

# The Howey Political Report



*The Howey Political Report* is published by NewsLink Inc. Founded in 1994, *The Howey Political Report* is an independent, non-partisan newsletter analyzing the political process in Indiana.

**Brian A. Howey, publisher**

**Mark Schoeff Jr., Washington writer**

**Jack E. Howey, editor**

The Howey Political Report      Office: 317-254-1533  
PO Box 40265                      Fax: 317-968-0487  
Indianapolis, IN 46240-0265      Mobile: 317-506-0883

**brianhowey@howeypolitics.com**  
**www.howeypolitics.com**

Washington office: 202-775-3242;  
Business Office: 317-254-0535.

**Subscriptions: \$350 annually via e-mail;  
\$550 annually including the HPR Daily  
Wire. Call 317-254-1533 or 254-0535.**

© 2004, *The Howey Political Report*. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, in whole or in part, is a violation of federal law and is **strictly prohibited** without consent of the publisher.

## “QUOTE” OF THE WEEK

“Why rush to amend the constitution? We’ve been wrong before.”

- State Sen. Earline Rogers, comparing the proposed amendment to ban gay marriage to previous attempts to ban inter-racial marriage

## The Region-to-Indy axis of scandal

### From the Steel City to IPALCO

By **BRIAN A. HOWEY** in Indianapolis

The question for Lake County Prosecutor Bernard Carter -- deep within the confines of Attorney General Steve Carter’s Statehouse office and three hours south of District Attorney Joseph Van Bokkelen’s Hammond digs -- was this: How do you respond to the idea that two Republicans are taking off the political heat?

“That’s not my concern,” Prosecutor Carter responded. “I’ve been prosecuting attorney for 10 years. When you’ve been a prosecutor for 10 years in a county the size of Lake County, and particularly my own professionalism, you’re talking about your own legacy. Making sure the right things are done. Making sure that you’ve instituted those right things. The political aspects of people wanting to attack me, I can certainly withstand that. My obligation is to the people who elected me.”

**A week ago, the two Carters** and Van Bokkelen held Unprecedented press conferences announcing a corruption investigation task force combining their three agencies. While Van Bokkelen is seeking public corruption indictments going back to the 1999 East Chicago primary election and sidewalk scandal, Prosecutor Carter’s era of corruption begins with the May 2003 East Chicago and Schererville Democratic primaries.

Presumably in his sights is a former patron - East Chicago Mayor Robert Pastrick - who was Lake County Democratic chairman when Bernard Carter joined the ticket in 1994.

And this legal troika signalled continued intrigue along the East Chicago-Gary-Indianapolis axis in what looks

## INSIDE F E A T U R E S

<b>Ticker: Davis backs Central Time</b>	<b>p. 2</b>
<b>LaPlante won’t run; Elex Board idle</b>	<b>p. 5</b>
<b>Quoting Victor Hugo in Valpo</b>	<b>p. 5</b>
<b>Horse Race: Micon enters HD26</b>	<b>p. 7</b>
<b>Columnists: Dowd, Howey, Marcus</b>	<b>p. 8</b>
<b>Bayh getting bipartisan backing</b>	<b>p. 9</b>

# TICKER

## T A P E

**DAVIS SEES PR PROBLEM FOR INDIANA; SUPPORTS CENTRAL TIME:** Indiana is suffering from a public relations problem, Lt. Gov. Kathy Davis said (Boris Ladwig, Columbus Republic). "Indiana has great assets, but we're not very good at telling our story. I think Columbus is the exception to that rule. It really is an astounding place to live." Davis was the featured speaker at Wednesday's 95th Annual Meeting of the Columbus Area Chamber of Commerce, which also recognized individuals and businesses for community involvement. Davis said, however, that if the state wants to brand itself as "being in the middle of things," it must become part of the Central Time Zone. "It costs us when people on the outside world don't know what time it is (in Indiana)," she said.

**SURGERY FOR SEN. BUD MEEKS:** State Sen. Charles "Bud" Meeks, R-Leo-Cedarville, will undergo surgery today in Indianapolis to treat a restricted bowel, according to his brother and fellow senator (Fort Wayne Journal Gazette). Meeks, a 66-year-old former sheriff, went to the emergency room Tuesday afternoon and was admitted to the Indiana University Medical Center

to be an enfolding era of scandal. Attorney General Carter's interest may go beyond the legalities. He is a Republican with Lake County roots who knows he can soften, if not take out, a Democratic machine that regularly rewards statewide colleagues with 70,000-vote pluralities.

And it isn't as if the Democrats are the only active ingredient along the Lake-to-Indy scandal axis. On Tuesday, Republican Secretary of State Todd Rokita of Munster issued a press release discussing his "criminal" investigation into the IPALCO stock sale and saying that Mitch Daniels has been exonerated.

"Over the last year my office has been conducting an extensive criminal investigation into the 2001 share exchange transaction between IPALCO Enterprises Inc. and AES Corporation," Rokita began. "To date, our attorneys and investigators have reviewed more than 100,000 documents and five civil depositions and have conducted approximately 38 hours of personal interviews in an attempt to ascertain whether any violations of the Indiana Securities Act occurred in connection with the share exchange or the events that preceded it.

"After a thorough review of the documentary evidence and interviews, depositions and statements accumulated to date, our investigative staff has determined that there does not appear to be a justifiable reason to focus further specific attention upon these non-employee former members of the IPALCO Board of Directors."

That brought questions from Indiana Democratic Chairman Joe Hogsett, a former secretary of state who chided Rokita by saying, "There has been no criminal investigation. It's a regulatory investigation."

Hogsett said that to his knowledge, the IPALCO case has not been forwarded to Southern District Attorney Susan Brooks or Marion County Prosecutor Carl Brizzi. Of course, Brizzi is investigating the Kernan administration's FSSA and

BMV hotspots.

Starting to get the picture here?

When we said in our Dec. 18 edition of *HPR*: "**Culture of scandal spreads downstate: From the Region to the Statehouse,**" we weren't kidding. There is no legal or governmental connection between Lake County vote fraud, IPALCO, and FSSA. But there is a vivid political connection working these issues in a tit for tat mode.

What could occur is that a high-stakes game of legal chicken consuming the 2004 governor's race instead of the race serving Hoosiers as a discussion of the vision needed to create a 21st Century state.

Hogsett called on Daniels to release all the documents of the Rokita investigation. "My letter is intended in essence to actually give the secretary of state and Mitch Daniels an opportunity to, with authenticity and credibility, put this issue to bed and exonerate Mr. Daniels," said Hogsett. "I have no reason to believe Mitch Daniels and the IPALCO board were involved in any criminal wrongdoing. If the documents are released, and the exoneration takes place, the record would reveal that Mitch Daniels as a member of the board stood tall and looked out for the interests of the shareholders. Which is what he would do as governor."

Daniels responded late Wednesday, "I'm glad to. My reputation means more to me than any election."

He said he favors releasing the sworn statement he gave to Rokita's investigators last October. However, the Daniels campaign doesn't have that document and Rokita's office said it cannot release any evidence because the investigation is continuing.

By the end of Wednesday, Rokita's office was coming under fire from former employee Keith Griffin, a former securities division attorney, who told WISH-TV, "I think the outcome of the investigation regarding Mitch Daniels was determined before the investigation began. I mean, I

*Continued on page 3*

don't think there was ever a real investigation in regard to some of the parties.”

Griffin, who was encouraged by Rokita to resign in May after news of the subpoenas in that investigation broke, told the *Indianapolis Star*, “I genuinely don't think Mitch Daniels has done anything wrong.”

What is clear about this sequence is that Indiana Democrats -- and not Gov. Joe Kernan -- are beginning to engage beneath the candidate level. Just as Indiana Republican Chairman Jim Kittle is slugging away at the Kernan administration's underpinnings where scandals are being investigated.

## But this is Lake County

While there is intrigue lurking between the two parties' headquarters on Capitol and Meridian Steets, and on down to the City-County Building, it all pales in comparison to the sheer drama playing out in Lake County.

Prosecutor Bernard Carter has become the compelling figure. After standing shoulder to shoulder with Attorney General Carter and Van Bokkelen up in Hammond the morning of Jan. 22, he was in the AG's Statehouse office announcing the investigative troika.

“One of the things that the U.S. Attorney's office brings that my office doesn't bring and the attorney general doesn't bring is federal investigative agencies, whether it is the IRS or the FBI or other agencies within his direction,” Prosecutor Carter explained. “Each of those agencies is equally aboard our team. We've had the Indiana State Police, but those resources have been limited. This is a very expensive proposition; man-hours, the economics of the investigation. All of those will be shared by the three agencies, which means more resources.

Carter added an emotional dimension in going after his former mentor.

“I'm proud to be here today,” Carter said. “I appreciate, the citizens of

Lake County appreciate, this support. Contrary to what people may believe, the people of my county want honest elections. A minority, and when I talk minority I mean maybe a handful of people, don't want it. And those are the people who substantially benefit from some of the corrupt activities that occur in my county. The other 400,000 citizens of my county want honest representation from the electoral process and that is what they are demanding and will receive. Now with the attorney general and the district attorney, we will achieve that.”

The Carter investigations begin with the May 2003 Democratic primaries in East Chicago and Schererville. Mayor Robert Pastrick eked out a narrow victory over Councilman George Pabey. He then had to withstand Pabey's suit in a civil trial.

That became the seeds of the Carter investigations.

HPR asked Carter if the origins of his probe came in Chris Sautter's documentary, “*The King of Steeltown*.” It was a movie that vividly showed the origins of the sidewalk scandal that would result in six federal indictments, and the absentee ballot war between Pastrick and his 1999 opponent, Lake County Chairman Stephen Stiglich.

“I don't think it was a starting point at all,” Bernard Carter responded.

“Certainly I've seen it and a number of the members of the task force have seen it. I would say for the most part it was the civil trial -- the Pastrick elections and Judge Riga in Schererville. That's where I got my directive.”

Prosecutor Carter said, “With regard to Pastrick, Judge (Stephen) King sent over to me hand-delivered transcripts. He articulated ... what he believes was criminal conduct as testified by individuals before his court. That's what initiated the investigation. It wasn't the election itself, it wasn't the complaints brought up that did it. It was a formal civil proceeding highlighting illegal or potential illegal

# TICKER

## T A P E

later that day. He began battling colon cancer in 2002, but the cancer returned to his liver in spring 2003. He has been undergoing aggressive treatment since.

**BURTON SEES POSTAL MELTDOWN:** U.S. lawmakers warned on Wednesday that taxpayers might need to bail out the U.S. Postal Service unless drastic legislative changes are made to allow the embattled agency to withstand attacks from the Internet and private carriers (Reuters). “A meltdown is inevitable,” Rep. Dan Burton, an Indiana Republican, said at a House government reform committee hearing. “Something has to be done otherwise we're going to have a huge government bailout (paid for by the taxpayers), and it won't be a one-time thing.” The Postal Service, saddled with \$7.3 billion in debt and billions more in other liabilities, such as retirement related benefits and operating leases, said it will become more difficult to cover its operating expenses as mail volume in its lucrative first-class business falls.

**PENCE CALLS FOR SPENDING RESTRAINT:** U.S. Mike Pence appeared on NBC's Today Show this morning and called for conservatives in Congress to demand fiscal responsibility from

*continued on page 4*

# TICKER

## T A P E

President Bush. In a speech on the House floor earlier this week, Pence explained, "The time has come for Congress to put our fiscal house in order. This week the Congressional Budget Office released its economic and budget projections showing budget deficits over the next decade, including nearly \$500 billion for fiscal year 2004. The American people know about the deficits. The American people also know that this president inherited a recession, experienced and bravely led us through a national emergency, and led America in the war on terror, and these have all taken their toll. Having mostly cleared these historic challenges, I believe that in the coming budget debate the Republican majority must again demonstrate its commitment to fiscal discipline and limited government. The time has come for Congress to put our fiscal house in order again. We must resist the siren call to raise taxes, which our Democrat friends will bring to this floor again and again. We must put our fiscal house in order by holding the line on spending, renewing our commitment to limited government and fiscal discipline, which are true Republican values of the majority."

**BORST, GARTON RIP FDK:**  
The Democrat-led House is expected to pass a slightly

*continued on page 5*

conduct."

There will be 100 targets, several hundred interviews and months if not years involved in the state portion of the investigation. Attorney General Carter would not confirm or deny that East Chicago Mayor Bob Pastrick or Gary Mayor Scott King were targets.

### Friday's headlines

But Friday morning, the Region newspapers were full of banner headlines and stories of scandal and intrigue.

Van Bokkelen had indicted Carl Paul Ihle Jr., and the *Times of Northwest Indiana* reported that "Defense attorneys familiar with the case said the federal government likely charged Ihle to pressure him to testify against (Kevin) Pastrick or (Peter) Manous."

A second Thursday federal indictment of Otho Lyles III, the former Gary Republican chairman, was to "squeeze" Jewell Harris, the former ally to Gary Mayor Scott King, according to the *Times*. The *Times* said Lyles told federal investigators he didn't know Jewell Harris.

The *Times* reported, "The average citizen who walks down the street knows about the theory that you can't do business in Gary unless you go through Harris. Political insiders noted that Lyles' contracts and appointments to boards came about because of the political clout he wielded while serving as the Republican Party chairman of Gary, a power similar to that once held by former East Chicago GOP Chairman Robert Cantrell."

What happened on Thursday was that while the Democratic Lake County prosecutor teamed with the Republican attorney general and federal attorney, two of the next three indictments were of the faux Republican chairmen of Gary (Lyles) and on Monday of Robert Cantrell.

*Post-Tribune* reporter Steve Patterson reported in Tuesday's editions, "Cantrell could not be reached at the East Chicago home he votes from, nor at the

Schererville home where -- he has stated on state forms -- he lives."

### What to make of all this?

If you're Van Bokkelen, the unmistakable message sent was this: "If you lie, you're going to be prosecuted."

Van Bokkelen told the *Post-Tribune*, "We bring different tools to the table. At the end of the day, the public is best served when we can go where the biggest penalties are. In particular with the East Chicago investigation, it fits into what we're doing."

It seems unlikely that Gov. Kernan will seek Mayor Pastrick's endorsement (something Joe Andrew and Vi Simpson sought last year). Democrats seemingly are not connecting the dots to the Region. Hogsett was asked for his take on the Region scandals and he responded, "I really haven't been following what is going on up there."

Hogsett is clearly engaging his counterpart, Republican Chairman Jim Kittle. Rokita accommodated him with the release of his "investigation" that allowed Indiana Democrats to shift some of the scandal headlines from Northwest Indiana and FSSA/BMV and on to the IPALCO case and Mitch Daniels. It coincided with Daniels' entry into the 2004 TV campaign by releasing two self-defining bio advertisements in the last seven days.

It is Daniels' attempt to erase some of that 13 percent lead Kernan has in the last *Indianapolis Star*/WTHR poll, and to define himself. The *Star*/WTHR poll showed Daniels with higher negatives than expected, so he is laying down foundations.

The Wednesday/Thursday headlines and newscasts won't help.

The good thing about this sequence of scandal is that it's only January. If there's really no fire where there's smoke, perhaps the scandal mongering will subside early enough to allow the candidates to talk about that "vision thing" that most Hoosiers really need. ❖

## LaPlante won't run; Election Commission won't meet

INDIANAPOLIS - While it wasn't a "scandal," it was an embarrassing situation that showed little promise of going away, so State Rep. Brooks LaPlante made a crucial decision that could impact who controls the Indiana House in 2005.

He announced he would not seek re-election. "I know the way that played out was largely political and it is going to come back in the campaign," LaPlante told the *Terre Haute Tribune-Star*. "I'd like to see an open and honest debate about the real issues we're facing, but that would be somewhat clouded with what I had to face."

**LaPlante's withdrawal** was a blow to the House Republican caucus, which seemed somewhat rattled that they've found themselves with an open seat instead of defending an incumbent, albeit a damaged one.

The day after LaPlante dropped his bombshell, the Indiana Election Commission was consumed with even more turmoil that his "situation" exposed.

New Republican commissioners Brian Burdick, the chairman, and Brad Hiller refused to call the commission into session in time to deal with the \$10,000 fine meted out by a 4-0 vote last June.

Democrat Indiana Election Commissioner Anthony Long then called on Gov. Joe Kernan to order the Indiana commission to meet to take action on the case of LaPlante.

**"The meeting was requested** because the Indiana Election Commission had not issued written orders with regard to its decision within 90 days," Long said in his letter to Kernan on Tuesday. "By my calculation, the 90-day period will expire on or about the 18th day of February, 2004. At our most recent meeting on January 20th, I requested that the Chair call a meeting within the 90-day period so that we could discharge our duties within the time frame as set forth by the statutes relative thereto."

Long said Commission Chairman Burdick "refused to call the meeting and I am requesting, pursuant to Indiana Code 3-6-4.1-12, that you, as Governor, order the Commission to meet for the performance of our duties."

**Gov. Kernan's office** is studying the request.

Meanwhile a bill in the General Assembly to add a fifth vote, to be determined by Common Cause, was defeated in a House committee. ❖

## They were quoting Victor Hugo in Valpo, Fort Wayne

The mayor of Valparaiso was quoting Victor Hugo.

"There's nothing quite as powerful as an idea whose time has come," said Valparaiso Mayor Jon Costas before his city council voted for sweeping reorganization of city offices Tuesday night (*Post-Tribune*).

But even that paled in comparison to what happened in Fort Wayne the same night. There, by a unanimous 14-0 vote, Republicans and Democrats on the Fort Wayne City Council and the Allen County Council signed a document endorsing the merger of the two councils, and city and county government.

"I proudly say 'yes,'" said Republican City Councilman Tom Smith (*Fort Wayne Journal Gazette*). A decade ago, when Fort Wayne Mayor Paul Helmke suggested such reforms, he was castigated by members of his own party.

"This unanimous vote alone should send a signal on how far our city and county have come," said City Council President Sam Talarico Jr., a Republican sending a message to the legislature where legislation on the topic floundered. "It is audacious in its scope," said Democratic Councilman Tim Pape. "It is breathtaking in its scope." ❖

## TICKER T A P E

retooled version of Gov. Joe Kernan's plan to expand full-day kindergarten, but its already dim prospects in the GOP-controlled Senate seemed even dimmer Wednesday (Mike Smith, Associated Press). House Democrats have a new way to pay for part of the plan without using money otherwise destined for teacher pension savings, but Senate Republican leaders said they were not impressed with the change. Their criticisms suggested there was still little chance of full-day kindergarten passing the Senate. "Hoosier jobs are going overseas, we have lost manufacturing jobs, the economy is still not good in the state of Indiana, we can't even meet our monthly payment schedule on local schools ... and what is the top priority from the administration - full-day kindergarten? Give me a break," said Senate President Pro Tem Robert Garton, R-Columbus. "I mean, get some priorities in line with reality for heaven's sake." Said Senate Finance Chairman Larry Borst, R-Greenwood: "My theory is you ought to pay your debts back before you go out and buy a new car or a new refrigerator."

**CITY-COUNTY MERGER BILL PASSES:** An effort to study and possibly reorganize Allen County's governmental structure got a

*continued on page 6*

**TICKER**  
T A P E

relieve Wednesday when members of a Senate panel voted 6-3 to move the idea forward (Fort Wayne Journal Gazette). The vote came a week after a 5-5 tie on Senate Bill 225. Two senators who previously voted "no" were not present, and a third senator who was absent last week voted "yes." Republican Sen. David Long's bill would allow a reorganization commission to be established to review local government, as well as recommend possible changes. Those changes could be minor or could include a full consolidation of city and county services and revenue. Any recommendation would be voted on by the citizens in a countywide referendum. The bill applies to about 15 counties statewide, but Long promised Wednesday to amend the bill on second reading in the Senate so that it affects only Fort Wayne and Allen County. At least two of the votes for the bill hinged on Long's pledge. "Maybe my county can be an example of how to do it right," Long said. "This approach is a lot slower and more deliberative, and will hopefully take the pressure off."

**FEDERAL OFFICIAL SUPPORTS KINSEY FUNDING:** A federal official defended dozens of government-supported sex research projects that had come

# 2004 Racing Form

## Indiana 2004 Gubernatorial

**Governor 2004: Republican:** Mitch Daniels, Eric Miller, Petersburg Mayor Randy Harris, Bob Parker. **Democrat:** Gov. Joe Kernan. **1996 Results:** O'Bannon (D) 1,075,342, Goldsmith (R) 997,505, Dillon (L) 35,261. **2000 Results:** O'Bannon (D) 1,230,345, McIntosh (R) 906,492, Horning (L) 38,686. **2004 Forecast:** A critical sequence for Daniels is at hand with the IPALCO case. He is pressing for release his his sworn statement by Secretary of State Rokita. If that occurs and the testimony reveals no wrongdoing has Daniels is clearly suggesting, it would be a key development in this race in that there won't be dueling scandals. Daniels' gubernatorial campaign is airing a second biography ad, featuring his old buddy, Bob Loomis: "Mitch and I met when we were both working in Dick Lugar's office. We became best friends. We were best men at each other's weddings. He has not changed in the slightest. He was a top executive at Eli Lilly when they were creating thousands of jobs. He's been called to service by two US Presidents. And despite all of this, his family comes first, his old friends are still his friends, and he would make a wonderful governor for the state of Indiana." Photos with the ad include Daniels with President Reagan, at Eli Lilly, watching a football game with old friends, and with his family. **Republican Primary Status:** *Likely Daniels*; **General Status:** *Tossup*.

# HORSE RACE

## Indiana 2004 Congressional

**U.S. Senate: Republican:** Marvin Scott, Dwight Wilkerson. **Democrat:** U.S. Sen. Evan Bayh. **1992 Results:** Coats (R) 1,267,972, Hogsett (D) 900,148. **1998 Results:** Bayh (D) 1,012,244, Helmke (R) 552,732. **2004 Forecast:** With Gov. Dean fading and Sens. Kerry and Edwards showing buoyancy in the presidential race, Sen. Bayh presumably will not have to watch his party self inflict itself with suicide. But does a John Kerry nomination put Bayh back at the top of a veep list? Sources say that Bayh and Kerry have a good relationship and the geography makes sense. Some question whether two senators on the ticket make sense, but that happened in 1960 (JFK-LBJ). The real buzz was a Kerry-Edwards ticket, but, it's early. Scott has an April 3 event planned with GOP Rep. Katherine Harris of Florida. Harris was Florida's secretary of state during the controversy over the state's presidential vote in 2000. Scott also has April fundraisers scheduled with "non-traditional Republican supporters," said Tolson. They include Hall-of-Fame baseball and football players as well as an actor-comedian and bands. "Marvin has a great deal of support from Generation Y," said Tolson. **Status:** *Solid D*.

**Congressional District 2: Republican:** U.S. Rep. Chris Chocola, Tony Zirkle. **Democrat:** Joe Donnelly. **Geography:** South Bend, Michigan City, Mishawaka, Elkhart, Kokomo, Plymouth, Logansport; LaPorte, St. Joseph, Starke, Marshall, Pulaski, Fulton, Cass, Carroll and parts of Howard, Porter, Elkhart and White counties. **Media Market:** South Bend-Elkhart, Indianapolis, Lafayette, Chicago. **People:** Urban/rural 73/27%; median income\$40,381; Poverty 9.5%; Race 84% white, 8% black; 5 Hispanic; Blue/white collar: 34/50%. **2000 Presidential:** Bush 53%, Gore 44%; **Cook Partisan Voting Index:** R+5; **2002 Result:** Chocola 95,081 (50%), Long Thompson 86,253 (46%); **2002 Money:** Chocola \$1.69m, Long Thompson \$1.535m. **2004 Outlook:** Donnelly says he will attempt to tie Chocola to President Bush. "I see his conduct toward the president helping my campaign," Donnelly said (Jason Miller, *Michigan City News-Dispatch*). "I respect the president and I'll be with him if what he's doing is right for Michigan City. If it's not, then I won't be with him. I think Chris Chocola's hands are tied. He can't do anything on his own. He has to worry about what (Bush, et al) think first. He's indebted." Donnelly said he would use former U.S. Rep. Tim Roemer and U.S. Sen. Evan Bayh as models should he win. "Tim and I have the same kind of style that people want in this office."

He represented this district first and that's what the people want. They don't want someone who is voting for the agenda of the president." **Status:** *Leans Chocola*.

**Congressional District 3: Republican:** U.S. Rep. Mark Souder, William Larsen.

**Democrat:** Mark Summers. **Geography:** Fort Wayne, Goshen; Kosciusko, Whitley, LaGrange, Steuben, DeKalb and parts of Elkhart and Allen counties. **Media Market:** South Bend-Elkhart, Fort Wayne. **People:** Urban/rural 65/35%; median income \$44,013; Race: 87% white, 6% black, 4.5% Hispanic; Blue/white collar: 36/52% 2000 Presidential: Bush 66%, Gore 33%. **Cook Partisan Voting Index:** R+17. **2002 results:** Souder 92,566 (63%), Rigdon 50,509 (34%). **2002 Money:** Souder \$518,717, Rigdon \$131,458. **2004 Outlook:** Larsen said Monday he will challenge Souder in the May 4 primary. Larsen, 47, is a manufacturing engineer at Goshen Coach in Elkhart, who got 3 percent of the Republican vote in a three-way contest two years ago when he and former Fort Wayne Mayor Paul Helmke tried to block Souder's path to another term. Souder crushed Paul Helmke with a 60-37 percent victory. Souder had an incredible week when he was part of the first Congressional delegation to meet with Libyan leader Gadhafi in Tripoli over the weekend before going to Iraq to meet with Ambassador Paul Bremer. **Primary and general status:** *SAFE SOUDER*.

## Indiana 2004 Legislative

**House District 26: Republican:** Tippecanoe County Councilwoman Connie

Basham. **Democrat:** Joe Micon. **Geography:** Lafayette, West Lafayette, Tippecanoe County. **1998 results:** Scholer 5,750, Clapper 4,655. **2000 Results:** Scholer 9,086, Windler 5,186. **2002 Results:** Scholer 5,630, Micon 4,731. **2004 Forecast:** Micon re-enters this race after an 899-vote lost to Rep. Scholer in 2002. He will make his formal announcement on Saturday. The former Warren County councilman was granted a leave of absence by the Lafayette Urban Ministry board where Micon had been executive director. He was endorsed by the *Lafayette Journal & Courier* in 2002. Given the closeness of the 2002 race, the open seat, Micon's name recognition and the strength of Lafayette and West Lafayette Democratic organizations after the 2003 municipal elections, we see this as a pure tossup. **Status:** *TOSSUP*.

**House District 46: Republican:** Open. **Democrat:** Vern Tincher. **2002 Results:**

LaPlante (R) 8,079, Tincher (D) 7,275. **2004 Forecast:** LaPlante will not seek re-election, which could be a blow to GOP chances to retake the Indiana House. Or, it could be a blessing since LaPlante's campaign finance violations would have been an obstacle. "I know the way that played out was largely political and it is going to come back in the campaign," LaPlante told the *Terre Haute Tribune-Star*. "I'd like to see an open and honest debate about the real issues we're facing, but that would be somewhat clouded with what I had to face." The Indiana Election Commission found that LaPlante violated campaign finance laws in the November 2002 election by failing to report more than \$35,000 of his own money he put into his campaign in the final days before the election. Vigo County Republican Chairman David Lohr, Vigo County GOP chairman, reacted to the news "sullenly", saying, "I think he would have been a man that would have made a distinction in the state. He had a very intelligent head, a very good agenda; he knows a lot about business. I think he could have helped the state tremendously. I felt the Election Board handled it a little badly," Lohr said. "[LaPlante] contacted me when it first happened and was contemplating not running again, and I asked him to wait and see how things went." Lohr said he knows of "a couple of people," who have an interest in being a Republican candidate for the seat. One is Brian Dorsett, a Honey Creek Township auto dealer. As for Democrats, Tincher is expected to formally enter the race this weekend. Democrats fret that he is too "old school" and doesn't take re-election campaigns seriously. Vigo County Commissioner Turk Roman is said to have considered a run, but he is a friend of Tincher's. **Primary Status:** *TOSSUP*.

**House District 86: Republican:** Andy Miller, Mort Large. **Democrat:** State Rep.

David Orentlicher. **2002 Results:** Orentlicher 9,909, Atterholt (R) 9,872. **2004 Forecast:** Miller says he does not have a formal endorsement of Peter Pizarro, the unsuccessful City-County Council at-large candidate in 2003. **Primary Status:** *TOSSUP*. ❖

## TICKER T A P E

under fire by some members of Congress — including work at Indiana University's Kinsey Institute (Associated Press). National Institutes of Health Director Elias A. Zerhouni told his advisory committee earlier this month that an internal review of about 190 NIH-funded grants concluded that all of them were scientifically valid and in the public interest. "When we looked at the public-health relevance, there was no question that these projects should have been funded and should continue to be funded," Zerhouni said, according to the Chronicle of Higher Education. Conservatives had questioned the value of some of the sex-related research. Rep. Mark Souder, R-Ind., objected to a Kinsey Institute-sponsored conference on sex research methods and grants to other groups to study women's reaction to pornography, sexual fantasies of older men and HIV among prostitutes. "While the findings of these studies may interest some, it is a stretch to believe that any of the hundreds of thousands of dollars spent on this research will result in any significant finding that will improve public health," he wrote Zerhouni in July.

**SHIRLEY BYNUM DIES:** Politics wasn't a game for Shirley Bynum (Post-

# TICKER T A P E

Tribune). "It meant a lot to her," said her son, Adrian Cherry. "It was her life." "She wanted to make a difference in the city of Gary," he added, "and I believe she did." A veteran political leader and former Gary City Council member, Bynum died Tuesday at The Community Hospital, Munster, after a brief illness. She was 68.

**STATE SUCCESSION RESOLUTION ADVANCES:** In the wake of Gov. Frank O'Bannon's death last year, lawmakers are working on a constitutional amendment that would determine who runs the state in a variety of unlikely but not impossible scenarios (Louisville Courier-Journal). The Senate Rules Committee yesterday unanimously approved Senate Joint Resolution 5, a constitutional amendment that would require the General Assembly to elect an acting governor in the event that both the governor and lieutenant governor are incapacitated. Then-Lt. Gov. Joe Kernan immediately became acting governor — as spelled out in the Indiana Constitution — assuming all the powers and duties of the office. But the constitution did not say who would take over the governor's duties if Kernan died or also became incapacitated. But Sen. David Ford, R-Hartford City, said he wants to ensure the state never does. "The hope is we never have to face that situation," said

# COLUMNISTS ON INDIANA

**Maureen Dowd, *New York Times*** - When he was chairman of the National Governor's Association, Dr. Dean got what he called a "surrogate spouse" for the social events his wife shunned, escorting Evan Bayh's wife, Susan. Maybe he could do the same if he won the White House. Let Dr. Judy open an East Wing medical clinic and give Martha Stewart a pardon if she'd do all the ceremonial folderol. Keep Martha away from those squished cupcakes, though. She might lose her famous temper and utter the second scream heard round the world. ❖

**Morton Marcus, *syndicated*** - Governor Joe Kernan spoke to the annual meeting of the Indiana Fiscal Policy Institute last week. The audience included Supreme Court justices, members of the General Assembly, business executives, and a variety of well-known citizens representing diverse organizations. On every topic the Governor was his usual confident, assertive self, except when it came to Line 17. For those of you who do not know about Line 17, let's open our Indiana Individual Income Tax booklet (available at many public libraries and other fine reading establishments). Line 17, discussed on page 20, is where you are supposed to enter how much you owe the state for sales taxes not collected on your magazine subscriptions, catalogue purchases, and internet purchases. The Governor was not about to embarrass his audience by asking for a show of hands by those who do not pay this tax. He did point out that only about 25,000 of the three million individual tax returns last year included an entry on Line 17. The Governor was not going to tell these powerful, well-educated, probably wealthy taxpayers that it is their responsibility to pay their taxes. He was not going to suggest that part of our state deficit is due to

hundreds of thousands of Hoosiers ignoring or defying the law. Are we really to believe that only 0.8% of the state's taxpayers owe sales taxes on purchases from catalogues and the internet? Of course not! How many Hoosiers should be paying this tax? No one knows. Let's imagine that one-in-four taxpayers actually owe such taxes. That would be 750,000 more citizens following the law. (My guess is that the figure should be much higher, but let's be generous.) For the tax year 2001, the average payment of those who did pay their sales taxes on Line 17 was \$42. If those 750,000 paid their \$42, the state would realize \$31.5 million. This is a modest estimate. There are studies indicating that the sum might be as high as \$300 million. No one knows how much Indiana is losing because the catalogue and internet vendors are powerful lobbyists in Washington. ❖

**Brian A. Howey, *Indianapolis Eye*** - I'm the guy who's been asking for more than a year, "Why do we need townships? Why do we need 92 counties?" So you'd think I'd be happy as a clam when the *Indianapolis Star* came out with this editorial in its Saturday editions: "Goodbye Townships, hello 21st Century: It's time for Indiana to eliminate its outdated model of township government." Wrong. What the *Star* is actually doing is a piecemeal, half-ass approach to what really needs to be accomplished, which is a system-wide study of Indiana's state and local government structure, followed by either a state convocation of the three branches of government to draw up reform amendments, or a constitutional convention to rewrite the entire thing. What the *Star* editorial writers are now advocating is the condemnation of the township layer of government throughout the state, and then jerking it out of the mix. ❖



## Bayh seeking bipartisan election support

By **MARK SCHOEFF JR.**

*The Howey Political Report*

WASHINGTON--Sen. Evan Bayh began the new year by drawing bipartisan support for a Washington, D.C., fundraiser based on his efforts to send federal money back home.

Bayh hosted an event at the ESPNZone in downtown Washington on Tuesday centered on the Indiana-Purdue basketball game. Guests, who were asked to contribute \$250 each to Bayh's re-election campaign, could attend a reception and then stay for the game. Among the hosts of the fundraiser were two Republicans, Bill Dull, a former aide to GOP Sen. Dan Coats, and Doug Wasitis, a former senior staff member on the House Appropriations Committee who worked for longtime Hoosier GOP Rep. John Myers. Other hosts included Jeff Viohl, Indiana's federal lobbyist, and Bill Morreau, a chief of staff for then-Gov. Bayh.

"Sen. Bayh is a leader who works across the aisle to get things done, and as a result he attracts a wide range of supporters," said spokeswoman Meg Keck. Neither Wasitis nor the Bayh campaign returned phone calls requesting comment about the fundraiser. The campaign closed the event to the media.

**The fact that two** former GOP aides who are now lobbyists would host a fundraiser for a Democratic senator is in part an indication of the power of incumbency in Washington. Wasitis is a senior vice president at Sagamore Associates in Washington, where he leads the firm's education practice and also works in government affairs. Dull runs his own technology firm. Both seek good relationships with Capitol Hill, and Bayh has been trying to forge a reputation for sending money back to Indiana.

"I've been thoroughly impressed by the aggressiveness of (Bayh's) team, particularly on Indiana projects," said a

Washington-based lobbyist with Indiana clients. Over the past few weeks, Bayh has sought to publicize his efforts to secure funding for Wishard Hospital in Indianapolis and for an airport in Gary. In a Jan. 28 *Evansville Courier and Press* article, Bayh was credited, in the second paragraph of the piece, for announcing \$1.25 million in federal funds for planning on Interstate 69 and for a new sewage treatment plant.

A Republican challenger to Bayh, however, said Bayh shouldn't receive credit for any Indiana funding emanating from a \$373 billion spending bill approved last week by Congress because Bayh opposed the measure. "I was troubled to note that Evan Bayh sent out three press releases proclaiming he 'secured' money for Indiana in the omnibus bill," Senate candidate Marvin Scott said in a statement released on Monday. "This is impossible since Evan voted against the bill."

**Bayh has a substantial** money lead over Scott. Bayh had \$5.9 million on hand as of Sept. 30, according to the Federal Election Commission. Scott had \$81,183.

"We're not going to have the money, but we have a better message," said Scott's campaign manager, Todd Tolson. "We're going to win the race on message, not money."

Tolson said that Scott, a sociology professor at Butler University and an unsuccessful candidate for Congress in 2000, would begin fundraising in earnest in early April. The campaign is concentrating for now on getting Scott onto the ballot and raising his profile in the media. Scott has an April 3 event planned with GOP Rep. Katherine Harris of Florida. Harris was Florida's secretary of state during the controversy over the state's presidential vote in 2000. Scott also has April fundraisers scheduled with "non-traditional Republican supporters," said Tolson. ❖

## TICKER

### T A P E

Ford, the author of the resolution. "But it seems the prudent thing to provide for the possibility."

**KERNAN STUMPS FOR FDK IN LAFAYETTE:** Gov. Joe Kernan continued his push for expanded early learning opportunities for Indiana's children -- including full-day kindergarten -- during a visit to a Lafayette elementary school Wednesday (*Lafayette Journal & Courier*). Kernan spent time with educators and kindergartners at Glen Acres Elementary, talking about his Early Learning Trust initiative, which seeks to make voluntary, full-day kindergarten available to an additional 20,000 students beginning this fall and statewide beginning in fall 2007. "But for a full-day kindergarten, you would not see the kind of progress that these children are making," Kernan said. "And we think about the impact that this has had on those children where English is a second language. Think about the positive impact it would have on those children whose first language is English." According to the Kernan administration, by the time a child arrives for kindergarten, 90 percent of the brain already is developed, and as many as 50 percent of children nationally aren't fully prepared to succeed when they enter kindergarten.

❖