



# The Devil returns to CIB details

*Seeds of this Hoosier bailout were planted back in 2005*

"Chicken in the bread pin pickin' out dough ...."  
- Charlie Daniels Band  
The Devil Went Down to Georgia

By **BRIAN A. HOWEY**

INDIANAPOLIS - The headline in the May 4, 2005, edition of Howey Politics read: "Mitch's Triumph: The Devil's in the Details."

Now, four years later - with the Indianapolis Capital Improvement Board facing a \$47 million deficit - the Devil is back at the Indiana Statehouse where a bailout of the CIB is underway. The remedy, as brought to you by Senate Appropriations Chairman Luke Kenley with another on the way from Indianapolis Mayor Greg Ballar - possibly next week - is a statewide tax hike on beer, wine and liquor (which have been unchanged since 1981), increases in Indianapolis hotel, food and beverage taxes (again), and a higher tax on tickets to CIB stadiums. The Colts and Pacers would chip in \$5 million each (a \$10 million reduction for the Pacers).

There is considerable doubt that the Kenley plan



will pass in its current form when it's heard on second reading next Monday. This potential implosion sets the stage for an Indianapolis casino, or at the very least a short-term bailout by legislators. Taxpayers are already numbed by the stunning array of government rescues from Wall Street to

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## Playoffs and payoffs

By **DAVE KITCHELL**

LOGANSPORT - We interrupt this Easter week when Hoosiers are enjoying spring breaks, the NCAA championships, the start of the Major League Baseball season and the last week before the tax deadline to bring you a harsh dose of reality.



Indiana is in some real hurt. There are no tornadoes on the horizon yet this spring. But a cyclone hitting the statehouse might draw attention to what's happening there. If you've seen a lawmaker looking happy recently, he or she probably isn't serving this state.



"He was a devoted father. I'd see him, night after night, getting into his car to make the two-hour drive back to his family."

- **STATE REP. RANDY BORROR**, in a House tribute to the late John Okeson



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Simply put, the budget forecasts are dire. Indiana is in line to have the worst year-to-year revenue drop in its history. Projections just since December are down four months in a row -- \$87 million last month alone. We're \$157 million behind the curve and the 2009 session is nearing an end.

Or is it?

Like it or not, this is not a partisan issue. It's a real Indiana issue, especially when the Indianapolis Capital Improvement Board needs its own bailout that won't come courtesy of the federal government.

It's ironic that Indianapolis Mayor Greg Ballard was the unfortunate victim of Detroit hoodlums who picked his pocket and plucked his cellular phone. In reality, if Ballard receives a CIB bailout from the legislature, he will be picking the pockets of Hoosiers in 91 counties.

And therein lies the real point of this issue. Who pays when Indiana can't pay its bills?

**Well-intentioned** legislators restructured Indiana's funding streams to grant perceived property tax relief to thousands, if not millions, of Hoosiers. That's great if the state has the money to pick up the check for schools, courts, prisons, Medicaid, state parks and student loans.

But what if the state doesn't have it?

That's when people in communities across the state begin to squirm. They may have lower property taxes, but they may notice their police force doesn't seem to be patrolling their neighborhoods as much. They may see sheriff's deputies setting up more speed traps and county treasurers mailing out tax statements sooner. They may find money harder to come by at their local bank because a school

corporation borrowed millions via a tax anticipation warrant to float a loan to itself until the state can reimburse the corporation.

**When states can't** pay their bills, that means everyone down the line has to find a way to pay theirs, too, and that can create problems. In Illinois, for instance, budget problems held up so many bills, the state owed Walgreens \$250 million in receivables. That's enough to make Walgreens Wal-in-the-reds.

So what is the legislature to do? A two-year budget may not be realistic this time. Passing a tentative budget this spring with caveats



to reopen it next spring if the economy does not improve is in order. It's virtually impossible to budget accurately when revenue forecasts are consistently inaccurate.

As for the Rainy Day Fund that House

Speaker Pat Bauer wants to dip into, it may be time to do that not because Bauer wants to, but because lenders shouldn't be tied up with floating money to government when the public sector needs it most. Unemployment has risen with Elkhart County carrying the dubious distinction of the nation's highest rate.

**Federal stimulus** money will help, but state officials have to look beyond the budget and balance sheet to the big picture. The stimulus package will help, but it won't raise every boat with its tide. Depending on the future of General Motors and Chrysler, auto suppliers in the state may need a safety net to invest in new equipment, retrain employees and recalibrate for a 21st Century economy. The automotive issue is about more than labor unions. It's about all the Indiana manufacturers that have risen and



fallen with the industry, unionized or not.

Of all the poster boys for this situation, the Indiana Pacers are the most appropriate. It's rained on the Pacers this season and left the franchise in last place. That means no playoffs this year. Unfortunately, the decline in state revenue means no payoffs for units of government from cities and counties to school corporations.

A special session may be in the offing, but this shouldn't be a time when taxpayers protest that possibility. It's raining in Indiana, and not the kind of rain that grows May flowers. ❖

**Dave Kitchell is a veteran Indiana columnist who teaches journalism at Ball State University.**

## Lucas Oil, from page 1

Detroit. Observers believe that Gov. Daniels' focus has been on the biennial budget and the Unemployment Trust Fund, though he is monitoring the Senate discussion and "wants to be helpful."

That this mess - amid the deepest national recession in decades and bailout mania - is one where the seeds were planted four years ago.

In the April 28, 2005, edition of Howey Politics, CIB President Fred Glass - now athletic director at Indiana University - said he was "worried" about the CIB "going bankrupt."

"It's all in the hands of the legislature," Glass said. He had taken exception to a Goldman Sachs report that surfaced at the 11th hour with Sen. Kenley and then House Speaker Brian Bosma. Based on that report, Kenley, Bosma, then-OMB Director Chuck Schalliol, and Gov. Daniels' chief of staff, Harry Gonso, concluded that Indianapolis Mayor Bart Peterson had inflated the annual tax intake needed to fund what would become Lucas Oil Stadium. Peterson and Glass had used \$70 million that UBS had recommended; Goldman Sachs recommended \$54 million. Kenley recalled the numbers ranging from \$72 million to \$45 million in the final stages of the negotiations.

On April 17, 2005 Glass and Peterson concluded that they would never get their stadium legislation through due to Gov. Daniels' power play "out of the blue." Daniels had decided in early April that none of the existing plans would pass and reluctantly got into the game. Daniels had

seen the other plans flag and he was more interested in the Indiana Convention Center expansion.

With the GOP controlling both Houses, the Peterson administration didn't have the votes. The state would take over the stadium as Peterson painfully ceded control, hoping that he would at least get his IndyWorks program through. "Try as I might on that, responsibility had to follow authority, whether it was with the city or state," Glass told Howey Politics. "So what I concluded is the state would never agree to anything and the project would die. They needed to have it all. That was my personal conclu-



sion."

On April 22, 2005 - a week before sine die - Peterson said, "As customary with projects of this type and Bond Bank financing, the CIB would receive the newly authorized revenues and use those revenues with existing CIB resources, to pay all debt service to meet the agreed project budget and pay operations and maintenance for the project."

Legislative and Statehouse sources tell HPI that while the governor became engaged on the stadium issue



in early April, that was the first time the operating expenses were mentioned.

Glass had said the same thing in the April 27, 2005, edition of the Indianapolis Star. However, an April 4 Star story by Matt Tully noted that Peterson had "seemed to frustrate some members" of the Senate Tax and Fiscal Policy Committee when the mayor agreed "the project could be financed at \$53.3 million a year - about \$15 million less than he initially asked for."

Daniels and Bill Oesterle, who headed up the administration's stadium effort, were honked by Glass' "bankrupt" comments. "There was almost a \$20 million a year difference," Oesterle told *Howey Politics*. "The governor didn't talk about the stadium until five plans had been aired. He didn't get involved until it was clear it wouldn't go anywhere."

On April 30 - after sine die - Daniels said at a press conference: "Why did they (CIB and Peterson) ask for hundreds of millions more than it turns out was really necessary? What were they planning to do with that money? I didn't know. We only discovered in the last week or two they were planning to borrow the money for operation and maintenance. That didn't happen at Conseco. It didn't happen at the (Hoosier/RCA) Dome. It didn't happen ... ever. That's like having your mortgage covering your grocery money or your car loan to cover your gas and oil."

The problem with that statement is that the Hoosier Dome - which was completed in 1983 - did have maintenance and operating costs funded through the Bond Ban, informed sources tell HPI. The Colts wouldn't arrive until 1984.

Kenley told HPI on Wednesday that he remembered a very intense 72 to 96 hours prior to sine die. "When we got engaged, the state was being asked to put money in," Kenley said. "We took control. State was being asked to pay a substantial amount from doughnut counties. I remember saying, 'Look, we'll help you do the capital

project and everything else will be outside of that.'"

Kenley remembers telling Glass on the operating funds, "State legislators would have a fit for contributing state dollars for a Marion County facility." Kenley said that it was during the 11th hour that Glass pressed for the operating funds. "We were stunned by that statement," Kenley said.

A Peterson administration Power Point program presented to the Indiana General Assembly HPI has access to also did not include maintenance costs on Page 25 under the "Cost/Benefit Comparison."

It lists Indiana Convention Center Expansion "All-in Costs" at \$275 million, new venue construction costs at \$500 million (less Colts contribution at \$100 million), and new venue listings that included construction, land acquisition at \$125 million, for a total of \$800 million.

Kenley said he asked Glass how much it would cost to maintain and operate the facility. He said Glass told him, "We don't know. Could be \$6 million. \$10 million. We won't know until we get it up and running." Lucas Oil Stadium would have

more than double the number of restrooms and concession stands, more escalators, more space to heat and cool. Within three months, Glass and the CIB would sign on to the financing.

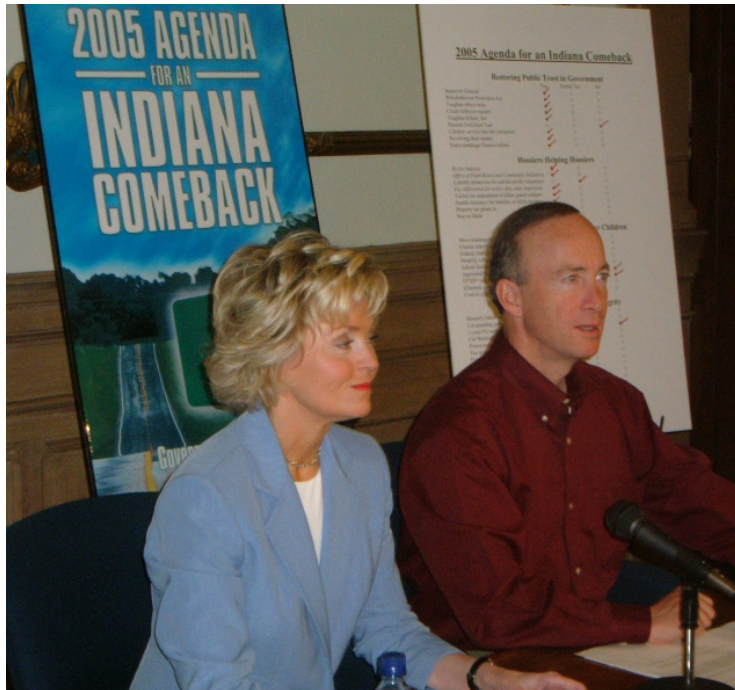
Kenley remembers telling Glass, "Fred, I can't use state money for operating. I just can't do operating. Once you figure out what the operating money is, I promise to help facilitate a way to help Marion County pay these revenues."

Glass did not respond to an HPI request for an interview.

## **Peterson, Glass warnings**

While former Mayor Peterson has let it be known that he doesn't want to do an "I-told-you-so" stance at this time, there were several documents from April and May 2005 where the warning was sounded on CIB insolvency, beginning a week before sine die.

Former Peterson sources dispute Daniels' April 30



**Lt. Gov. Skillman and Gov. Daniels on April 30, 2005 after the legislation passed that built Lucas Oil Stadium. (HPI Photo by Brian A. Howey)**



comments that the Hoosier Dome didn't have maintenance costs in its bonded funding. "Think back to when the Dome was built," one source said. "There wasn't a team in the building, so the maintenance was included."

In a May 11, 2005, press release where Peterson praised Daniels for getting the stadium financed, he also warned, "The state did not provide additional operating and maintenance funding or accept the city's proposal to do so at no extra cost. Unless rectified by future legislative action, this situation will bankrupt the CIB shortly after the project is completed."

And the Indianapolis Star reported on Aug. 27, 2006, that Lucas Oil Stadium would be "operating in the red zone." Again, Glass noted, "We'd be fine for the first game, but we would soon run out of money." That story quoted a senior analyst at Moody's saying the maintenance tactic where funding is secured is fairly common. Glass added that there was "No Plan B" and said that the state had taken the "whole enchilada."

## The political equation

Numerous Statehouse and blog sources weighing in since Kenley proposed the new taxes believe that the maintenance and operations time bomb was deliberately created for a Mayor Peterson; a 2012 Democratic gubernatorial candidate Peterson. In this scenario, Peterson would be forced to raise taxes in his city to pay for the operating costs.

In 2005, no one fathomed the notion that Peterson would be upset by an unknown Republican like Greg Ballard 18 months later and who would ultimately inherit the problem.

Kenley denied that motivation. "I was very careful with Fred," Kenley said of his negotiations with Glass. "I told him I pledged my support to help what you need. I had no motivation to embarrass Bart Peterson. He went through a lot and he did a lot to get this done."

## Ballard's disaster

Now it is Ballard who has inherited one of the worst public policy/political situations imaginable. He won on a thrust of populist, anti-tax fervor. Now he faces the choice of raising taxes for the masses on food, beverages and hotel rooms.

Ballard's appearance before Kenley's committee last week was a disaster. One Statehouse Republican source described Ballard as having the fortitude of "wet bread."

Appearing before Kenley's committee a week ago, he refused to endorse the bailout. "I'm scared to death ... of killing our convention business, the very thing that we're all here trying to support," Ballard said. It was as politically tone deaf as Peterson locking out tax protesters in July 2007 when the City-County Council passed the income tax hike.

If Ballard backs a tax hike on beer (during a deep recession), he will be accused of playing into the hands of millionaires like Jim Irsay and the Simons and will almost certainly lose support of the common man tired of bailing out Wall Street, insurance giants and Detroit automakers. If the plan fails, he faces a facility disaster and potential loss of the Indiana Pacers.

Sources say that Ballard is preparing to unveil his own plan next week and that it will be "dramatically different."

CIB President Bob Grand said Friday that the organization won't have many choices if the General Assembly doesn't approve the bill. "If you want me to give you worst-cases, I mean the worst-case scenario is we could be out of money and the facilities would be, arguably, closed," he told WRTV's Norm Cox.

## Passage in doubt

As of Wednesday, there was considerable doubt whether the CIB fix could even get out of the Republican Senate.

Kenley told HPI he doesn't expect the bill to be heard on second reading until Monday. Several Republican Senate sources tell HPI that as many as 10 Republicans will not vote for any tax increase, including at least half of the Indianapolis delegation.

Sen. Greg Walker, R-Columbus, called the bill a "bailout" and said it was "appeasement." State Sen. Mike Delph, R-Carmel, said, "No tax increases period. Keynesian economics is a failed philosophy. This is slowly turning into the Tax and Spend session of the Indiana General Assembly. Government must learn to live within its means. The CIB is just the latest manifestation of this cultural decay."

Sen. Brent Waltz, R-Greenwood, voted against the stadium in 2005, saying, "With the financial analysis they did, anyone could spot the holes." He noted that Colts owner Jim Irsay has been the



Senate Appropriations Chairman Luke Kenley



"big winner," particularly after Forbes Magazine said the Colts' net worth went up \$300 million in one year after the stadium opened. He also said that Ballard has failed to "step up."

"I haven't checked the votes," Kenley told HPI on Wednesday afternoon. "There will be a lot of changes on the bill on second reading."

That will likely come next Monday, after legislators fan out across the state during Easter weekend where they will likely hear even more opposition to tax hikes and the notion that Indianapolis gets everything. Third reading could come as early as next Tuesday if Kenley and Senate President David Long can fix the problems and round up enough votes, including Democrats and senators from Evansville, Fort Wayne and Bloomington which will have elements in the bill.

Even if it emerges from the Senate, one senator told HPI, "It will face a certain buzz saw in the House." Therein lies the Senate majority fear: that they pass unpalatable tax hikes only to see the whole thing snuffed in the House. For that reason, Kenley is taking a beating within his own caucus.

Multiple sources told HPI that if the bill does pass the Senate, it would likely be amended into the biennial budget bill where it would have a better chance on an up and down vote.

## **(Almost) Everything on the table**

Last week, Gov. Daniels said he was monitoring the negotiations with spokeswoman Jane Jankowski noting that "everything is on the table."

If the Kenley plan goes down in flames, what are the other options? Sources tell HPI these scenarios might include:

**1. Doing nothing.** It's Marion County's problem. If that were to occur, the city would likely be forced to make draconian cuts in other areas like parks and recreation. This would be a political disaster.

**2. Develop other revenue sources.** This could include increased ticket taxes (in the Kenley plan, those taxes would generate less than \$2 million annually). It could mean requiring the Colts and Pacers to pay more. Sources close to the Colts insist that the team has put \$100



**Indianapolis Colts QB Peyton Manning tossed a pass to then House Speaker Brian Bosma in 2005.**

million into Lucas Oil Stadium and that it has already waived almost \$80 million in NFL median income payments required by a 1998 deal with the CIB cut by Mayor Stephen Goldsmith. Those median income payments would have commenced in 2006. Other income could come by taxing income on opposing NBA, NFL and American Association players (at Victory Field) and coaches.

### **3. Open a downtown casino**

by moving slots from Hoosier Park in Anderson and Indiana Live at Shelbyville. Sources tell HPI that neither racino is actively pushing that plan, though there are internal Plan B's in the works. Centaur Gaming operates an off-track betting facility downtown. Gov. Daniels rejected that option in 2005 and many observers would be surprised to see him revive it. Several Statehouse sources say, "There's been no serious discussion."

**4. CIB bankruptcy.** As the governor has pointed out with GM and Chrysler, it would be best to let those auto makers go to court and restructure their debt. Some believe the CIB should do the same. The problem is that such a move would slaughter Indy's credit ratings.

## **Anti-Indianapolis fervor**

"Indianapolis gets everything," State Rep. Susan Crouch told the Evansville Courier & Press over the weekend. That is a prevalent sentiment, even though you can walk into bars and restaurants from Angola to Tell City and find Colt and Pacer memorabilia just about everywhere. Or walk the parking lot at a Colts game and you will see license plates from across the state.

Alcohol wholesalers began distributing posters against the alcohol tax. That galls Kenley. "It's a penny on a glass of beer," the Noblesville Republican said. "It's two cents on a shot of whiskey. It's 2 cents on a \$10 food order. It's a dollar on a \$100 hotel room. Every one of those taxes is voluntary."

Kenley reiterated his call that "everyone has to have skin in the game." He was frustrated on Wednesday that not one group with a stake in the CIB - Mayor Ballard, the Indianapolis City-County Council, the Colts, the Pacers, alcohol distributors - have stepped up. "I think if one element would step up, everyone would start calming down," he said.

By early next week, it's likely that sprouting out of the mortally wounded Kenley plan, will be something significantly different. ❖



## Democratic field begins to form for Indy 2011

By **BRIAN A. HOWEY**

INDIANAPOLIS - The next Indianapolis mayoral election is at least two years away (it doesn't look like the next municipal election will be moved to 2012) and yet the Democratic field is already percolating with activity while Mayor Greg Ballard stumbles his way through the Capitol Improvement Board crisis.

Multiple Democratic sources identify the emerging field as former deputy mayor Melina Kennedy, former secretary of state and Democratic state chairman Joe Hogsett, former Indiana health commissioner Woody Myers Jr., former Marion County and Indiana Democratic chairman Kip Tew, and Councilman José Evans.

Here's our early analysis on the field:

**Melina Kennedy:** She narrowly lost to Prosecutor Carl Brizzi by 6,000 votes in 2006 despite the fact that Democrats picked up three Congressional seats and the Indiana House that cycle.



Kennedy is a partner at Baker & Daniels where she practices in the area of environmental, economic development, energy/climate change, and municipal law. Her strengths are her ties to the Bart Peterson organization. Many people in that sphere express great admiration for Kennedy. As deputy mayor, she led efforts to attract the Conrad Hotel to the city, keep Simon Property Group from leaving its downtown headquarters

and find a company to fill the void left when United Airlines closed its maintenance hub at the airport. She also helped launch

various workforce development, community development and neighborhood development initiatives. She clerked for Supreme Court Justice Frank Sullivan. She and her husband, Bob, a former Olympic runner, co-own the Running Company LLC. **Strengths:** She was able to build up name ID during her 2006 prosecutor run and will be able to count



on elements of the Peterson machine for her bid. She has a vivid list of accomplishments as deputy mayor. **Weaknesses:** She will have to confront the Gilroy syndrome. During her 1999 run against Bart Peterson, Republican Sue Anne Gilroy lost a significant segment of the Republican female vote. There is a bit of a leap for a female to create the perception of solid municipal leadership. Indiana has had successful female mayors in mid-sized cities like Jan Mills in West Lafayette, Sheila Brillson in Michigan City, Nancy Michael in Greencastle, Sally Hutton in Richmond and long-time Mishawaka Mayor Maggie Prickett. But we can't think of a successful modern female Hoosier mayor running a big city. Terre Haute's Judy Anderson, New Albany's Regina Overton and Elkhart's Eleanor Kesim were defeated after one term. Female candidates have also lost races in Indianapolis and Fort Wayne.

Kip Tew (left), former secretary of state Joe Hogsett (above) and Melina Kennedy (below) are all testing the rounds on the 2011 Indianapolis mayor race. (HPI Photos by Brian A. Howey)



**Joe Hogsett:** Hogsett knows how to run a campaign, leading Evan Bayh's secretary of state race in 1985-86 and his GOP-machine busting effort in 1987-88 for governor. Hogsett then upset Indianapolis Mayor Bill Hudnut III for secretary of state in 1990, criticizing the mayor for a series of tax increases during the previous decade. Since then, he has lost a 2nd CD race during the Republican tsunami year of 1994 and an attorney general race in 2004. He chaired the Indiana Democratic Party in 2003-04. He is a partner at Bingham McHale, where he practices in emerging business, governmental affairs, labor and employment areas. Hogsett is a runner, competing in five Boston Marathons. He is one of the best retail politicians in the Democratic Party (HPI once literally ran across the city of Anderson with him in 1994). **Strengths:** He will almost certainly have the support of the Bayh sphere as well as former House speaker John Gregg. Hogsett and Bayh have been friends since their IU days and his political support will produce tangible benefits. Hogsett also excels in retail campaigning. **Weaknesses:** Hogsett's early political resume concentrated on his Rushville roots. While well known in Indianapolis political, business and legal circles, he will have to recast himself for the masses.

**Kipper V. Tew:** He comes off chairing Barack Obama's Indiana historic campaign in 2008. He was also chair of the Marion County Democrats when Julia Carson claimed the 7th CD seat after Rep. Andy Jacobs retired. However, he was Indiana Democratic chair for part of 2004 when the party lost the governorship, Indiana House and the 9th CD seat. He was a key backer in Gov. Joe Kernan's campaign and advocated use of the IPALCO sale against Republican Mitch Daniels. That issue also backfired during John Fernandez' 2002 secretary of state campaign. Tew is a partner at Krieg Devault, where his practice area includes government relations and corporate law. "I have not made a decision to get into the race," Tew told HPI on Tuesday. "I have been talking to people about a potential candidacy and have been very encouraged. There are several very strong potential Democratic candidates and most are friends or good friends and people that I have helped out in previous efforts, so I expect it to be a very interesting time going forward. I briefly flirted with running for mayor when I concluded my chairmanship back in the late '90s but ultimately decided to help Bart Peterson rather than run myself. So this is not a new idea in my head. I have thought long and hard about what kind of city Indianapolis is and what it should be going forward and would be very excited about taking my thoughts to the electorate and having a vigorous debate about where we need to head in the future. I have many years of experience in and around government, politics, and business, which would hopefully be instrumental in bringing all elements together to move Indianapolis in a positive direction." **Strengths:** His role

in Obama's historic win for Indiana's 11 Electoral College votes is a resume gem. He should be able to tap into part of the vast Obama volunteer network. **Weaknesses:** Tew is untested in a campaign of his own and in a retail format. His name ID will be much lower than Kennedy, Myers and Hogsett.

**Dr. Woody A. Myers Jr.:** Myers has served as Indiana and New York City health commissioner. He earned international fame for defending young AIDS patient Ryan White. He finished a distant second to U.S. Rep. Andre Carson during the May 2008 Democratic primary, losing by 33,000 votes. However, Myers was trying to do almost the impossible in derailing the Carson political machine. He ran an excellent TV ad campaign and



that exposure ginned up Myers' name ID. Myers has worked for Well-Point, Ford Motor Co. and Genomic Health. He has taught at UCLA and received his medical degree from Harvard and graduate and undergraduate degrees from Stanford. While Indiana health commissioner, Myers worked a regular shift in the Wishard ER and has intimate knowledge of crime and health

issues at the street level. **Strengths:** Myers appears to have the ability to self-fund a campaign. His 2008 effort was impressive and he has good retail campaign skills. His name ID should benefit from that run. He is a city native and can cite longtime family community involvement. His medical and business careers are impressive. We take a potential Myers mayoral campaign very seriously. **Weaknesses:** He might want to rethink his residence at the Conrad, which could become a campaign trail lightning rod. Key question for Myers (and the rest of the field for that matter) is where Rep. Carson ends up. Will he exercise his clout and back a candidate, wink & nod, or stay neutral?

**José Evans:** Councilman Evans was first elected as an Indianapolis City-County Council member from the 1st District on Nov. 6, 2007, winning just under 50 percent of the vote. His district is located on the northwest side of Marion County and covers part of Pike Township. Evans is the first Democrat to represent the 1st District, once a solidly Republican area in Pike Township. Evans is a native of Indianapolis growing up in the Haughville area. He graduated from Cathedral High School. **Strengths:** He is the only incumbent in the field. **Weaknesses:** He is the only incumbent in the field. His name ID is extremely





low and he cannot match the constituencies and influential political spheres that others in the field have.

**Early bottom line:** There is no clear-cut favorite. We'd place Kennedy, Hogsett and Myers in a first tier, though not necessarily in that order. It will be fascinating

to see how the Peterson, Bayh and Carson spheres react to and engage the field. An emphatic endorsement from the senator, congressman or former mayor could become a front runner thrust. ❖

## Karickhoff takes aim at Herrell; Stutzman eyes challenge to Sen. Bayh

By **BRIAN A. HOWEY**



**KOKOMO** - If there's an early tell-tale on the political reaction to House Speaker B. Patrick Bauer's obstinance on government reform, it appears to be occurring here. Kokomo City Councilman Mike Karickhoff is signaling his intent to challenge State Rep. Ron Herrell in HD30. It comes on the heels of former INDOT Director Karl Browning testing the waters against State

Sen. Jim Buck.

Both Buck and Herrell have been part of a group that has all but killed the Kernan-Shepard reforms that Bauer appears to be sending to a summer study committee. Proponents of Kernan-Shepard will almost certainly target vulnerable Democrats in the House in 2010 since Bauer refused to even allow the process to get beyond the House Government Regulatory and Reform Committee where Chairman John Bartlett treated the legislation in bizarre fashion on two occasions. Bauer has also held up the constitutional property tax caps, despite a Public Opinion Strategies Poll that shows support for the caps is at 70 percent.

HPI's analysis of the 11 closest House races in 2008 shows that six are controlled by Democrats and five by Republicans. But that doesn't include Herrell, who was not credibly contested, winning by 15,507 to 8,966 over the underfunded Republican Jason Miller. The House Republican Campaign Committee came under fire for not finding a credible challenger to Herrell.

Karickhoff would be a strong candidate. Sources tell HPI he would start his campaign with about \$7,000 in his coffers. He represents an at-large district on the Kokomo Council. As president, he ended a decades-old practice of private caucuses before public council meetings. "We'll just do

[everything] out in the big room," said Karickhoff, a maintenance manager for IVY Tech Community College Region V and a former 17-year Kokomo parks superintendent.

Karickhoff butted heads with former Republican Mayor Matt McKillip over the expenditure of EDIT money without council appropriation. He also led an effort to place control of the city's cable access channel, KGOV, under an independent board, according to the Kokomo Tribune.

"I have excellent reasons to believe that he will be warmly received by reform-minded voters," said Howard County Republican Chairman Craig Dunn. "I worked very hard to recruit him. We are hearing that Herrell may not run. We have also been told that he may be challenged in the primary if he does decide to run."

Kokomo Mayor Greg Goodnight, a Democrat, has been a vocal proponent of the Kernan-Shepard reforms. Other Kokomo Democrats tell HPI that Herrell has not been visible during the economic downturn and the possible Chrysler shutdown.

Howard County has proven to be a bellwether over the past decade. The gubernatorial candidate who carries Howard County has won the past four elections. When Herrell wins, the Democrats carry the House; when he loses, they don't. But 2010 is expected to be a vastly different scenario for Democrats than historic 2008 when President Obama turned the state blue. The first mid-terms for new presidents are often difficult for their parties, as 1982 proved to be for Republicans under President Reagan and 1994 for Democrats under President Clinton.

In an HPI analysis of the 11 closest House races, Democrats had six seats where the margin of victory was less than 2,000 votes in 2008: Rep. Joe Pearson in HD31 (10,508 to 10,040 over then Rep.-Tim Harris); Rep. Scott Reske in HD37 (13,846 to 12,066 over Kelly Gaskill); Rep. Nancy Michael in HD44 (12,451 to 11,295 over former Rep Amos Thomas; Rep. Vern Tincher in HD46 (12,488 to 12,076 for Bob Heaton); Rep. Bob Bischoff in HD68 (13,847 to 13,349 over Jud McMillin) and Rep. John Barnes in HD89 (13,442 to 12,182 over Chris Swatts).

Republican Reps. Ed Clere, Bill Davis, Randy Truitt, Bruce Borders and Don Lehe all won nailbiters, but can expect to have more of a tailwind during the mid-term. Democrats are unlikely to come that close to Rep. Borders and Lehe has



**Karickhoff**



defeated former Newton County Sheriff Myron Sutton twice over the past two cycles. If Gov. Mitch Daniels can maintain his 69 percent approval rating Public Opinion Strategies showed on April 1-2, or even something close to that, it will also help the GOP in the election that will determine who draws the redistricting maps in 2011.

## U.S. Senate: Stutzman vs. Bayh?

State Sen. Marlin Stutzman, R-Howe, is pondering a bid against U.S. Sen. Evan Bayh. Stutzman is in his first term in the Senate after several in the House.

Stutzman is actively involved in the Howe Community Association, National Rifle Association, Association for Retarded Children, National Federation for Independent Businesses (NFIB), Indiana Farm Bureau, LaGrange Chamber of Commerce, LaGrange County Farm Bureau Board Member, Young Republicans of LaGrange County, the LaGrange County Republican Party, and has been involved in overseas missions with Campus Crusade. He has been to Russia, Haiti, the Dominican Republic, Mexico, Guatemala, and Honduras on several mission trips with various organizations. He and his family also attend Community Baptist Church where he and his wife Christy are active church members. Stutzman graduated from the Lake Area Christian Schools and studied business at Trine State University and Glen Oaks Community College.

He is the second Republican to express interest. Former state representative Dan Dumezich of Schererville is also weighing a run and



Sen. Stutzman

will make a decision within the next month.

## Messer enters 5th CD

Former state representative Luke Messer officially kicked off his challenge to U.S. Rep. Dan Burton in Shelbyville last Saturday saying, "This is a very serious time in our history and in tough times, Hoosiers step forward. We can and must do better. The old ways in Washington just aren't good enough." Messer's website is at [www.lukemesser.com](http://www.lukemesser.com). An April 30 fundraiser at Jim and Sherry Kittle's house will include co-hosts P.E. MacAllister (who was Brose McVey's campaign chairman in 2002), Andre Lacy, Dr. Beurt SerVaas, Lou Gerig, and Hamilton County Sheriff Doug Carter.

Messer is the second Republican challenger to officially kick off a campaign, following Brose McVey in March. State Rep. Mike Murphy and 2008 Republican challenger and former Marion County coroner Dr. John McGoff are also pondering a second run.

Burton appeared at an event at Sallie Mae in Fishers on Tuesday to take on the budget of President Obama. "I don't believe the government ought to be in the business of taking over the private sector," Burton told Sallie Mae employees.

"Every time the government gets involved it costs a lot more money, the efficiency gets worse and it causes an awful lot of problems," Burton said. ❖



Former state representative Luke Messer kicking off his campaign in Shelbyville last Friday. (Messer campaign photo)

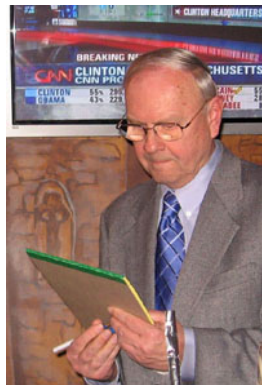


## Want to elect judges? Consider ‘The Appeal’

By JACK COLWELL

SOUTH BEND - Anyone thinking that electing the judges now picked through a merit selection system would bring a better brand of justice should read “The Appeal,” a best-selling novel by John Grisham, lawyer turned author whose books hammer the wrongs in our courts.

This book, fiction but based on abuses that really occur in the buying of judges, tells of a chemical company in Mississippi that dumped toxic waste into a small town’s water supply, causing widespread cancer in the population.



When a jury shocks the ruthless and powerful owner of the company with a verdict against the cancer-causing operation, the billionaire owner looks to the Mississippi Supreme Court for a reversal on appeal. Justice Sheila McCarthy, who could be the deciding vote, looks troublesome for the company because of her independence and

integrity. She is up for re-election.

The book tells of how McCarthy, not a real politician and with modest resources, is hit with a blitz of TV attack ads that distort her decisions, including one for an award to the widow of a hunter accidentally shot and killed by another hunter during an episode of drinking, pot smoking and disregard for safety precautions.

“Justice Sheila McCarthy does not like hunters,” claimed the sarcastic voice of the type used in those lovely negative spots. Not told was that in a judgment against one irresponsible hunter she was looking after another hunter’s widow.

**Voters, who don’t** and can’t be expected to read complicated court proceedings, were persuaded to vote against McCarthy, electing instead an opponent propelled with unlimited resources by the forces for reversal of the verdict against the cancer-causers.

I don’t want to spoil the book for those who haven’t read it, but you can guess whether the result was a better brand of justice.

Grisham wasn’t saying that most elected judges are bought. Of course not. But danger of such instances and other abuses is greater with elected judges than with

the merit selection system now used in St. Joseph County for its Superior Court.

Unfortunately, a bill already passed in the Indiana House would inject a strong dose of politics into the selection of judges in that court. It would repeal a system instituted as needed reform to curtail political considerations and provide instead for election of the judges.

The way it works now, a committee of prominent citizens and members of the legal profession selects finalists for the bench, with the governor making the final decision on an appointee. Voters later can retain or remove an appointee, but judges are not in competitive election battles for re-election.

**Those interested in serving** on the bench don’t have to scrounge for campaign contributions, make political promises, line up support from special interests and political bosses or make negative attacks on an opponent. They just have to convince the blue ribbon committee that they have the background, integrity and ability to be a judge.

The committee usually has submitted an impressive list. And governors of both parties have made choices of judges who have for the most part served ably.

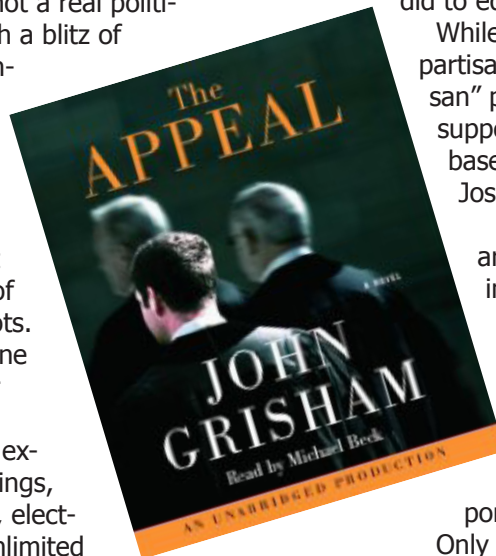
Opponents of this merit selection system say it’s not democratic, that voters should pick judges and then toss them out if they don’t like their decisions. Sounds good. Kind of like the “reform” through which members of the South Bend School Board were elected rather than appointed. The board became a laughingstock, except what it did to education is no laughing matter.

While the repeal would provide for “non-partisan” election of judges, the “nonpartisan” part is nonsense. Only Democrats with support from traditional Democratic power bases would be likely to be elected in St. Joseph County.

**Those who want the** repeal aren’t looking for judges with greater independence and determination to strictly follow the law. They are looking for judges they can sway to follow what they think the law should provide.

It’s easy if they go after a judge to find some decision that can be portrayed as ridiculous or harmful.

Only St. Joseph and Lake Counties have appointed judges. Opponents say what’s good for the other 90 counties should be good for St. Joe. Not necessarily. Not if St. Joe has a better system. It does. And that system shouldn’t be turned into something that could provide material for a Grisham novel. ❖



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



**Sylvia Smith, Fort Wayne Journal Gazette:** A back stabber. A "conservaDem." A Democrat In Name Only. A corporate shill. Ouch. Sen. Evan Bayh took a lot of (not so) friendly fire last week as liberal grass-roots groups and bloggers started a campaign to pressure him and other moderate Democrats to fully embrace President Obama's policy goals. Bayh's sin, from the groups' perspective, was twofold: He created a group of like-minded Senate Democrats to "pursue sensible solutions." He also said he doesn't support a fast-track procedure for Obama's suggested approach to reducing air pollution. "We're not ideologues," Bayh said of the group of 15 senators. "We are pragmatic. We're not strident partisans. We care about our country more than our party." Though the group has yet to announce any positions, it almost immediately came under attack as being hostile to Obama. MoveOn.org, USAction, Campaign for America's Future and various bloggers denounced Bayh in terms that you'd think Democrats would reserve for Republicans in the heat of a campaign, not for fellow Dems in the first weeks of an all-Democratic government. "This is nothing more than a naked power grab by corporatists who use the conservative bent of their districts to push through legislation on behalf of lobbyists and control campaign cash, and become the arbiters of any law that gets through Congress. It's Jack Abramoff/Tom DeLay all over again." That was from Jane Hamsher, founder of the liberal blog site, FireDogLake.com, commenting on the creation of Bayh's group. As for the air pollution legislation: Bayh hasn't said he won't support Obama's idea for a cap-and-trade system, which sets limits on the amount of greenhouse gases that can be emitted and requires overpolluters to buy credits from underpolluters. But Indiana, which gets more than 90 percent of its energy from coal-fired power plants – the plants that produce the pollution – would be hard hit economically under cap-and-trade. And Bayh said he was hired by Hoosiers to look out for his state. "Because of the potential for substantial disproportional harm to the state of Indiana," he said, "we need to make sure we take our time to get that done correctly." ❖



**Matt Tully, Indianapolis Star:** Obviously, there's only one candidate for this job. And it isn't Mayor Greg Ballard. So far, Indy's mayor has had as much sway with state lawmakers as he does with Detroit pickpockets. So who's the best candidate? Gov. Mitch Daniels, of course. The man who has survived a series of intense political battles during the past five years needs to become the public face of yet another. The governor, who on Tuesday called this "a local issue," needs to put away such rhetoric and think a little more about what Indianapolis means to Indiana. And after saying this is a matter best left to state lawmakers, he

needs to rethink his faith in the Indiana General Assembly. ❖

**Lesley Stedman Weidenbener, Louisville Courier-Journal:** The debate about whether the General Assembly should act this year or next year on a proposed constitutional amendment to limit property-tax bills comes down to one basic question: Should lawmakers proceed with the proposed limits -- 1 percent of assessed value for homeowners, 2 percent for farmers and rental property and 3 percent for businesses -- before they fully know how the caps will affect local governments and schools? Democratic leaders want to wait until the same limits are fully implemented under state law -- which happens next year -- before voting to put them into the Indiana Constitution. They're concerned that some cities -- places such as Gary, Indianapolis and South Bend and even many smaller communities -- will have to lay off police officers, firefighters and teachers to adjust to reduced revenues. Most Democrats do in fact want to limit property-tax bills, and many likely would vote for the amendment if forced to decide tomorrow. But they can't shake the nagging feeling that maybe they need to think about the issue a little longer. ❖

**Rich James, Post-Tribune:** Talk about a fall from on high. While it may have been a slow and gradual descent, that didn't lessen the intensity of bottoming out. Political power broker Robert Cantrell may have seen the rest of his life pass before him Tuesday when he was sentenced to 78 months in prison. That can be an eternity for a guy who is 67 years old. One has to wonder where he went wrong. Perhaps he had difficulty coping with life after being put on a pedestal at 18. In 1960, Cantrell was on top of the world. No one in Indiana Harbor was bigger. Cantrell that year led the East Chicago Washington Senators to the Indiana high school basketball championship. Moments after cutting down the nets, Cantrell received the Arthur L. Trester Award for Mental Attitude. It goes each year to a player based on "mental attitude, scholarship, leadership and athletic ability." Cantrell was all of those things and more. If there had been a nationwide search for the all-American boy, they would have found him dribbling basketballs at Harbor High. He went off to the University of Michigan, where he shone as well. Cantrell found his way back into the East Chicago athletic environment that had been his springboard to stardom. But while he remained a gym rat, he also ventured into politics -- which was even more popular than basketball in the Harbor. Cantrell fashioned himself as a Republican and even ran for office under the GOP banner. That was all a charade -- little more than a way to ensure that Cantrell was a player in East Chicago. Bobby Cantrell was a Democrat. Everyone knew it.

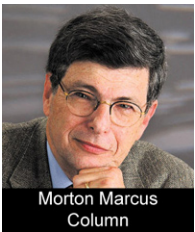


## Know what you're supporting and why

By **MORTON J. MARCUS**

INDIANAPOLIS - I accidentally knocked her onto the airport floor. "I'm terribly sorry," I said. "Are you hurt? Let me help you up."

"I'm fine," she said rising by herself. "It's just another of life's insults."



Morton Marcus  
Column

"I'm so sorry," I said with true contrition. "Could I get you a coffee or something?"

"Something," she said, "but stronger than coffee."

Thus, to the bar we went and placed our respective anti-temperance orders. She seemed agitated.

"I'm Asbesta Camisole; just call me Bess" she said fidgeting. "And before you ask -- my father was an attorney who made his fortune in the asbestos cases a while back."

"Is something special plaguing you?" I asked.

"There's a new \$15 charge to check a bag" she muttered. "The transportation security folks require you put certain articles in your checked baggage. Then the airline charges you for checking your bag which you would not do if not required to by the transportation police."

"**That's a harsh judgment,**" I said. "You make the choice to carry items that are banned from the passenger cabin. You could send them ahead or not take them at all. It's your choice."

"The airlines are trying to keep their fares as low as possible. To do this they are unbundling and discontinuing various services that used to be free. No free meals or drinks on flights; you want to eat or sip soda; you can pay for it or bring your own. That means I don't have to pay for your snack."

"The same with checked baggage. It has to be

handled by people at two or more airports and sometimes it is shuffled about on expensive, sophisticated equipment. In the past, all passengers paid for these services whether or not they used them. Now I fly for less if I don't check a bag."

Bess did not seem engaged by this argument. "Do you think they have another one of these?" she asked pointing to her empty glass.

I arranged for the next round of drinks while she arranged her bird's nest hairdo.

"**I guess,**" she said, "you have nothing against flat fees charged to each household for garbage removal without any concern for how much trash it puts out. You probably approve of fees on the water bill for fire hydrants. You think anyone who rents a car should pay fees and taxes that have nothing to do with the use of the car?"

"No," I said. "Fees and taxes need to be considered on a case-by-case basis. If possible, direct beneficiaries should pay for services they use. This does not mean, however, that those without children in school be exempt from supporting public education. Everyone is an indirect beneficiary of a literate and competent citizenry. All of us benefit from the availability of fire hydrants."

"What about sports facilities?" she asked. "Should people who eat in restaurants miles away pay for playing fields? Should hotel guests pay to attract more visitors to those hotels?"

"That's easy," I said. "Sports facilities are natural communal goods, ordained by scripture for the public's benefit. If you do not use the stadium or the arena, you are failing to support the interests, the passions and psychological needs of your neighbors."

"As for placing taxes on rental cars, hotels and other services used by out-of-towners, if they don't like it, let them vote against it."

"You're joking," she asserted.

"**I am very serious,**" I said, "but those last answers were meant to be amusing. If an honest case for the general good cannot be made (as in the case of most sports, entertainment and tourist facilities), government

revenue streams should not be used to support private enterprises."

"You're a funny one," she slurred. "How about another drinkie?" ❖

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



## **Kenley uses stimulus money for budget**

INDIANAPOLIS - Indiana schools and other state programs would get a "reprieve" from cuts under a spending plan proposed Wednesday by Senate Republicans. The proposal relies on \$2 billion in temporary

federal stimulus money to balance the state budget (Fort Wayne Journal Gazette). The plan allows new spending in numerous areas of the state budget at a time when tax collections have plummeted. And Senate Appropriations Chairman Luke Kenley, R-Noblesville, acknowledged that using the one-time federal dollars for state spending creates a "cliff" in two years when state dollars have to fill the gap. That's why the plan leaves intact \$1.3 billion in reserves. "That gives us an option in two years," Kenley said. But using the federal money to prop up ongoing programs is what Republican Gov. Mitch Daniels has warned against doing for the past several months - setting up a battle within the GOP on the budget. Administration officials were reviewing the budget plan Wednesday night and declined to comment. Kenley said he presented the budget to Daniels, whom he called a "very prudent and fiscally conservative" governor who wants the Senate Republicans "to do better." The proposed Senate plan, expected to pass out of committee this morning, is surprisingly close to a House Democratic version of the budget that increased spending using state reserves and some federal stimulus money. One key difference that remains is the House spending plan covered only one year instead of the usual two-year span. "We are trying to reach out to the House in a compromise position," Ken-



ley said. Overall, schools are expected to receive an additional 1.9 percent in funding in fiscal year 2010 and 2.1 percent in 2011.

## **Bartlett kills public access fine bill**

INDIANAPOLIS - bill that would allow fines against government workers who blatantly violate Indiana's public access laws is in jeopardy (Martin, Associated Press). The state Senate unanimously approved the bill, which supporters say would put much-needed teeth into Indiana's open door and public records laws. But a House committee chairman said Tuesday that he doesn't plan to give the bill a hearing before a key deadline this week. Rep. John Bartlett, D-Indianapolis, said his committee spent time on other subjects and he ran out of time to consider the open records bill. He said he hasn't spent enough time studying the bill to know whether he had any specific objections to the legislation. "I won't say it's over yet," said Steve Key, a lobbyist for the Hoosier State Press Association.

## **Job trust bill targets benefits for users**

INDIANAPOLIS - Keeping your unemployment benefits could become more difficult under several provisions being discussed in the legislature as part of a plan to bring Indiana's unemployment insurance system back to solvency (Fort Wayne Journal Gazette). House Bill 1379 contains the overhaul, which includes requiring those on unemployment to apply for three jobs every week and deems jobs that pay significantly less than a person's prior employment as "suitable." The legislation is now in conference committee as leaders from all four caucuses try to reach a compromise.

## **Senate committee guts worker discrimination**

INDIANAPOLIS - A Senate committee yesterday gutted a proposal that some older workers had hoped would help combat age discrimination (Associated Press). The House version of the bill would have allowed older workers to file age-discrimination claims with the state civil rights commission and have a chance to win back wages or other penalties. But business groups opposed the measure. The Senate committee amended the bill so it no longer would give certain workers a chance to seek state penalties for age discrimination.

## **Dozier Allen, aides found guilty of fraud**

HAMMOND - A jury convicted former Calumet Township Trustee Dozier Allen Jr. and two of his deputies Wednesday on all counts of their federal fraud indictment (Times of Northwest Indiana). After a seven-day trial and nine hours of deliberations in Hammond federal court, jurors found Allen and deputies Wanda Joshua and Ann Marie Karras guilty of two fraud counts each for taking checks from a federal contract between 2000 and 2002. "I've had disappointments before," Allen said as he left court. "My wife and I will handle this one." Allen's attorney, former Gary Mayor Scott King, promised to fight the convictions. He noted that U.S. District Judge Philip Simon had not ruled Wednesday on a defense motion for acquittal based on alleged shortcomings in the government's evidence. If that motion is denied, King said he would appeal the conviction after sentencing. "This is not over," King said.

## **Visclosky will halt earmarks to PMA clients**

WASHINGTON - U.S. Rep. Pete Visclosky said Wednesday he will



not request any federal earmarks for private, for-profit firms this year in the wake of a federal probe into one of his biggest campaign contributors (Times of Northwest Indiana). Included in that move is a rejection by the Merrillville congressman of \$21 million in requests for federal contracts to former clients of The PMA Group, a defunct lobbying firm caught up in an FBI investigation. "There is a controversy that has attached to PMA, and I want to be focused on the problems we are trying to solve in Northwest Indiana," Visclosky said. "So this year, we are simply not going to request money for any for-profit firms, no matter who those requests come from." Visclosky said neither he nor his staff have ever directed federal dollars to any private vendors in return for campaign contributions to his re-election campaigns. His office released Wednesday a list of 232 requests by cities, schools, other local government agencies and private contractors that requested \$521 million in earmarks -- special appropriations outside the regular federal grant process that have been criticized by tax watchdogs as being wasteful and politically motivated .

## **Chocola eyes for Club for Growth**

WASHINGTON - Officials at the Club for Growth have zeroed in on former Rep. Chris Chocola (R-Ind.) to lead the group after the current president, former Rep. Pat Toomey (R-Pa.), leaves later this month to run for Senate in Pennsylvania (Howey Politics Indiana). According to sources familiar with the situation, Chocola's hiring is not a done deal, but he will likely take the top spot after Toomey departs. Toomey has indicated that he plans to run against Sen. Arlen Specter in the 2010 GOP primary — a rematch of the 2004 primary challenge.

## **Obama prepares to tackle immigration**

WASHINGTON - While acknowledging that the recession makes the political battle more difficult, President Barack Obama plans to begin addressing America's immigration system this year, including looking for a path for illegal immigrants to become legal, a senior administration official said Wednesday (New York Times). Obama will frame the new effort — likely to rouse passions on all sides of the highly divisive issue — as "policy reform that controls immigration and makes it an orderly system," said the official, Cecilia Munoz, deputy assistant to the president.

## **Treacy, John battle over CIB bailout**

INDIANAPOLIS - A war of words and finger-pointing over the Capital Improvement Board's deficit erupted Wednesday between the Democratic and Republican party county chairmen (Indianapolis Star). Democrat Ed Treacy started with a news conference that criticized Mayor Greg Ballard for his public silence on how he wants to solve the problem. Treacy quoted from Ballard's book on leadership and said the mayor was failing by his own standards. Republican Tom John shot back that Ballard, a Republican, is cleaning up a mess left by former Mayor Bart Peterson, a Democrat, who, John said, created the deficit with a new stadium deal that was too favorable to the Colts. John said Ballard will present a plan next week that will show he has been listening to taxpayers. Treacy blamed Republican Gov. Mitch Daniels for taking over the building of the new stadium and failing to include finances.

## **Porter County pulls out of RDA**

VALPARAISO - Four years after voting 4-3 to join the newly estab-

lished Northwest Indiana Regional Development Authority, the Porter County Council voted by the same margin Wednesday evening to get out (Times of Northwest Indiana). The fate of the income tax will be taken up during the council's next meeting later this month after the options are researched, said Dan Whitten, who joined fellow council members Rita Stevenson, Laura Blaney and Sylvia Graham in supporting the withdraw from the RDA. RDA board Chairman Leigh Morris said the move came so quickly the RDA board has not yet had time to talk about whether it will pose a legal challenge. The council voted to withdraw after spending an hour and a half listening to 46 people speak out, mostly in favor of the RDA. "The polling I get from people is, 'I can't afford these taxes,'" Whitten said, referring to the 50 clients a month he sees these days as a bankruptcy attorney. Stevenson, who voted to join the RDA four years ago, said she changed her position because the RDA has not done enough to pursue its goals of improving the Gary airport and extending the South Shore train to Valparaiso and Lowell.

## **Visclosky 'abjectly disappointed'**

WASHINGTON - Community and political leaders across Northwest Indiana say the Porter County Council's Wednesday vote to exit the RDA has the potential to undo four years of progress and set back economic development in the region (Times of Northwest Indiana). "I am abjectly disappointed in the council's decision since their vote ensures that Northwest Indiana will fall further behind in our efforts to create jobs and a vibrant economic future for our children," stated U.S. Rep. Pete Visclosky via e-mail immediately after the vote.