HQE Chairman Fred Klipsch. "Thank you for your support of this mission and for your strong stance in favor of educational policies that provide all Hoosier families with quality educational options regardless of their family income, zip code or any other circumstance." Raatz commented that "HQE's endorsement is an honor that I humbly accept. As an educator and a family man, I understand the impact that a quality education can have on any person's success.

My campaign is committed to supporting education by setting high standards that are created by Hoosiers, focusing on STEM-based courses, and retaining control of education at the local level." Raatz began a cable TV ad campaign this week. SD27 is being vacated by retiring State Sen. Allen Paul. Raatz is running in the GOP primary against Eric Atkinson, Doug Williamson and Richmond City Councilman R. Bruce Wissel. **Horse Race Status:** Leans Raatz

Allen County Right to Life endorsements

In addition to endorsing Liz Brown in SD15, Allen County Right to Life endorsed State Rep. Kathy Heuer and Christopher Judy in HD83, and in HD84 both State Rep. Bob Morris and challenger Michael Barranda.

HD22: Family group endorses Nisly

The Curt Nisly for State Representative campaign has announce the endorsement of the Indiana Family Action PAC (StaceyPage.com). Ryan McCann, the executive director of the Indiana Family PAC stated in his endorsement letter, "This endorsement is based on a variety of factors including his responses to the 2014 candidate questionnaire." Meanwhile, State Rep. Rebecca Kubacki was awarded the Indiana Adoption Agencies United 2014 Friend of Adoption Award. The award was given by IAAU President Doug Linville at the Statehouse. "I have adoptive children of my own and understand what a gift it is," said Rep. Kubacki. **Horse Race Status:** Leans Kubacki

HD63: Braun endorsed by Chamber

"Mike Braun is not only a successful business owner, but he's got a real passion for southwest Indiana and public service that will serve the voters of House 63 very well," explains Jeff Brantley, vice president of political affairs for the Indiana Chamber. "Mike is one of those unique people with a real can-do attitude about what needs to be done to make Indiana an economic success story."

Braun said, "As a business owner myself, I'm very pleased to be endorsed by the Indiana Chamber of Commerce for the Indiana House election. I share the Chamber's vision for Indiana to become the best place in the nation to create or expand a job-creating business."

Braun faces Richard Moss in the Republican primary in the seat being vacated by State Rep. Mark Messmer, who is seeking a Senate seat.

Braun is the owner of Meyer Distributing based in Jasper, Indiana. The company began as a truck accessory business and through Braun's leadership has grown into a very successful and rapidly growing national distribution company. Braun is a board member of the Conexus Indiana Logistics Council, a Jasper school board member and is involved in timber conservancy projects in the state. He and his wife Maureen are the parents of four grown children. For more information, visit www.mikebraunforindiana.com. **Horse Race Status:** Safe Braun

HD48: Bujalski promises to listen

Adam Bujalski sees himself as a mediating force among Republicans (Vandenack, Elkhart Truth). "The Republican Party has a major issue with in-fighting, when everybody just wants to have their voice heard," he said. In running for vice chair of the Elkhart County Republican Central Committee (and winning), he sought to bridge the sides — moderates and more conservative Tea Party types. Now, in vying for the District 48 seat in the Indiana House, he thinks that ability to unite will serve him well. He doesn't agree all the time with tea party activists or more mainstream elements of the Republican Party. "But I think that's what makes a good politician," he said. He'll listen to the sides, read up on an issue, "but I'm still going to come to my own decisions as well." Bujalski, a resident of Elkhart and manager of a KeyBank branch in Goshen, is one of three candidates running for the District 48 post, to be vacated by incumbent Rep. Tim Neese, who isn't seeking re-election. No Democrats are running for the seat, which covers northwestern Elkhart County, including northern Elkhart. Thus, the winner of the May 6 primary has the inside track to the post in the Nov. 4 vote.

In announcing his candidacy last August, a day after Neese announced he wouldn't seek re-election, Bujalski touted job growth and economic improvement as two priority issues. He praised the limited business property tax reform measure approved by lawmakers in the recently concluded legislative session. It grants individual counties authority to eliminate the business tax on new business property or on smaller-sized companies, but doesn't completely do away with the tax, as first sought by Gov. Mike Pence.

"I am all for tax reform, I think taxes are too high," said Bujalski. But he's also cognizant of local government officials' concerns about losing too much tax revenue and their calls that a replacement revenue source be identified to offset any permanent cuts. He touts the importance of beefing up vocational and other alternative offerings at public schools to leave high school grads better prepared. Having served in the U.S. Army, veterans' issues are also important to him. He served from 2000 to 2004 and received a medical discharge following a work-related incident in the military.

Bujalski wasn't always a Republican. He described himself as "fiercely independent" until a few years ago. Then after President Obama took office in 2009, he shifted gears. Democrats, he ruefully charges, started taking away personal liberties, "just completely destroying our Constitution." He turned to the GOP. "At that point, I got rid of my little independent label and went to the full 'R,'" Bujalski said. Still, he says he's open to debate — on most things. "I tell people I have only one non-negotiable in my life and that's my abortion stance. I'm 100 percent pro-life," said Bujalski, who is accepting of abortion only when the life of a mother is at stake. "Outside of that, I'm willing to sit down and talk with anybody. I think we need to have

open-mindedness."

Here's how Bujalski stands on a range of matters: Same-sex marriage: He doesn't think House Joint Resolution 3 will come up again. That's the proposal to define marriage in the Indiana Constitution as the union of one man and one woman, thus prohibiting same-sex marriage. It's too controversial, and Pence won't want to have to deal with such a hot-potato issue in 2016, when he'll be up for re-election. That said, he favors the measure and would vote for it if it comes up. Lawmakers earlier this year removed a provision that would have prohibited civil unions and Bujalski indicates that was the right step. "To me marriage is (between) a man and a woman. That's my faith," he said. "But the civil union part of me, I don't have an issue with that." **Horse Race Status:** Tossup

HD84: IMA endorses Rep. Morris

The Indiana Manufacturers Association PAC has endorsed State Rep. Bob Morris, who is facing Republican attorney Michael Barranda in the primary. "Rep. Morris is a strong advocate in the Indiana General Assembly for manufacturers in Allen County," Kiely said. **Horse Race Status:** Leans Morris

CD9: Young begins TV ad

The campaign of U.S. Rep. Todd Young released its first ad of the 2014 cycle, a 30 second spot called "Warped" that will begin on cable TV on Monday (Howey Politics Indiana). The ad highlights Young's "Save American Workers Act" that just passed the U.S. House by a wide margin last week, and asks viewers to sign an online petition urging Senate action on the legislation.

Obamacare key issue this year

More than 80 percent of people in a new poll say the healthcare law will be an important factor in determining their vote in the midterm elections (The Hill). A USA Today-Pew Research survey released Thursday found 54 percent call the law "very important" in determining their vote. The survey came after the administration announced more than 7 million people signed up for healthcare through the newly created exchanges. Republicans have sought to make the law a central focus ahead of the midterms, believing it will drag down Democrats. When broken down, 64 percent of Republicans — most of whom oppose the law — call it a very important factor heading into the election, while 52 percent of Democrats say the same. Forty-five percent of Independents call the law very important in determining their vote.

Sen. King may switch to GOP

U.S. Sen. Angus King (I-Maine), who caucuses with the Democrats, will decide after the midterm elections whether to switch sides and join the Republicans (The Hill). He is leaving open the possibility of aligning himself

with the GOP if control of the upper chamber changes hands. "I'll make my decision at the time based on what I think is best for Maine," King told The Hill Wednesday after voting with Republicans to block the Paycheck Fairness Act.. If Republicans pick up six seats this fall, they will be running the Senate in 2015. But a pickup of five would produce a 50-50 split and Democratic control, with Vice President Biden breaking the tie. King could tip the balance.

2016 Presidential: Jeb to decide this year

Former Florida governor Jeb Bush said Sunday that he will base his decision on whether to run for president in 2016 on whether he thinks he can mount a campaign that would transcend the modern-day mechanics of such a run (Washington Post). Bush, the second-oldest

son of former president George H. W. Bush and younger brother of George W. Bush, spoke at an event marking the 25th anniversary of his father's presidency at the library and museum that bears the patriarch's name. He appeared to bemoan the thought of having to spend time attending political cattle calls in early-primary states, suggesting that some candidates might devote too much time to questions such as, "How am I going to get to win the Muscatine Pork Roast straw poll, or something like that." Bush said he ultimately would base his decision on whether a candidate can "run with a hopeful, optimistic message, hopefully with enough detail to give people a sense that it's not just idle words and not get back into the vortex of the mud fight." "In my case, that means can one do it joyfully without being tied to all the convention of the here and now?" he added. ❖

Indiana business climate precludes Cline Ave. bridge

By RICH JAMES

MERRILLVILLE – As much as Gov. Mike Pence and downstate Republicans would like the Cline Avenue Bridge issue to go away, it's not going to happen anytime soon. Lake County's casino industry won't let talk of the bridge become a thing of the past.

The state refused to rebuild the bridge after it was shut down in November 2009 because the deck had become structurally weak. Cline Avenue, which is a state highway, is the principal Lake County artery connecting Interstate 80/94 and the Indiana Toll Road and eventually the Chicago Skyway. The state said the estimated cost of \$150 million to replace a portion of the bridge couldn't be justified, even though Indiana is sitting on a \$2 billion surplus.



The plan now is to have a private investor replace the bridge and turn it into a toll road. The projected cost per car is \$2.50 to \$3.50. The bridge, which spans Indiana Harbor and Ship Canal, crosses the most industrialized area in Indiana, and perhaps the country.

Besides being a highway to steel mills and other industries, Cline Avenue became the main corridor to Lake County's four casinos in 1986. Yet, as much as Pence talks about the favorable business climate in Indiana, he and the General Assembly have turned their backs on the casino industry.

First, the state refused to rebuild the bridge, which has hurt attendance at the casinos. And during the winter, the state let the southern part of Cline Avenue deteriorate to the point that it had to be closed to traffic for several days, further causing casino revenues to fall.

In fact, the monthly report from the Indiana Gaming Commission indicates that revenues from the five area casinos dropped for the third straight month compared to the same time last year. The revenue drop in March was about \$10 million. The total revenue of \$95 million was down about 8.9 percent.

Not surprisingly, the Blue Chip Casino in Michigan City, which isn't dependent on Cline Avenue, showed the lowest drop at 3.3 percent.

The tax on casino revenues, of course, is a major source of revenue for the state. Besides the Cline Avenue issue, neither Pence nor the Republican-controlled General Assembly has done anything to improve the casino climate. Foremost is the state's refusal to consider legislation for the construction of a land-based casino in Gary. The two Gary casino boats on Lake Michigan are the weakest in terms of revenues among the five gambling establishments in Northwest Indiana.

The state has refused Gary's wishes even though the possibility of Illinois casinos within a stone's throw of the state line becomes greater every day. Numerous Lake County officials, including Hammond Mayor and county Democratic Chairman Thomas McDermott, have criticized the state for turning its back on Lake County.

What was that, governor, about Indiana's wonderful business climate? ❖

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

How to forge a better federal government

By **LEE HAMILTON**

BLOOMINGTON – Americans want to see better performance from their government. Where to start is to cut the number of political appointees, reduce layers of management, reform the civil service, and rein in costly outsourcing.

In 1965, the chairman of the powerful Ways and Means Committee, Wilbur Mills, brought legislation establishing Medicare and Medicaid to the floor of the U.S. House. That was my first year in Congress, and I remember vividly the moment when Mills came to the Democratic caucus to explain his plans.



Many of us had been swept into office in the 1964 Democratic wave that accompanied Lyndon Johnson's election, and we had an overwhelming majority in Congress. We could pass any bill we wanted. But Mills argued forcefully that we shouldn't. It was crucial, he said, that we get bipartisan support

for the measure. Passing the law was one thing, but what really counted was its implementation. With bipartisan support, the odds were much higher that the highly controversial measure could be rolled out effectively.

So despite the grumbling of some members of the caucus, Mills made significant accommodations to find common ground with Republicans, and eventually 70 of them – half their caucus – joined us to pass the bill.

Mills was playing a very smart game. What he understood was that in the end, Americans' lives would be affected not by what happened in Congress, but by what the federal government did with the law it was handed.

There are times these days when a story like that, about someone in Washington caring about the government's effectiveness, feels as quaint as a tale about knights and dragons. Plenty of good, competent people serve both in Congress and within the ranks of the executive branch, but after years of abject failure, from the response to Hurricane Katrina to the initial rollout of the Affordable Care Act to the cost overruns, delays, and mismanagement that too often characterize federal programs, it's hard to argue that the government is filled with people who know how to make it a model of efficiency and effectiveness.

Some are too busy just trying to carry out policy. Others think government's too big; they're not interested in improving it, just in cutting it. Some use government to help their friends and allies. And some in Congress will be darned if they'll let a drive for efficiency close a military

base or federal office complex in their district.

I'm reminded, though, of a famous quote by Alexander Hamilton: "A government ill-executed, whatever may be the theory, in practice is poor government." Our government has become so big, complex, and riddled with competing agendas that its performance – its ability to execute faithfully the law – is terribly compromised. As NYU Professor Paul Light points out, there are too many decision-makers, too many bases to touch, too many layers of management, too many managers in each layer, and too little accountability.

These are crucial matters to fix. Not only do Americans want to see better performance from their government, but federal executives, including the President, cannot achieve their policy objectives unless those under them are competent and high-performing. We have to rethink and transform how government does its business, not just on a one-shot basis, but constantly.

Light has probably thought harder about these issues than anyone else inside or outside government, and there are a number of recommendations he and others make:

- We have to cut the number of political appointees. In the federal government alone, they number roughly 3,000, and often don't win their positions by merit.

- We have to reduce the layers of management, and reduce the sheer number of people employed by government.

- Outsourcing has gotten out of hand. In theory, private-sector contractors save taxpayers money. In reality, Light's research shows, they can cost us twice as much.

- Current civil service rules make it almost impossible to hire, promote, and fire based on merit. That has to change.

Government today is highly pressured and deals with tough, complicated problems. It needs to be able to recruit and retain first-rate talent; you don't want a second-rate lawyer negotiating a nuclear arms treaty.

Unless we deal with these problems, failure is baked into the system. The American people have to demand that the President and the Congress not just enact legislation, but also implement and manage government programs effectively and efficiently. ❖

Hamilton is director of the Center on Congress at Indiana University. He was a member of the U.S. House of Representatives for 34 years.

The nature of the Hoosier hunting beast

By **CRAIG DUNN**

KOKOMO – I have a good friend who likes to hunt. He has an amazing arsenal of weapons that can bring down anything from a gopher to a bull elephant. He spends a lot of money each year traipsing the globe looking for game to bag. His home is full of trophies that he has shot over the years. I guess there's just nothing like sitting back in the old easy chair, sipping a brew and remembering the day that you blew Bambi's mother away. Personally, I don't get it.

My friend also has another hobby that he calls hunting but I call shooting. He likes to head up to Michigan to Ted Nugent's hunting preserve and shoot confined elk and deer. He also enjoys spending 20 bucks apiece to have pheasants staked out in a field and then he walks out into the field, acts surprised and blows the pheasants away.



Hunting is necessary to control animal populations that would get way out of control without a hunting season. Just because I don't hunt doesn't

mean that good red-blooded men, women and children shouldn't engage in the sport. However, I just have to draw the line at "confined" hunting, the act of shooting animals in fenced-in areas.

In real life hunting the animal is pitted against man. All of the animal's instincts, training and fears make it a worthy opponent for man to track down and shoot. The animal always has the option to run for the hills if all else fails. With confined hunting the sporting element has been removed and the animal, generally deer and elk, are forced to run the fenced boundaries in their efforts to elude the hunter. Of course, the larger the fenced in area, the more difficult it is to track down prey. But still, confined hunting has just about all of the sporting element of shooting cows in a feedlot.

What is the allure of confined hunting? It's all about the trophy. With animals, as with humans, some look better than others. Hunters have ascribed greater value to shooting a deer with more "points" on its antlers. The fewer the points, the less sense of accomplishment in shooting the deer. "Hey Bob, did you shoot anything today?" "Yea, but it only had six points." "Well I shot one that had 10 points so I guess we don't have to compare penis size today!"

People who operate confined hunting preserves don't leave anything to chance. They don't just fence in a big area and hope the deer found a hole under the fence

to get in. They stock the preserves with game, the bigger and more pointy the better. I'm told that confined preserve operators actually breed animals to produce offspring with more pointy antlers. Is this a great country or what?

This session of the Indiana General Assembly saw the introduction of legislation that would legalize confined hunting in Indiana. Mind you, "canned" or "confined" hunting has been banned in 20 states. There are only a few confined hunting locations in Indiana resulting from a 2005 court decision in Harrison County which overturned the Indiana Department of Natural Resources ban on the practice. Even our enlightened brethren in Alabama think the practice is barbaric and cruel.

In some of the states where canned hunting is legal, exotic animals are fair game. It is certainly sporting to kidnap an Ibex from Asia, bring it to the United States, release it into a penned-in lot and allow a gun-toting trophy hunter to blow it away. The only thing that would make it any more fun would be to tie the animal's leg down so it wouldn't move when you shoot. Or perhaps it could all be made more interesting by rigging up a remote controlled gun that could be activated by your computer. Darn! That's already being done in Texas with internet hunting at a confined preserve. And to think that I actually used to get enjoyment from playing Duck Hunt on my Gameboy.

The Indiana legislation would have required a confined preserve to be at least 160 acres. The average golf course is 74 acres. Other regulations would have prohibited hunting within 150 yards of an artificial feeding site; limited the number of hunters on a preserve at any one time; set hunting dates and hours; required annual inspections by DNR; restricted the sale of preserve licenses and required hunters to comply with safety rules. Of course, there would also be an initial licensing fee of \$5,000 and a renewal fee of \$1,500.

The bill was ultimately killed in the Indiana Senate by a vote of 25-23 after little fanfare and virtually no debate. One wonders how the 23 senators might have voted had they previously been penned in a 160-acre lot and stalked by a bow-wielding hunter à la "The Hunger Games." My guess is that it might have changed a few votes.

Should a bill allowing confined hunting pass in Indiana, you can rest assured that within a couple of years some well-meaning senator would introduce legislation allowing you to "hunt" in your BarcaLounger while animals are led on a leash by your chair. Why? Because it's just the nature of the beast. ❖

Dunn is chairman of the Howard County Republicans.

Time to free Jonathan Pollard

By JACK COLWELL

SOUTH BEND – Should we release Jonathan Pollard, the convicted spy from South Bend, in a deal with Israel to advance Mideast peace negotiations?

Yes.

Not because Pollard deserves sympathy.

He knew what he was doing when he stole large amounts of classified documents while a civilian Navy intelligence analyst in 1984-85. He was paid handsomely by his Israeli handlers for the information. And U.S. intel-



ligence officials considered the information he leaked so serious that a CIA director once threatened to resign if President Clinton released the spy.

But Pollard, who pleaded guilty and received a life sentence for espionage in 1987, has served long enough. Indeed, since "life" sentences don't always mean for life, Pollard will be eligible for release in November 2015.

So, is there need to be vindictive in punishment right up until the last likely day of incarceration? Pollard certainly is no longer a threat to national security. And if he could be a bargaining chip in the stalled talks on Middle East peace, why not use him? Why continue vengeance in incarceration until he is likely to be released anyway, but with no bargaining value?

Diplomatic disclosures tell of a possible deal in which Pollard would be released to Israel, with Israel releasing Palestinian prisoners to remove a roadblock to peace talks.

In a way, Pollard, as a bargaining chip in an effort to lessen hostility, could help Israeli security beyond what he sought to do as a spy.

Personally, I wanted Pollard released earlier. Again, not because he deserves sympathy, but for his parents, Mildred and Morris Pollard, so respected and admired in the South Bend community. They suffered terribly. They longed to see their son freed, as any parents would. Mildred Pollard died in 2003.

Morris Pollard, renowned biological researcher and long-time director of the University of Notre

Dame's Lobund Laboratory, died in 2011 at age 95, to the last seeking release of his son.

Rev. Theodore M. Hesburgh, C.S.C., Notre Dame president emeritus, also sought an earlier release. Not because he thought Jonathan was innocent but because he knew of the punishment inflicted on the parents, who were innocent. Father Hesburgh, as Notre Dame president, brought the brilliant Jewish researcher to the Catholic university to head Lobund in 1961.

Jonathan came with the family to South Bend as a second grader.

It was heartbreaking when I interviewed Morris Pollard back in April 1997. His fondest wish was for freedom for his son - or at least a phone call from Jonathan.

As his father described the sad details then, Jonathan had renounced his parents and their efforts for his freedom, neither phoning them nor accepting their calls. No letters. No cooperation with their efforts on his behalf. "He has taken me off the visitor list," Morris Pollard said. "He's very angry with us."

Why?

His father blamed it on prison conditions and the influence of a woman from Toronto who had announced that she was married to Jonathan in a prison ceremony. Morris Pollard also blamed himself because he had arranged visitor privileges for the woman through the help Congressman Lee Hamilton, then chairman of the House Foreign Affairs Committee, and Father Hesburgh.

The woman, now Esther Pollard, his second wife, had been working to win freedom for Jonathan but turned against the family, even urging Israeli Prime Minister Benjamin Netanyahu to ignore the parents during a 1996 visit to this country.

Netanyahu called anyway to assure the parents that he had not abandoned Jonathan. Israel initially insisted that he was some "rogue" operator, not really an Israeli spy. That's because the United States and Israel are allies. Even allies sometimes spy on each other. They just don't want public acknowledgment of it.

Jonathan has been portrayed in different ways:

Idealist only trying to help Israel and doing no actual harm to the United States.

Drug user that sold secret documents to finance his lifestyle and caused terrible harm to U.S. intelligence operations around the world.

No matter which version is closer to the truth, let him now be free. It's too late for his parents but perhaps just in time for a role in Middle East peace negotiations. ❖



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

Stan Levco, Evansville Courier & Press: Why is it that we in Indiana hate Kentucky so much? Indiana borders on Kentucky, but it's not geographical proximity that fuels this contempt. You don't have people saying a loss for Dayton, Michigan State or Tennessee is just as good as a win for their favorite team. It's not just Hoosiers who despise Kentucky. Most of the country beyond three point distance from Lexington agrees with us. I believe there are three main reasons that explain this phenomenon: Jealousy, Calipari and One and Done. There's a natural resentment of success. Kentucky's won more national championships than any program other than UCLA. There are fans who hate Coach K and Duke, particularly in Chapel Hill, but it would be hard to find a classier coach or a better basketball program. We root against the "haves," but particularly for we Hoosiers who've had more than our fair share of basketball success, there's more to this Kentucky hatred than simple resentment. Coach John Calipari is a major factor in the perception. His resume includes landing his previous two schools, the University of Massachusetts and Memphis, on probation for recruiting violations. Yet, he not only didn't get fired or suspended, he landed on his feet. And not just on his feet, he was hired by Kentucky. Finally and perhaps most importantly, it's the student-athletes that Kentucky recruits. Call me cynical, but I get the feeling Kentucky's starting five are leaning more in the athletic than student direction. Kentucky has taken the recruitment of athletes whose sole motive for matriculating is to play one season to enhance their chances of going professional — the One and Done philosophy — to a whole new level. To be fair, there aren't many programs who wouldn't accept the best athletes, even for only one year. It's not technically cheating, but Kentucky does it to such an extreme, it seems like cheating. ❖



Dave Bangert, Lafayette Journal & Courier: State Sen. Mike Delph made a name for himself during the General Assembly session when he imploded over the losing cause of a proposed constitutional ban of same-sex marriage. The Carmel Republican's tirades against his colleagues, his opponents and the media made an easy dividing line in the war over House Joint Resolution 3 — a crusader for traditional values vs. the slow roll of marriage equality knocking at Indiana's door. Delph was back last week with an op-ed that railed about the fundamental sins of the other side and how Indiana was giving in to the devil's work by lapping up "the chic diet of false entitlement" and a "perverted worldview." The headline: "Opponents of Christian values don't fight fair." Delph flails because he sees the world changing before him. Maybe he even realizes that his opponents aren't all perverted, aren't all atheists, aren't all dead-set on destruction. But he's all-in at this point. And he's losing. What else can he do now? Buried deep in his column was

this: "It's past time that we consider removing marriage completely from the confines of government, and let the church and other faith-based institutions marry according to their own belief systems and traditions." Now that would be a fight at the Statehouse. And maybe it would be a fair one that put everyone — straight, gay or otherwise — on equal footing in a fresh grab for all of the rights that come tied to a state-sanctioned marriage. But that wasn't the question this time. In fact, Delph spent much of his energy trying to preserve a part of HJR-3 that would have outlawed civil unions and anything substantially resembling marriage, as well. As long as the question at the Statehouse focuses on putting prohibitions and inequality in the state Constitution, Delph might as well resign himself to a fight — no holds barred. ❖

David Hawkings, Roll Call: Rep. Vance McAllister is showing every sign he's hunkering down in hopes of saving his nascent political life. But recent House history signals that it's going to be a futile pursuit.

His troubles are unique in one respect — no member in modern history has seen his congressional career beset by scandal so quickly. It was just 137 days from when McAllister was sworn in to represent northeastern Louisiana, the Republican winner of a special election, to the release of grainy security camera footage of him in an 18-second lip lock with someone who is not his wife. But Melissa Hixon Peacock is not simply a 33-year-old married woman caught canoodling with a 40-year-old congressman. Back when they were making out just before Christmas, and until Tuesday when she left the government payroll, she was his district scheduler. And that's what places McAllister in what's almost assuredly a non-survivable predicament. In the past eight years, four other men of the House have been exposed for having, or seeming to seek, sexual relationships with congressional aides. None of them stayed in office longer than a couple of weeks. Twice in the past decade, Republicans resigned under intense pressure from House leadership that started as soon as their scandalous acts became public, as did one Democrat. In another instance, a freshman Democrat was soundly defeated days after his misbehavior came to light. Mark Souder, a socially conservative and married Republican, and Tracy Jackson, a press aide in his Indiana office, were found by a park ranger in a compromising position in a parked car at an Indiana nature preserve. But it took until May 2010, six months after they were caught, for word to leak. That's when Souder's contemplation of a ninth term evaporated in days. One of his own Hoosier GOP congressional colleagues — Mike Pence, now Indiana's governor — reported Souder to House Ethics and looped in then-Minority Leader John A. Boehner. The Ohio Republican then wrote the panel to support an investigation, and convinced Souder it was in his interest (and that of "the team") to resign right away. ❖

SBOE questions teacher accuracy

INDIANAPOLIS — Members of the Indiana State Board of Education are questioning the accuracy and effectiveness of the state's teacher evaluation law following data released earlier this week showing only a small percentage of Hoosier educators needed improvement or were ineffective in the classroom (Schneider, Evansville Courier & Press). Indiana Superintendent of Public Instruction Glenda Ritz said teachers who fall into the needing improvement category should be eligible to receive raises. Ritz said the distinction would remove the barrier of administrators placing educators in that category. Ritz said teachers needing improvement may leave before districts can invest in professional development to help them. "You invest in your teachers when you hire them and many times you have to provide professional development to make sure they can get better in their craft," Ritz said. Board member Brad Oliver said principals have shared concerns of ranking new teachers as needing improvement because they wouldn't become eligible for a raise. "Do we have an inherent flaw in the system to cause someone to receive an effective score because you don't want to see them hurt because they're not receiving compensation?" Oliver questioned. Across the state, 26 percent of educators included in the report were rated as highly effective, with the majority of educators — 61 percent — earning effective marks during 2012-2013. Just over 2 percent of educators fell into the lower categories of being ineffective.

Insured children rate rises in Indiana

INDIANAPOLIS - The percentage of Indiana children without

health insurance coverage decreased to 8 percent from 10 percent in the four-year period ending with 2012, according to results of a study being released today (Fort Wayne Journal Gazette).



CoreLink test won't be taken

INDIANAPOLIS

- Indiana students won't be taking a test this May that was meant to help transition to new education standards (Associated Press). The State Board of Education voted unanimously Wednesday to cancel the upcoming test.

Internet password change urged

NEW YORK - Popular websites and millions of Internet users scrambled to update software and change passwords Wednesday, after a security bug in crucial encryption code was disclosed sooner than researchers had planned. Facebook Inc. and Yahoo Inc.'s blogging site Tumblr advised users to change their passwords because of the so-called Heartbleed bug (Wall Street Journal). Canada's tax agency shut its filing website as a precaution, weeks before its April 30 filing deadline. "It's easily the worst vulnerability since mass-adoption of the Internet," said Matthew Prince, CEO of CloudFlare Inc., a San Francisco cybersecurity company. "It's going to be really bad."

McDermott states Hammond priority

MUNSTER - Hammond Mayor Thomas McDermott Jr. supports regional ideas such as expanding the South Shore commuter rail, but his priority must be Hammond, he said (NWI Times). McDermott met with The Times Editorial Board on

Wednesday to share his thoughts on the South Shore commuter expansion and how Northwest Indiana could unite for stronger political clout in the future. "Everyone is talking about regionalism, let's talk regionalism," he said. "But my job is the mayor of Hammond. I love being the mayor of Hammond. People trust me, and I feel like I'm doing the right thing here." He said he appeared to support Hammond over a regional approach because he was uncomfortable handing over \$900,000 annually for 30 years for the South Shore extension without knowing whether Hammond also would benefit. "Under the right circumstances, this could be a big help for the region, but right now, there are too many questions," he said.

Senate GOP block pay equality act

WASHINGTON - Senate Republicans banded together on Wednesday to block the Paycheck Fairness Act, a Democratic bill aimed at narrowing the pay gap between men and women (Politico). The legislation failed to clear a 60-vote threshold to open debate on the bill, falling short, 53-44. "This isn't over. Equal pay for equal work is going to remain center stage in this year's agenda, and we are not going to let the Republicans who blocked this bill off the hook. That could absolutely mean another vote later in the year," said Sen. Patty Murray (D-Wash.), the chamber's highest-ranking woman. On Wednesday afternoon, President Barack Obama said it was "wrong" of the GOP to block the bill. "Republicans in Congress continue to oppose serious efforts to create jobs, grow the economy and level the playing field for working families," Obama said. "It's harmful for our national efforts to rebuild an economy that gives every American who works hard a fair shot to get ahead."