

The Howey Political Report



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“QUOTE” OF THE WEEK

“We’re guessing less than 10 votes have changed. Our legal team is supremely confident.”

- Johnson County Councilman Brent Waltz
on the status of the SD36 recount

Lugar, Bayh fret war, terror woes

While Pence issues a sunny statement

By **BRIAN A. HOWEY** in *Speedway*

The words off the lips of U.S. Sen. Richard Lugar last Saturday at Tufts University were just as chilling as the ones he spoke in in his 1995 presidential campaign with the dust of a bombed out Oklahoma City federal building barely settled: By failing at “repairing and building alliances, expanding trade, pursuing resolutions to regional conflicts, supporting democracy and development worldwide, and controlling weapons of mass destruction, we are likely to experience acts of catastrophic terrorism that would undermine our economy, damage our society, and kill hundreds of thousands, if not millions of people,” said Lugar in Boston.

Four days later, Attorney General John Ashcroft and FBI Director Robert Muller were showing the photos of seven suspected terrorists ready to strike the homeland.

And, Tuesday, U.S. Sen. Evan Bayh was holding press conferences at an AM General plant in Mishawaka and an Allison Transmission plant in Speedway sharply criticizing the Bush administration for a lack of armored Bradley and Abrams vehicles for U.S. troops in Iraq and Afghanistan. He cited a *Newsweek* report that one out of every four U.S. fatalities in war zones were caused by roadside bombs. “The people at the Pentagon should have asked for this support earlier,” said Bayh, a member of the Senate Intelligence and Armed Services Committee.

What Hoosiers witnessed this past week were their senators - Lugar and Bayh - playing at the highest levels of an epic saga we know as the War on Terror. Lugar was trying to prod the Bush administration to “precisely” lay out plans for Iraq. Bayh, on most vice presidential short lists

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DiGUILIO TURNS DOWN DEM AG NOD: Former Northern Indiana District Attorney Jon DiGuilio was offered the Democratic nomination of attorney general and turned it down, informed and reliable sources tell HPR. Indiana Democratic Chairman Joe Hogsett is also not planning to run, the sources said. Indiana Democrats polled the race last winter and floated Hogsett and Lake County Prosecutor Bernard Carter's names out as possible candidates. Attorney General Steve Carter kicked off his campaign earlier this month and has stumped in more than a dozen Hoosier cities. Carter is also running TV ads saying he kept his promise to rein in telemarketers.

KERRY WILL ACCEPT NOMINATION IN JULY: Sen. Kerry has decided to accept the nomination for president at the Democratic convention in July after all (ABC News). He had thought about the step of delaying until late August. That would have allowed him several more weeks of unlimited spending.

MOVEON PRESSES LUGAR TO SUPPORT RUMSFELD FIRING: MoveOn.org, a liberal national political organization, has launched a campaign urging Sen. Richard Lugar to support

with U.S. Sen. John Kerry, like Lugar expressed anxiety that the Bush administration risked losing the American people.

"I think the American people have more staying power and perseverance than we give them credit for, but you've got to level with them," Bayh said in Speedway. "You have to tell them up front so they're not disillusioned and let down. That's when people can start turning away from a cause."

President Bush's War College speech Monday night didn't satisfy Bayh. "The president last night basically recited what we're already doing," Bayh said Tuesday. "We've made some mistakes along the way and we've lost some momentum. More of the same is unlikely to get the job done. The single biggest mistake we made was constantly underestimating the magnitude of the challenge we've taken on. As long as you have constant attacks and insecurity, it is going to be very difficult to establish a democracy or an economy."

In the Tufts speech the Associated Press described as "chiding" the Bush administration, Lugar said he hasn't seen any plans for the makeup of the new Iraqi government, even though the administration intends to transfer political control of the country to the Iraqis in little more than a month. "I am very hopeful that the president and his administration will articulate precisely what is going to happen as much as they can, day by day, as opposed to a generalization," Lugar said. "I'm hopeful that in the process ... we can get a comprehensive United Nations Security Council resolution that undergirds all of this and brings international legitimacy."

Last week, the *Washington Post* quoted Lugar as saying, "A detailed plan is necessary to prove to our allies and to Iraqis that we have a strategy and that we are committed to making it work. If we cannot provide this clarity, we risk the loss of support of the American people, loss of potential contributions from our allies and the disillusionment of Iraqis."

Lugar is in Spain this week for a conference on Islam and has not commented on the Bush speech. But reading between the lines, the Hoosier senators were essentially accusing the Bush administration of committing the one sin the President said would never happen: A failure to use overwhelming force and give American troops whatever was needed to assure victory on foreign battlefields. Now the Bush administration seemed to be preparing Americans for a new battlefield ... here.

"This disturbing intelligence indicates al Qaeda's specific intention to hit the United States hard," Ashcroft. "Beyond this intelligence, al Qaeda's own public statements indicate that it is almost ready to attack the United States."

The disturbing words and events, from Baghdad and Washington, seemed to evade U.S. Rep. Mike Pence, who attempted to answer a Democratic campaign question that echoed Ronald Reagan's 1980 question, "Are you better off than you were four years ago?"

In a sunny statement that could haunt Pence, he said, "Let's think. Four years ago we had a morally disgraced President of the United States of America in the Oval Office. Today we have a man of integrity, of virtue, of principle, and of purpose. Four years ago the terrorists planned their attacks against America and our allies. Today America attacks the terrorists while they cower in the mountains of Pakistan. Four years ago Saddam Hussein amassed weapons of mass destruction, the Taliban was in power, and Libya had a WMD program. Today the Taliban is gone, Saddam Hussein is in a cell, we have found pieces of his WMD's, and Libya has ended its WMD program. Four years ago the Clinton recession took hold. Just last month 300,000 new jobs were added to the economy. Four years ago partial-birth abortion was legal in America. Today that moral horror is ended. We are better off today than we were four years ago." ❖

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Pence, Hill deal with new Medicare card

By MARK SCHOEFF JR.

WASHINGTON - Two Hoosier congressman demonstrated this week that opposing a bill doesn't preclude scoring constituent service points with the measure once it becomes law.

Republican Rep. Mike Pence (CD-6) and Democratic Rep. Baron Hill (CD-9) voted against Medicare prescription drug legislation last year but traveled their districts this week to explain to hundreds of seniors how to take advantage of Medicare drug benefit cards that go into effect June 1. Seniors can choose from 70 cards that offer savings of up to 30 percent on prescriptions. Low-income elderly persons are eligible for an additional \$600 credit. The cards will be replaced by a comprehensive benefit in 2006.

"I really tried to focus on helping people unpack what is available in the card and discount packages," Pence said in an HPR interview. His town hall meetings in Columbus, Richmond, Anderson, Bluffton and Muncie drew about 100 people each, substantially more than previous meetings on other issues.

Pence voted against the Medicare bill because it created a huge new entitlement. "I didn't hide that concern under a bushel basket." Nonetheless, his sessions, which included officials from the Center for Medicare and Medicaid Services, eased some confusion about new benefits. "I get the sense that people are leaving (town hall meetings) with a spring in their step," he said.

Hill's goal was similar to Pence's. "Baron feels it's important that regardless of the fact he did not support the bill, he feels that it's imperative for Hoosier seniors to understand the law and to be able to make an informed decision about what's best for them and their families," said spokesman Stefan Bailey. Hill held meetings in Vevay, Columbus, Bloomington, Clarksville, New Albany and

Corydon, drawing more than 250 people total.

The National Republican Congressional Committee, the House GOP political arm, attacked Hill: "Seniors and those members of the media in attendance should take what Prep. Hill says with a grain of salt and bear in mind that he will likely speak ill of the new law."

In his forums, Hill appeared with a representative from Families USA, a consumer group opposed to the Medicare prescription bill, and a representative from a health insurance information organization. He also aired a 13-minute Families USA video anchored by Walter Cronkite that is the centerpiece of the group's Medicare Road Show.

Hill was quoted at a forum by the *Jeffersonville Evening News* saying, "The pharmaceutical companies wrote this legislation. I think we need to do better by our senior citizens than what we've done here." Hill opposed the bill for leaving many people uncovered and lacking mechanisms to hold down prescription drug costs, which are rising faster than the overall rate of inflation.

Town hall meetings are generally receiving enthusiastic receptions, according to a Washington political consultant. In the post-Sept. 11 era, people are looking for solutions to their problems and not granting party ownership of issues, including health care. "Ultimately, what they're listening for is who will do a better job solving my problem," said David Winston, president of the Winston Group, a Republican polling firm. "If people really believe (the Medicare bill) is a positive step toward better access to health care, then it helps all Republicans. That is something Democrats are afraid of." Health care competes as a third-tier issue with education and Social Security, well behind the economy and terrorism, said Winston. ❖

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the firing of Secretary of Defense Donald Rumsfeld. Radio ads sponsored by the group ask Indianapolis residents to call Lugar's office over the Memorial Day recess if they support firing the defense secretary (Indianapolis Star). In addition, MoveOn.org members met Wednesday with Lugar's staff in Indianapolis to press their case against Rumsfeld. Lugar is attending a conference on Islam in Spain.

HOLT UNDER FIRE FOR WAR COMMENTS ON KERRY: Terry Holt, appearing on MSNBC's 'Hardball' program Tuesday, was being pummeled by questions from host Chris Matthews about why, if Mr. Bush supported the Vietnam War, he didn't join up and fight. After repeatedly answering that Mr. Bush served as a fighter pilot in the National Guard, Mr. Holt then changed the subject to Mr. Kerry: "In John Kerry's case, he went to Vietnam. He took his own photo camera, by the way, so he could get some good pictures." Mr. Kerry's campaign was outraged, and demanded an apology. "What Terry Holt said last night was an intentional effort to diminish John Kerry's military service," Kerry campaign chairwoman Jeanne Shaheen said. "Not only was it

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wrong, it shows a fundamental disrespect for the service and sacrifice veterans of military combat duty have given our country. No one who serves in this country's military -- not John Kerry, nor the men and women serving in Iraq today -- should ever have their patriotism or their courage questioned by one of George W. Bush's political agents," DNC Chairman Terry McAuliffe said. But Mr. Holt, who is from Elkhart, Ind., said his remarks didn't do that. "How is pointing out that John Kerry took a camera to Vietnam questioning John Kerry's patriotism?" said Mr. Holt in an interview yesterday (Washington Times). "To point out he took a camera to Vietnam and took some good pictures is a simple statement of fact, and I thought he was proud of those photos -- they appear in every one of his political ads."

U.S. SPENDS \$191 BILLION ON SECURITY SINCE 911: President Bush and Congress have so far provided \$191 billion for wars in Iraq and Afghanistan and defensive military operations at home, and about two-thirds of the money has been spent or is owed, White House figures show (Associated Press). The numbers show that since the Sept. 11 attacks, lawmakers have provided \$61 billion for US military and

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HPR Poll: Kernan has Marion County lead

By JEFF LEWIS

INDIANAPOLIS - *The Howey*

Political Report commissioned the TeleResearch Corporation of Indianapolis to conduct a random survey of registered/committed voters in Marion County.

The survey taken May 23-25 asked questions about President Bush's term in office, fav/unfav questions about John Kerry, Mitch Daniels, and Joe Kernan. The survey also asked right track/wrong track on the U.S. and Indiana, and asked what effect would Senator Evan Bayh have on John Kerry's candidacy if he was chosen to be Kerry's vice-presidential running mate.

The survey represents the opinions of 491 voters who indicated they intend to vote in this fall's election. The survey's margin of error is +/- 4.6.

Demographic breakout:

Men 45%
 Women 55%
 Minority 21%

Age ranges:
 18-34 17%
 35-49 28%
 50-64 25%
 65+ 30%

Voter preference:
 Dems 40%
 Reps 35%
 Inds 25%

Question: "Overall, do you feel the United States is on the right track or wrong track?"

Right track 41%
 Wrong track 59%
 Among Independents it was 30% right track, 70% wrong track.

Question: "How do you feel about the state of Indiana?"

Right track 47%
 Wrong track 53%

Question: "We will ask a series of questions for you to evaluate President Bush's term in office. Overall, do you approve of his job in office?"

Approve 38%
 Disapprove 56%
 Uncertain 6%

Among Independents 68% disapprove to 31% who approve.

Question: "Do you approve of the way President Bush has handled the economy?"

Approve 34%
 Disapprove 57%
 Uncertain 8%

Question: "Do you approve of the way President Bush has conducted the war in Iraq?"

Approve 35%
 Disapprove 60%
 Uncertain 5%

Among Independents 70% disapprove to 27% who approve. Among Republicans 19% disapprove.

Question: "Do you approve of the way President Bush has conducted the war against terrorists?"

Approve 44%
 Disapprove 45%
 Uncertain 11%

Question: "How favorably or unfavorably do you feel about Democratic Presidential nominee, John Kerry? Choose between very favorable, somewhat favorable, somewhat unfavorable, very unfavorable, or uncertain."

VF 21%
 SF 28%
 SUn 13%
 VUn 31%
 Uncertain 6%

Question: "Indiana Senator Evan Bayh is being mentioned as a possible running mate with Senator Kerry. If Evan Bayh becomes Kerry's running mate, will that make you more likely to vote for John Kerry, less likely to vote for Kerry, or will it have no effect on your consideration in your vote for President?"

More likely	31%
Less likely	9%
No effect	60%

Among Independents 37% answered "more likely" compared to 12% who answered less likely."

Question: "How favorably or unfavorably do you feel about the candidates for Governor of Indiana?"

Mitch Daniels, Republican

VF	29%
SF	19%
SUn	20%
VUn	22%
Unc	11%

Joe Kernan, Democrat

VF	31%
SF	24%
SUn	20%
VUn	16%
Unc	8%

Question: "If the election for President of the United States were held today, for whom would you vote? Candidates are listed alphabetically and by party affiliation."

George W. Bush, Republican	39%
John Kerry, Democrat	47%
Ralph Nader, Independent	5%
Uncertain	9%

Among Independents Kerry leads Bush by 49% to 30%.

Question: "If the election for Governor of Indiana were held today, for whom would you vote?"

Mitch Daniels, Republican	37%
Joe Kernan, Democrat	49%
Uncertain	14%

Among Independents Kernan leads by 47% to Daniels 29% leaving 24% undecided. ❖

Dr. Sabato likes Kerry-Bayh ticket

U.S. Sen. Evan Bayh is "flattered" to be on most veep short lists. He says his nomination is "unlikely" and he's just trying to be the "best senator I can be."

And that's exactly what Bayh should be doing.

Dr. Larry Sabato, a political commentator and professor at the University of Virginia who will keynote the *HPR Forum Series* in Indianapolis on Oct. 1, said he believes Kerry will keep a tight lip on his choice and won't give out details until he makes his decision, expected to be announced in July. But Sabato says Bayh would be a good decision for Kerry. Sabato believes Bayh would complement Kerry better than Edwards (Lisa Shidler, *Post-Tribune*). "With Bayh, he's a quiet, modest individual who wouldn't outshine Kerry, but would help Kerry on the campaign trail. Edwards would outshine Kerry, and no presidential candidate wants that."

"He has a terrific image. He's perfect for TV," Sabato said. "He helps to moderate Kerry."

Ball State Prof. Ray Scheele said he believes the Kerry camp is likely choosing between Bayh and Sen. John Edwards. The *Des Moines Register's* David Yepsen wrote in today's editions that Iowa Gov. Tom Vilsack is now an unlikely choice. Sources have told HPR that Kerry wants a veep with executive experience and would prefer a Midwesterner. ❖

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reconstruction activity in Afghanistan, \$119 billion for operations in Iraq, \$10 billion for domestic military steps and \$1 billion for other expenses such as rebuilding the damaged Pentagon.

FINEMAN SEES EDWARDS AS VEEP FAVORITE: In a Newsweek column, Howard Fineman writes, "If Sen. John Kerry isn't going to pick Sen. John Edwards to be his running mate, he's sure putting him through his paces. At the Kerry campaign's request, the North Carolinian is doing four major events in June, three in battleground states. The headliner is the mid-month Jefferson-Jackson Weekend in Florida. If Edwards is a hit there, he could be on his way to the vice presidential nomination in Boston in July." Fineman adds, "Edwards' busy schedule in June, culminating in the Iowa state convention at the end of the month, is strong evidence that the presumptive nominee is unlikely to announce a selection until the July 4th weekend at the earliest. Some of his top staff had been aiming and hoping for an earlier announcement-as early as the end of this month. But with President Bush lashed to the mast of Iraq, what's the hurry?"

VILSACK FADING IN VEEP-STAKES: In a Des Moines

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Register column David Yepsen writes, "The latest talk about Gov. Tom Vilsack is that John Kerry won't tap him to be his running mate. Instead, if Kerry wins the presidency, he'd put him on the U.S. Supreme Court someday." Yepsen adds "a couple more items to the list of reasons Kerry might not pick Vilsack: Vilsack signed an English-is-the-official-language bill. ... Also, Kerry's trying to downplay the gay-marriage issue. ... But as governor, Vilsack signed an executive order - overturned in court - extending non-discrimination protections to gays and lesbians in state hiring. It's a fine concept, but not the sort of fire Kerry needs to have stoked by his vice-presidential choice."

KERNAN ANNOUNCES 200 NEW JOBS IN BRAZIL: Business and machines were buzzing as usual in the Great Dane Trailer plant in Brazil on Wednesday -- that is until one rare guest strolled through (Terre Haute Tribune Star). Heads topped with yellow, orange and gray hard hats peeked around corners, and forklifts came to a halt as the visitor made his way through the nearly 17-acre plant followed by an entourage of people. Gov. Joe Kernan toured the plant after his announcement of the employment of an additional 200 workers at

2004 Racing Form

TREND LINE: The latest *Rasmussen Reports* Presidential Tracking Poll shows Senator John F. Kerry and President Bush tied at 45 percent. That's the fifth time in six days the Tracking Poll has shown a tie at 45 percent. Since results are reported on a three-day rolling average basis, just one-third of the interviews for today's report were conducted after the President's Monday night War College speech.

Indiana 2004 Gubernatorial

Governor 2004: Republican: Mitch Daniels. **Democrat:** Gov. Joe Kernan.

Libertarian: Kenn Gividen. **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:** Gov. Kernan announced 200 new jobs at Great Dane in Brazil on

Wednesday (See *Ticker Tape*, this page). **Daniels** had a 46-40 percent lead in the *Indianapolis Star*/WTHR poll taken by Selzer & Company of Des Moines. We believe there are several flaws in this sampling. The 540 likely voters for a statewide sampling is small. It took a week (May 13-19) to conduct. The poll had a split of 41 percent Republicans, 29 percent Democrats and 27 percent independents. Our analysis is that while the independents are about right, the split between Rs and Ds should be more in the 3 to 4 percent range for this, a nominally Republican state. More significantly, the minority sampling by Selzer was only 5 percent, and we believe an appropriate level should be 8 or 9 percent. The poll showed that Kernan had a 55 percent job approval rating and his fav/unfavs were 59/24, compared to 46/16 for Daniels, and 54 percent said the state is heading in the wrong direction. So if you believe the *Star*/13 poll, people like Kernan and think he's doing a good job, but believe the state is heading in the wrong direction and that results in an incumbent governor with the state's first female LG at 40 percent? We believe that's unlikely. Kernan internal polling by Fred Yang has the governor leading by 3 percent. We wouldn't be surprised if Daniels had a lead if the demographics were on target after almost four months of TV advertising, a rousing primary victory, and the naming of the GOP's first female LG candidate. Kernan countered with his own TV ad campaign and after the Thomson plant closing in Marion in March, the state's economic news has been on a general upswing (employment numbers and state revenues up, and job additions in Bloomington, Indianapolis, Kendallville, Warsaw, Brazil and Delphi). Kernan ventured up to Lake County on May 19, addressed about 300 people with a bullhorn and while he sympathized with them over the skyrocketing north county property taxes, had little to offer because the rest of the state is under no such gun. The *Post-Tribune's* lead on its story read, "Gary residents said Gov. Joe Kernan may not be an honest broker in Lake County's tax crisis after he urged local officials to drop their challenges and settle with U.S. Steel, well before talks became public." There was this juicy quote from Miller Beach attorney Greg Reising, who said, "I told the governor, when he was here, that you're on a bowling team. And the name on the back of your shirt is either going to be the people or U.S. Steel. Right now, I'd say it's U.S. Steel." As to why Kernan, as lieutenant governor, wanted to take such a direct role in negotiations between Lake County and U.S. Steel that involved mainly local property taxes, the governor's spokesman Jonathan Swain said Kernan felt the matter should be resolved quickly. "I think he was looking at an agreement on a settlement (that) would play itself out sooner than litigation," Swain said (*Post-Tribune*). Kernan told taxpayers via a bullhorn in front of the Genesis Center, "We will work with your local leadership... We will work together to find a solution" (*Post-Tribune*). The newspaper reported the crowd was silent when Kernan spoke, and as he walked back into the Genesis Center, began chanting, "Save our homes." Though he did not rule

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out any options, Gov. Kernan said he did not think it was appropriate to call a special session of the General Assembly to deal with property taxes. "While you fix one problem in one place, you may be creating a problem in another place," Kernan said. He also did not rule out sending in state money to help lower the local property taxes, though Indiana faces its own deficit, estimated at \$1 billion, as the state slowly climbs out of the recession. Kernan didn't bear the brunt of the protesters' anger. State Rep. Charlie Brown, who represents the Miller community, was loudly booed as he stepped outside the convention center for a brief moment and didn't address the crowd (*Times of Northwest Indiana*). Republicans tried to exploit the bad news for Lake County Democrats, who gave Govs. Bayh and O'Bannon pluralities of more than 75,000 during the party's 16-year rule. "It's disappointing that after eight years of dealing with this issue he came into Lake County and offered no specific solutions," said Marc Lotter, spokesman for Daniels. Two days after the Kernan visit, Daniels went to Marquette Park at Miller and castigated the O'Bannon and Kernan administrations. Daniels would limit future increases in assessed valuation to unimproved property to 3% annually. Daniels would require county officials to mail every homeowner a "Taxpayer Alert" prior to the approval of local budgets. This "truth in taxation" statement, modeled after a successful program in Florida, would tell every property owner what they paid in taxes to each taxing district the previous year, what their new taxes would be if each taxing district's budget is passed, what their taxes would be for each taxing district if no budget change was made, and when the public hearing would take place on the proposed budget. Daniels also suggested, for counties such as Lake County where the impact of recent events has been especially severe, creating the local option to phase in tax increases on those property owners hit hardest. Daniels laid the blame for the county's property tax mess at Kernan's doorstep, saying that his team delayed and mishandled reassessment and spent a budget surplus when Kernan was lieutenant governor. The governor's politically motivated visit was too little, too late, they said. The Kernan campaign shot back that Daniels' plan to grant automatic tax abatements for business investment would cost other taxpayers \$1.2 billion over 10 years and clobber homeowners once again (Martin DeAgostino, *South Bend Tribune*). In Indianapolis, Guidant CEO James M. Cornelius, a major contributor to the Daniels campaign, dangled a 2,000-job facility before Indiana and other states. The *Indianapolis Star* reported that the Kernan administration was caught flat-footed. This was a highly unusual way for a company to commence talks with the state. Kernan's administration scrambled to reach out to Guidant, and the governor promised to "do everything that we can, if there is something that can be done" Daniels questioned whether the administration would be able to compete competently for the jobs (*Indianapolis Star*). "Indiana gets outthustled all the time by other states," Daniels said. "And don't doubt this will be a vigorous competition." Daniels said his economic and regulatory proposals -- ranging from automatic property tax breaks and credits for new jobs to readying sites for development -- would have made winning the plant easier. "We'd already be on second base or more," Daniels said. This past week, the two campaigns mixed it up over a Daniels TV ad saying the state should buy its school furniture from an Indiana company, instead of Canada. The Kernan campaign said the TV was incorrect because Vincennes, Indiana, Purdue and Southern Indiana universities have purchased from the company. **Status:** Tossup.

Indiana 2004 Congressional

U.S. Senate: Republican: Marvin Scott. **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:** Bayh had a 69-20 percent lead over Scott in the Star/WTHR poll. Presidential candidate Ralph Nader tried to give advice to presumed Democratic presidential nominee John Kerry on his vice presidential selection, saying on ABC's *This Week* that he wouldn't support Bayh for vice president because "he's a very soft Democrat." Later on the same program, Bayh responded, "I'm happy he's not registered to vote in Indiana." **Status:** *Safe Bayh.*

Congressional District 6: Republican: U.S. Rep. Mike Pence. **Democrat:**

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Brazil's Great Dane Trucking company, made possible through a \$16,960 Indiana@Work grant. About half of those additional workers, who are entry-level employees, already have been hired at the plant, bringing employment up to nearly 1,200. The Brazil factory is Great Dane's largest and produces dry and refrigerated trailers. Kernan said the Indiana@Work program is one way the state has demonstrated confidence in its work force. Over the past few years during the recession, Indiana has invested in its businesses when other states decided to cut back, he said. "This is one of those investments that we have been able to make," Kernan said while standing in front of a Great Dane trailer. "It is a permanent investment in those employees, an investment in Indiana companies to help them be successful."

DAVIS VISITS JASPER ENGINES: Lt. Gov. Kathy Davis announced state support for Jasper Engines and Transmissions, one of Indiana's strongest automotive parts manufacturers. Davis joined Jasper Mayor Bill Schmitt and other local officials and company representatives to announce how a joint effort by Indiana's departments of Commerce and Workforce Development will support the company's plans to invest \$3 million in

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its Dubois and Crawford County facilities. The more than \$336,000 in support will help the company train 100 new employees and more than 1,300 existing workers. "For more than 62 years, Jasper Engines and Transmissions has invested in Southwestern Indiana, and now we are helping the company retrain its workforce and create 100 new jobs," said Davis, who serves as director of the Department of Commerce. "As we continue to aggressively pursue business expansion and investment, it is important that we solidify our strengths by working with companies already based in Indiana."

KING DUMPS PARKS CHIEF DURING BASEBALL GAME: Mayor Scott L. King benched a veteran member of the city Park Board during a Gary RailCats game this week, and he's planning to pull another from the lineup. During Monday's season opener at the U.S. Steel Steelyard, King asked Board President George Rogge to step down after 20 years on the panel because of Rogge's involvement in a lawsuit that has blocked the city from collecting property taxes, Rogge said. Rogge also is president of the Miller Citizens Corp., a group of Gary residents who have sued the state to challenge a countywide property tax reassessment. "He said 'When can I expect to see your resignation?'" said Rogge, who submitted

Melina Ann Fox. **Geography:** Anderson, Muncie, Richmond; Wells, Adams, Blackford, Jay, Madison, Delaware, Randolph, Henry, Wayne, Rush, Fayette, Union, Decatur, Franklin, and parts of Bartholomew, Shelby, Johnson and Allen counties. **Media Market:** Indianapolis, Fort Wayne, Dayton, Cincinnati. **People:** urban/rural 59/40%; median income \$39,002; poverty 9.7%; race: 93% white, 3.8% black, 1.3% Hispanic; blue/white collar 35/49%; **2000 Presidential:** Bush 58%, Gore 40%; **Cook Partisan Voting Index:** R+10; **2002 results:** Pence 118,436 (64%), Fox 63,871. **2002 Money:** Pence \$1.2m, Fox \$342,987. **2004 Outlook:** Pence announced Medicare drug card presentations for Muncie and Bluffton this week. Fox issued a statement saying, "I support a prescription drug card which guarantees that savings are passed on to all seniors. A card alone will not accomplish this goal. We need real cost containment measures like re-importation, which my opponent opposes. The federal government should also be allowed to negotiate better prices. Everyone knows buying in bulk is cheaper, by what reasoning has Medicare been barred from doing so? The recent legislation is a "give-away" to the HMOs." The *Baltimore Sun* reported that prices for 197 drugs most commonly prescribed for older Americans rose on average by 27.6 percent over the past four years. **Status:** *Likely Pence*

Indiana 2004 Legislative

Senate District 36: Republican: Johnson County Council President Brent Waltz, *Sen. Larry Borst*. **Democrat:** Terry Rice. **2000 Primary Results:** Borst 7,513. **2000 General Results:** Borst (R) 24,621, Reno (D) 12,120, Williamson (L) 1,026. **2004 Forecast:** The recount concluded Wednesday in Marion County and could wind up today in Johnson County, which could finally allow the Senate Republican caucus to exhale. Waltz told *HPR* from Los Angeles late Wednesday night that his lead now stands at about 55 votes. "We're guessing less than 10 votes have changed," Waltz said. "Our legal team is supremely confident." He said that Borst lost votes in Perry 23, which is not part of the district but was on the ballot there. Borst picked up at least two votes on absentee ballots, but lost two other votes. The recount is expected to be finalized at a meeting on June 11 at Franklin College. Waltz attorney Larry Reuben told the *Louisville Courier-Journal*, "I've never seen one where the numbers don't change. But there's not enough there" to change who won. Rep. Robert Alderman of Fort Wayne said the General Assembly should intervene on behalf of disenfranchised voters by meeting in a one-day special session, voiding results of races that involved ballot shortages and ordering new elections, including the Borst/Waltz race. "The core principle of our democratic and constitutional system is that every person's vote counts, and the reality is they didn't," said Alderman (*Associated Press*). "It's not a Democrat or Republican issue, it's a democratic and constitutional issue, and I believe that the legislature, as the state's policy-maker, cannot let this election stand." The chances of the legislature intervening seem slim, however. The power to call lawmakers into special session rests with the governor, and a spokesman for Democratic Gov. Joe Kernan said Alderman's idea was not something he was considering. Alderman appears to be the latest person to do Borst's bidding before his grip on power becomes unpried. The senator's fall from power has been bitter, angry, recalcitrant and lacking class. **Recount Status:** *Safe Waltz*

Senate District 44: Republican: State Rep. Eric Koch, Brent Steele, John Noblitt, Jason Beal. **Democrat:** Open. **2000 Results:** Skillman (R) 33,125. **2004 Forecast:** Former State Rep. Brent Steele entered the race along with former Orange County Auditor John Noblitt, who also publishes the *Progress Examiner* in Orleans. Rep. Eric Koch has not decided whether he will seek the seat, which is slightly Republican. Indiana Democrats say they intend to slate a nominee. **Republican Caucus Status:** *LEANS STEELE*

House District 17: Republican: Rep. Steve Heim. **Democrat:** David McLever. **2002 Results:** Heim 10,073, Winters 7,422. **2004 Forecast:** Democrats will slate McLever, a former school teacher from Plymouth who is now a sales representative for Business Community Center. **Status:** *LEANS R*.

House District 51: Republican: Steuben County Commissioner Dick Dodge. **Democrat:** Open **2000 Results:** Kruze (R) 10,157, J. Smith (L) 2,672. **2004 Forecast:** Jay Olberholtzer dropped out of this race and Dodge won. He will be favored in the fall. **General Status:** *SAFE DODGE*



COLUMNISTS ON INDIANA

Rich James, *Post-Tribune* - Several hundred farm fields due south of here is a place called Brookston. That's where you'll find Don Lehe. He's a state representative and has part of Lake County in his district. He's a Republican. He's also loose with the facts. Really loose. Lehe, a few weeks back, sent -- you notice I didn't say "wrote" -- a letter to the editor. The thrust of the letter is that Gov. Joe Kernan is to blame for all the property tax woes in Lake County. Doesn't matter that he was lieutenant governor when this took place; Kernan is to blame. It's a real fairy tale kind of letter. If we weren't talking politics, we'd be talking libel. Let's take a look at parts of the letter. Lehe: The Democratic administration (including then-Lt. Gov. Kernan) finally changed the (assessment) system by administrative rule in May 2001. The reality is that Gov. Frank O'Bannon's administration was under a Supreme Court directive to begin assessing based on market value, not obsolescence. Lehe: Midway through 2002, Joe Kernan spearheaded the Democratic administration's efforts to overhaul the property-tax system. The reality is, as part of the Energize Indiana plan — that Kernan fostered at O'Bannon's direction — the General Assembly overhauled Indiana's tax system. The sales tax was increased a cent to help pay for the \$35,000 homestead exemption to ease increased property taxes. Corporate taxes were cut and the inventory tax phased out. Taxes paid by casinos and cigarette smokers were increased. Lehe wouldn't remember because he wasn't a lawmaker then, but the tax-reform package was a bi-partisan effort. In fact, House Minority Leader Brian Bosma, a Republican, boasted after passage of the package that it incorporated more Republican ideas than those of the Democrats. Lehe: Instead of changing

the (assessment) system right away (in 1996), and using a portion of the state's \$2 billion surplus to ease the burden on property owners, the Democratic administration (including then-Lt. Gov. Kernan) waited until after the election in 2000 to make changes. The reality is, after the court ruled in late 1996, the state had to go through a lengthy process of adopting a new assessment manual. And, in terms of Lake County, the state had to hire a firm to do the reassessment. And, can you imagine any legislator voting to use surplus to help Lake County property owners? ❖

Amos Brown, *Indianapolis Recorder* - Indiana's 2004 election will be history-making since a woman will be elected lieutenant governor. Mitch Daniels assured that Hoosier history when he picked Becky Skillman, a three-term state senator, as his choice for lieutenant governor. In choosing Skillman, Daniels' campaign adds a veteran, enthusiastic campaigner who can relate to Hoosiers. Besides choosing a running mate, Daniels chose Patricia Miller, co-owner of Fort Wayne-based Vera Bradley Designs, as secretary of commerce in a Daniels administration. Daniels' choice of Miller is a radical decision, not in an ideological sense, but in tactical one by signaling to voters that he's not afraid to choose non-politicians in key positions, especially women, if elected. There are questions, though. In extolling Miller's praises, Daniels cited Vera Bradley's diverse workforce, specifically mentioning Hispanic and Asian employees he met during a visit last year. But, the company's based in Fort Wayne, a city that's 19 percent African American. No word yet on the percentage of Blacks working at Vera Bradley.

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TICKER T A P E

a two page-letter at the Park Commission meeting Wednesday (Post-Tribune). King also said he plans to drop board member Dozier Allen, who also is a plaintiff in the lawsuit.

MARION CALLS BACK 17 TEACHERS: After telling 26 teachers in mid-March they likely would be laid off next school year, the Marion School Board on Wednesday issued call-back notices for 17 full-time and five part-time positions (Marion Chronicle-Tribune). "I hope that will not be the last action with respect to call-backs," said Marion Community Schools Superintendent Andrew Nixon, who had predicted two months ago that many of the 26 likely would called back before the start of the school year.

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