



Critical 'Mass' for Hoosier Dems?

*Senate upset
bloodies the waters
for Bayh, Blue Dogs*

By **BRIAN A. HOWEY**

INDIANAPOLIS - Usually the people of Massachusetts are seen from the Hoosier perspective as outside the norm: the one state that held out against President Reagan's landslide in 1984 when morning returned to America.

This week, with Americans still in an economic nightmare and no clear end in sight, Hoosier Republicans are telling a vastly different story: The people of Massachusetts are speaking for all Americans. The riveting developments in Massachusetts Tuesday night with Republican Scott Brown winning the U.S. Senate race will almost certainly have an impact here in Indiana. The extent is unknown, but within hours key Hoosiers were reacting.

It was a one-state rebuke of President Obama on health reforms, though it is the one state that already has universal coverage. It is also considered one of the most



liberal states. But the consequences of one state's election sent a shudder through the Indiana Democratic Party.

Within hours, the Hotline and Politico were reporting that U.S. Rep. Mike Pence was going to listen to Senate Republican pleas for him to challenge U.S. Sen. Evan Bayh. Rumors were sweeping Capitol Hill this morning that Bayh is considering retirement. "No way," said Indiana Democratic Chairman Dan Parker. In late December, Pence chief

See Page 3

Uncharted cap territory

By **JULIE CROTHERS**

INDIANAPOLIS - The constitutional amendment to cap property taxes in Indiana may take the state into uncharted territory.

"There are a lot of states that have some type of property tax limitations in their constitution, but I don't recall that there were any models along the one that we creatively came up with here," House Minority Leader Brian

Bosma, R-Indianapolis, said.

More than 30 other states have property tax caps in place, but few are as stringent as Indiana's, which would limit property taxes on homes to 1 percent, on farms and rental properties to 2 percent and on business-



"I think it's important to pass this legislation, I do. If that's the only option in town, maybe that's what we ought to do."

- **U.S. REP. BARON HILL**, *on whether the House should pass the Senate health care bill, to Politico*



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es to 3 percent.

Those states' experiences with tax caps may provide some clues as to how this change in Indiana's constitution will affect the way government operates in the Hoosier state.

Revenues from property taxes often pay salaries of local government employees, fund road and school construction, park maintenance, and other services. Proponents of tax caps say that they force communities to operate more cost-efficiently. Critics say they will force communities to eliminate important services.

The record for tax caps' effectiveness is mixed. California voters approved their version of property tax cap legislation, Proposition 13, in 1978. Shortly after its adoption, California's education, healthcare, transportation and other public services dramatically declined. Their education system - which formally ranked one of the top in the country, found itself positioned among the worst.

Similar to Indiana's legislation, the bill applied to all types of property, not just home-
stead property.

Proposition 13 set a maximum property tax rate at 1 percent of the value of the property. Once instated, the property could only be revalued upon a change of ownership. Though a benefit for commercial real estate, the consequences left holes in the equity and efficiency of the state's tax structure.

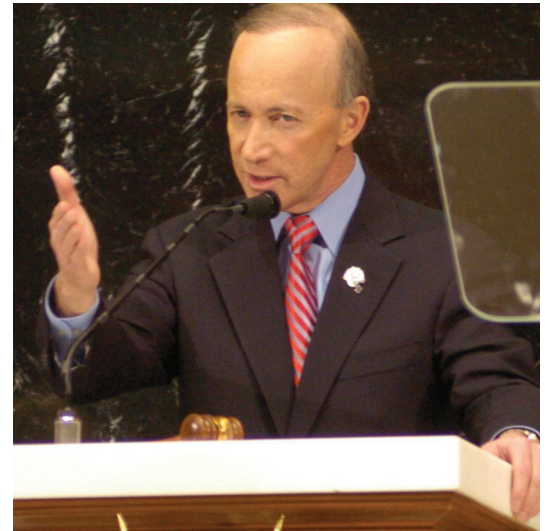
In nearby Michigan, legislation passed in 1994 set a tax cap at 5 percent or the current rate of inflation, whichever was lower. The result was an almost immediate reduction in property taxes for everyone in the state and a leveling of the playing field between school districts.

Public Information Officer for Michigan's Department of the Treasury Terry Stanton said with the tax reductions came an increase in sales tax

and a round of deep budget cuts from local government entities.

"At a time when many people were being forced out of the state by property taxes, the caps provided much needed relief," Stanton said.

A report issued by the Center on Budget and Policy Priorities stated parts of Massachusetts have had to lay off local employees, including fire and police, while freezing wages and shutting down town libraries and community centers in order to comply with the state's Proposition 2 1/2, similar to the effects of California's Prop. 13 initiative.



Gov. Mitch Daniels congratulated the General Assembly for passing the property tax caps during Tuesday's State of the State address. (HPI/Franklin Photo by Steve Dickerson)

Massachusetts' law mandated property tax revenues not exceed 2.5 percent of a community's assessed value and that a community's property tax revenue not grow by more than 2.5 percent a year.

Other states are far less restrictive in their property tax laws.

Tennessee's caps, for example, only apply to senior citizens.

In West Virginia, statewide property tax caps - much like Indiana's proposed constitutional amendment - depend on the type of property, but



also where it is physically located. Once the caps were in place, flexibility in the amendment's language regarding West Virginia's property taxes allowed the caps to be exceeded if approved by the people.

As of 2008, caps on residential, farm real estate and all other properties in and outside municipalities have been exceeded.

State Sen. John Broden, D-South Bend, said he's concerned Indiana could face similar challenges without added flexibility to the tax cap legislation.

"There was certainly a great deal of heat on policy makers to do something. They could not eliminate property taxes because the alternatives were too daunting and would be equally unpopular with voters," Broden said.

However, Broden is confused at why legislators would vote to place the caps in the state's constitution before giving them a trial run through the end of 2010.

"At this point, we really don't know who the win-

ners and losers are and I don't think that's clear right now among taxpayers," he said.

Indiana will join the tax cap brigade, instituting the state's 1-2-3 tax cap system. Bosma said he thinks the state is ready for the caps to be under way, but recognizes it won't be an easy transition.

"(The caps) require work. They require community buy-in, they require elected officials not to just operate in a vacuum, but to convince members of the public that their actions are best," Bosma said.

"Will local governance under the caps be tougher for local officials? Without a doubt. Will it be more responsive to taxpayers and more protective of the property tax payer? Absolutely. And that was our goal." ❖

Crothers is a member of the HPI/Franklin College Statehouse Bureau and is executive editor of The-FranklinOnline.com.

Critical Mass, from page 1

of staff Bill Smith told HPI that Pence had no interest in the Senate race. On Wednesday, Smith wasn't returning phone calls. Pence told Gannett News Service on Wednesday, "I'm willing to hear them out."

Bayh told ABC News on Tuesday even before the votes were tabulated, "There's going to be a tendency on the part of our people to be in denial about all this, but if you lose Massachusetts and that's not a wake-up call, there's no hope of waking up.

"The only way we are able to govern successfully in this country is by liberals and progressives making common cause with independents and moderates," Bayh said. "When you have just the furthest left elements of the Dem party attempting to impose their will on the rest of the country, that's not going to work too well."

One of Bayh's potential Republican challengers - State Sen. Marlin Stutzman - announced he had signed a "repeal it" pledge on the health reforms pushed by former Indiana Congressman Chris Chocola and the Club for Growth. Chocola told the New York Times that the health reforms "will be the defining issue in 2010." A national Quinnipiac Poll last week showed 34 percent approv-

ing and 54 percent against the health reform bill. Last July, Quinnipiac showed that Obama led Republicans by 20 percentage points on the health care "trust" factor. Last week's poll showed that Republicans had taken the lead there.

Luke Messer, challenging U.S. Rep. Dan Burton, decided to file his candidacy at the secretary of state's office Wednesday morning. "The morning after one of the biggest upsets in American political history I am excited

to announce my run in this congressional primary," Messer said before he filed. "From town hall meetings to tea parties to last night's election, voters in this country are trying to send Washington a message. They are tired of leaders who don't listen. They are tired of the wasteful spending that threatens the future of our country. The people of America spoke last night."

A Jan. 5-6 Public Opinion Strategies Poll in Indiana showed President Obama with a 44 percent approval rating and 51 percent "strongly opposed" to the health reforms.

"If it passes, we have to be prepared with a coalition of leaders who have a plan to repeal it, and minimize the damage it does," said Stutzman. He lives about 20 miles from Chocola's Bristol home.

And there was Republican State Rep. Jackie Walorski, who is challenging U.S. Rep. Joe Donnelly. She



Republican Luke Messer decided to file his candidacy at the Statehouse Wednesday morning just as the Senate upset in Massachusetts began sinking in. (HPI/Franklin Photo by Ethan Leffel)



explained, "The people were heard today. Scott Brown's victory isn't a victory for a political party. It's a victory for millions of Americans all across the country who want to have a voice in the current health care debate in Washington. Tonight Americans hit the reset button on the health care bill. This could be the most important and impactful legislation in our lifetimes and the American people want a bill of such gravity produced by a process of rigorous debate and compromise," she said.

"This is a positive step. The American people are at the table. Let's keep them there and start over," Walorski added.

The Cook Political Report is forecasting a net gain of 28 to 30 seats in the U.S. House for the GOP. They need 40 to re-take control. If the current environment persists, and there is no notable economic improvement with today's jobs report more negative than expected, HPI forecasts that the 2nd, 8th and 9th congressional districts in Indiana, as well as the U.S. Senate race, could all be in play by next fall.

Here is HPI's first congressional forecast of 2010:

U.S. Senate: Bayh approval swoons

It is hard for anyone imbued with conventional wisdom to grasp the idea that Sen. Bayh could be vulnerable. And the HPI Horse Race is nowhere close at this writing to making the kind of ultimately accurate forecasts that we issued in the months and weeks leading into 2007 with Bart Peterson, 2006 with Bob Garton, and 2004 with Larry Borst. However, when we survey President Obama's approval rating at 44 percent here in Indiana in the Jan. 5-6 Public Opinion Strategies Poll, and 51 percent "strongly opposed" to the health reforms, you don't have to be too good at connecting the dots to reach the notion that Evan Bayh is probably looking at his worst approval and re-elect numbers since he won the Senate seat in 1998.

The numbers aren't as bad as he saw in 1980, when he managed Sen. Birch Bayh's final race, but with another health care vote possibly coming up, logic suggests that such numbers will probably dip further. If Bayh were to vote against the reforms, it would do little to help him with the Republicans and independents he has feasted on politi-

cally for years. It would aggravate his Democratic base, part of which is already livid about his tepid support or by the fact that he voted against President Obama 23 percent of the time.

We are also hearing anecdotal stories of Bayh congressional district signature sheets gleaming little ink during recent Jefferson-Jackson Day events. If Bayh is feeling the heat - and we think he is - this has implications across the board. His voracious money machine will begin sucking every dollar it can, while poor B. Patrick Bauer and Baron Hill look on wistfully. In the past, a Bayh candidacy bolsters down-ballot Democrats, but unless they coordinate this right, Hoosier Democrats risk an every-man-for-himself scenario.

As for who offers the best potential challenge, right now the GOP establishment would prefer State Sen. Marlin

Stutzman, simply because they see John Hostettler as (pick an adjective: weird, strange, fringe), while Don Bates Jr. and Richard Behney are unknown and, to date, have shown very little money traction. But if Pence were to enter, he'd be the nominee.

Mike Copher, chief of staff to U.S. Rep. Steve Buyer, told HPI, "I would be shocked to see Pence run as he is not known as a 'risk taker' but if you want to be a giant killer ... why not?"

Copher said that the National Republican Senatorial Committee and the Senate GOP leadership "has put out several feelers from different members seeking any interest."

Other leading Republicans wondered why Pence would opt for a Senate seat when he is so close to reaching top House leadership, which is a more powerful station. The consensus was that Pence would likely pass, but

Stutzman told HPI on Wednesday that he is close to gathering the needed signatures, though he will continue to collect them up through Feb. 18. If none of the Republicans gather enough signatures, the Indiana Republican Convention could choose a candidate and if it couldn't reach a consensus, it would be up to the Indiana Republican Central Committee. Either of those two options could become a Bayh nightmare.



The Massachusetts Senate upset reverberated in the Indiana Statehouse on Wednesday as State Rep. Jackie Walorski and State Sen. Marlin Stutzman - both aiming for Congress - heralded the results. (HPI/Franklin Photo by Ethan Leffel)



We wonder if Dan Dumezich's assessment that he had only a 30 percent chance of winning was a mistake, given the events of this week. And Bayh must be praying that U.S. Rep. Mike Pence doesn't change his mind and mount a challenge. **Horse Race Primary:** Leans Stutzman; **General:** Likely Bayh

1st CD: Visclosky safe for now

The storm clouds are still billowing around U.S. Rep. Pete Visclosky as the congressional ethics probe surrounding PMA has refused to absolve him (though it did Rep. Murtha). On Wednesday, three Republicans - including Hammond Republican Chairman Rob Pastore - filed to challenge. The House Committee on Standards of Official Conduct has been reviewing PMA Group's dealings with Visclosky, D-Ind., and U.S. Rep. Todd Tiahrt, R-Kan., since Dec. 2 (Chicago Tribune). The panel was required to report by mid-January the status of the cases, which were referred to it by an independent ethics entity the House created in 2008. But in a statement released Friday, the panel said it will continue its investigation until March 2, by which time it will "announce its course of action." Pastore told the Times of Northwest Indiana, "The other representatives around him are not going to sign on to any legislation that he wants to help us here in Northwest Indiana. He's no longer an effective representative." It's unclear whether any Republican in normal times can actually give Visclosky a good race. Gov. Daniels tried and made little inroad. We're skeptical it can happen even in this cycle. **Horse Race:** Safe Visclosky

2nd CD: Expected to be in play

While Jack Jordan is a self-described "regular guy" who teaches at IUSB, worked for Eli Lilly for 15 years, and is president of the Bremen School Board, the likely challenger to U.S. Rep. Joe Donnelly is still Rep. Walorski. She comes at this race as a self-described "Glenn Beck" fan willing to stoke up the Tea Party tribes within the district. Even Republicans see Walorski as abrasive and sharply conservative. She is trying to get traction on a bill that would increase felony charges against anyone involved in a fatal or injury traffic accident with marijuana in their system. When Jordan announced his campaign last Saturday, he explained, "I'm not running a throw-the-bum-out campaign. Joe Donnelly is not a bum. He's a very nice, sincere man. What I am running is a campaign against Nancy Pelosi and her misguided policies." That is a sentiment we hear a lot about Donnelly from many Republicans. Perhaps the best way to defeat him is to tie him to Speaker Pelosi, and if it's going to happen it will likely be this year. While Donnelly voted for the first round of health care reforms, he did vote against Cap-and-Trade and is a Blue Dog in good standing.

Donnelly will get high marks from the many autoworkers in his district. He was the most conspicuous member of the Indiana delegation making the case for GM and Chrysler in 2009 when it looked like the sector would collapse. During his State of the State Address Tuesday night, Gov. Daniels noted that Indiana is now attracting auto jobs from other states. While publications like the Rothenberg Political Report do not have the 2nd on its radar screen, we do. This could easily be a very competitive race in the fall, as Republican Chairman Murray Clark told Jack Colwell. **Horse Race Primary:** Safe Walorski; **General:** Leans Donnelly

3rd CD: Right challenger, wrong cycle

U.S. Rep. Mark Souder faces two primary opponents - Phil Troyer of Fort Wayne and Rachel Grubb of Auburn. We don't expect either to give Souder much of a challenge in the May primary. Troyer was to be the anointed candidate in 1992 to challenge U.S. Rep. Jill Long, but gun rights activist Chuck Pierson defeated the college student in the primary. Troyer, now a financial services attorney, calls Souder a big spender and hopes he can switch on the anti-incumbency. Grubb is a supervisor for Group Dekko and is a political novice. Souder has the keenest, precinct-by-precinct acumen of anyone in the Indiana delegation. If he cranks up the fundraising this winter and begins advertising well before the primary, it may be an indicator as to how potent the anti-incumbency virus is during what will probably be a low-turnout primary. As for the fall, former Fort Wayne Councilman Tom Hayhurst is seeking a rematch of the 2006 race he lost to Souder by 15,000 votes. That was the closest call Souder has had since the 1994 tidal wave swept him into office. Many Democrats had hoped Hayhurst would challenge Souder in 2008, when he could have ridden on Obama's coattails. The problem for Hayhurst is that any wave is likely to be going against him and the Democrats this time out. **Horse Race Primary:** Safe Souder; **General:** Safe Souder

4th CD: All quiet in Frankendistrict

U.S. Rep. Steve Buyer doesn't appear to have a credible opponent lined up against him at this point, in either the primary or the general in this most gerrymandered district. Recent concerns about an educational foundation that were covered by CBS News haven't ginned up much speculation that he's vulnerable. **Horse Race:** Safe Buyer

5th CD: Critical 10 days coming

The next 10 days will be critical for this race. When the FEC reports are made public, we'll have a much better idea of how the challenger field - Dr. John McGoff, Brose McVey, State Rep. Mike Murphy and Luke Messer - will fare. Murphy and Messer are expected to post the best money numbers of the challengers. Jen Hallowell told



HPI on Wednesday that Messer raised "six figures" during the last quarter of 2009. If McVey or McGoff are wildly off the money mark, there will be considerable pressure for them to drop out. But as of mid-January, there weren't any signs that would happen and many believe a five-way primary almost certainly brings the re-election of U.S. Rep. Dan Burton. Or as Rothenberg put it last month, "Burton is helped by the crowded field." A two- or three-way race is a different story. Burton's standing with the GOP establishment is certainly in atrophy, given the vast number of public and party officials who have endorsed his challengers. Watch for him to actively court the Tea Party tribes and gain further traction with discontent over the health reforms, President Obama and Speaker Pelosi. Burton can also be expected to maintain a wide fund advantage. He is already running TV ads, which signals he understands the challenge he faces. The problem for the anti-Burton cabal is ... it's a four-headed hydra. **Horse Race Primary:** Leans Burton

6th CD: A Pence re-election?

U.S. Rep. Mike Pence will not have a credible challenger and will easily be re-elected unless he changes his mind on the Senate race. Pence had planned to campaign for House Republicans, both nationally and here in the Indiana General Assembly, earning IOUs that could be cashed in 2012 when he might consider presidential or gubernatorial runs. **Horse Race:** Safe Pence

7th CD: Carson is safe

Carlos May and Rafael Ramirez are the Republican challengers with May getting a clear edge in the GOP primary. But even with a wave poised at Democrats, at this point it's hard to see U.S. Rep. Andre Carson in much trouble. Having said that, the growing perception across the spectrum is that Carson is not much more than a legacy Democrat who was handed his late grandmother's House seat. He sticks with the talking points and does what the party leadership demands. The only way we see Carson losing this seat is if a well-heeled, credible Democrat takes a swing at the Carson machine.

Horse Race: Safe Carson

8th CD: Bloody but not in the E.R.

Nationally, the Bloody 8th still hasn't shown up in emergency room, but Dr. Larry Buschon will report more than \$100,000 raised on his FEC re-

port this weekend. A campaign official said that 95 percent of the funds come from individual donors in the 8th CD. With the cardiologist in this race challenging U.S. Rep. Brad Ellsworth, certainly the Obama health reforms will play a major role in how the it develops. "Voters are telling Washington that enough is enough," Buschon said of Tuesday's election. "Americans are demanding that Congress end its fiscal irresponsibility.

Sadly, Brad Ellsworth has supported this agenda of borrowing, spending, bailouts and government takeovers. Voters in Massachusetts rejected this agenda, and I believe they will reject it here in Southern Indiana as well." As with the 2nd, HPI sees this as an emerging race. The day after Massachusetts, Ellsworth appeared with President Obama at the White House for a bill signing. **Horse Race:** Leans Ellsworth

9th CD: Young buoyed by Massachusetts

U.S. Rep. Baron Hill is at this point considered to be the most vulnerable of the Indiana Democrats in what could be a wave year. A Democratic group called Firedoglake has a poll out showing Hill trailing Mike Sodrel 49-41 percent. As Rothenberg points out, "Hill can't take the GOP-leaning district for granted, especially in a mid-term." His comments Wednesday on the health reforms to Politico - "I think it's important to pass this legislation, I do. If that's the only option in town, maybe that's what we ought to do" - were quickly picked up by the blogs on Wednesday.

The best thing that can happen to Hill in the early part of the cycle is already happening with Mike Sodrel's re-entry, seeking a fifth race against the Democrat. With high name ID and a tap into the Tea Party movement, Sodrel might be expected to be Hill's nightmare in this emerging scenario.

But there is the specter of NY23 where Republicans divided and were conquered in a race they snatched from the jaws of victory. Sodrel's race against Todd Young, who is expected to report \$300,000 later this month and has been campaigning for a year, may get nasty. And with all the nastiness going on already, it's going to be a challenge to patch the party together after the primary, let alone recoup the money the GOP will spend clobbering each other. The other part of this equation is whether voters will have any stomach for anyone running



Republican Todd Young filed his candidacy at the Indiana Statehouse on Wednesday. He has an intense race with former Congressman Mike Sodrel.



a traditional DC-style mudslinging race. In a wave year, it could be expected to see the party money spigots open for a credible challenger. But Republican National Chairman Michael Steele is turning out to be an albatross. The GOP had \$22.8 million in the bank when Steele took the helm and it plunged to \$8.7 million by November, according to New York Times columnist Frank Rich. So it's unclear whether Sodrel or Young can count on the money spilling in the way it did for David McIntosh, Souder and Hostettler in the last four months of the 1994 campaign. Going into the Sodrel-Young primary, the early money will be on Sodrel (it's not known whether he will self-fund) but there may come a point when Republicans consider Young's appeal for the need of a "new era" of Republican leadership in Congress. When Young filed at the Indiana secretary of state's office Wednesday, he explained, "It starts with stopping the bleeding and getting back to the basics. There has been a lot of irresponsible spending by Republicans and Demo-

crats in recent years. Our campaign stands for turning the page, and trying to go to Washington to set priorities, and, if necessary, to make some difficult decisions and stand up against my party leadership and insure that we remain fiscally responsible for the future." Young said that Hill has been "very out-of-synch with the 9th Congressional District. Today, we are coming off a victory of our U.S. Senate candidate in Massachusetts. One of the things that represents is that there will be consequences for this rubber-stamping and Nancy Pelosi's agenda that Congressman Hill has been doing in recent months. I think the approach taken so far bends the cost curve, but it doesn't bend it downward. It bends it up. It increases cost for Americans. It will take away from American citizens." This much is known: The 9th CD will be the most fascinating district for both the primary and general election cycles. **Horse Race:** Republican Primary - Leans Sodrel; **General:** Tossup ❖

Bryan Ault and Katie Coffin contributed to this story.

Indiana's 10 greatest political upsets

By **CHRIS SAUTTER**

WASHINGTON - Americans love to root for the underdog. Yet, Scott Brown's victory in Massachusetts is proof why underdogs rarely win elections. A unique set of



circumstances must coalesce to turn a quixotic underdog into a giant killer: Complacency on the part of the incumbent or incumbent party, an aggressive challenger who has the ability to connect with voters, and a volatile political environment or dramatic event that levels an otherwise tilted playing field.

Indiana has had several classic political upsets in the "modern era." Here

is my top 10 list:

1. Birch Bayh Upsets Homer Capehart (1962)

The Cuban Missile Crisis and a catchy campaign theme song boosted 34-year old Birch Bayh past three-term incumbent Sen. Homer Capehart. Bayh ran the quintessential underdog retail politics campaign. Trailing badly, he traversing the state in an old Mercury stopping at every Hoosier hamlet. Unknown outside of political circles, Bayh's campaign adopted "Hey, Look Him Over" to boost his name recognition. The visual contrast between the old cigar-chomping politician and the young energetic candidate also helped. But Bayh would have still come up short had the Cuban Missile Crisis not intervened. Capehart had been attacking President Kennedy for being soft on Cuba and urged him to institute a blockade. When Kennedy ordered a

blockade, Capehart stepped up his criticism. It backfired as Bayh argued an international crisis required national unity. Bayh won by less than one vote per precinct.

2. Greg Ballard Shocks Establishment (2007)

In a race that anticipated the Tea Party movement, political novice Greg Ballard shocked Indianapolis' political establishment by knocking off two-term incumbent mayor Bart Peterson. The race was classic David versus Goliath. Early polling suggested it would be a runaway victory for Peterson. The mayor's massive war chest scared off top Republican challengers. The Republican Party was cool toward its own candidate while Governor Mitch Daniels ignored the race. But the race tightened as issues like crime and taxes bubbled to the surface. Petersen's administration appeared tone deaf to the growing chorus of complaints about rising property taxes and an increase in violent crime. And, Petersen's slick TV ads reinforced the sense that he was growing out-of-touch with the concerns of average voters. Grass roots organizations began to hold rallies and booed politicians of both parties. In the end, it was the little known underfunded Ballard who defeated Peterson on the strength of a grassroots anti-tax movement. In his victory speech, Ballard declared the win the "biggest upset in Indiana political history." A strong case can be made that it was.

3. Quayle, Hiler upset Bayh, Brademas (1980)

The 1980 landslide victory in Indiana by Ron-



ald Reagan and a public perception that Birch Bayh had become too liberal for Hoosiers helped Congressman Dan Quayle win a long-shot race for Senate. Quayle ran a near perfect campaign in Indiana while Bayh was often stuck in Washington. Bayh was also the target of tough attack ads by a new right-wing group known as NCPAC, which took credit for Bayh's defeat. Still, almost nobody predicted Quayle would win. The same is true with political unknown John Hiler who defeated 22-year incumbent John Brademas. Brademas, the House Majority Whip, was 3rd in line to be Speaker.

4. Joe Hogsett Derails Bill Hudnut (1990)

Indianapolis Mayor Bill Hudnut's attempt to use the Indiana Secretary of State's office as a stepping stone to the governor's mansion was met head on by the aggressive campaign of Evan Bayh protégé Joe Hogsett. Hogsett had managed Bayh's campaigns and then succeeded him as Secretary of State when Bayh won governor's office in 1988. Hogsett began more than 40 points behind, but attacked Hudnut relentlessly for raising city taxes. Hudnut's defeat ended his political career.

5. Jill Long Wins House Special (1989)

Jill Long's chances of winning the House special election for Dan Quayle's former seat were considered so long that the Democratic Congressional Campaign Committee refused to target the race until 3 weeks out. But Republicans nominated a lackluster candidate in Dan Heath, a Fort Wayne city official. Long was the "girl-next-door," to Heath the political insider. Long also benefited from a local property tax revolt. When she squeaked past Heath in the decidedly Republican district, Republican National Chairman Lee Atwater confessed, "I'm ashamed we lost."

6. Vance Hartke Knocks Off Gov. Handley (1958)

Running for the seat of retiring William Jenner, a little known 39-year old Evansville Mayor Vance Hartke rode voter unrest over high unemployment, high taxes, and a government scandal to an upset victory over Gov. Harold Hadley. Hartke also exploited concern that Republicans wanted to cut Social Security. Hadley's charges that Hartke's city administration was corrupt failed to sway voters who were persuaded by Hartke it was time for a change. Hartke was the first in Indiana to run an aggressive statewide retail style campaign.

7. Joel Deckard Paves Way for McCloskey (1982)

In 1982, Bloomington Mayor Frank McCloskey was headed toward what he termed a "respectable loss" against incumbent Joel Deckard. McCloskey, who started out 45 percent points behind, made up ground because the economy was sputtering under Reagan and unemployment

in Indiana was on the rise. Yet, it was clear that without a big break, Deckard was going to win. Three weeks before the election that break arrived when Deckard drove his car into a tree and was charged with driving under the influence. Deckard ducked the media for days. When he finally appeared publicly, he sported a big scar over his eye. For the remainder of the campaign, the newspapers ran a wire photo showing Deckard with his scar. McCloskey never mentioned the accident as Deckard's lead evaporated. McCloskey won 51-49 percent.

8. Dave Evans Surprises Bill Bray (1974)

National forces never had greater impact than in 1974, the year Richard Nixon resigned the presidency. Four incumbent Republican House members went down in Indiana. Three of them had easily defeated the same opponents in 1972, Nixon's landslide year. Phil Sharp had lost two times to David Dennis before finally prevailing. None of the four Republicans had spoken out against the administration's conduct in the Watergate scandal. Dennis voted against impeachment as a member of the House Judiciary Committee. Earl Landgrebe, whom Floyd Fithian would defeat, uttered the immortal lines "don't confuse me with the facts" just days before Nixon resigned. But the most remarkable upset victory that year goes to 28-year-old Dave Evans, who defeated Bill Bray spending only \$14,000. Evans, who managed only 35 percent against Bray in 1972, won the rematch in the most Republican district in the state by knocking on 55,000 doors while Bray barely campaigned.

9. Hostettler Overtakes McCloskey (1994)

John Hostettler was considered a long shot to even win the Republican nomination in 1994. But the novice Hostettler skillfully capitalized on voter anger over big government in Washington to defeat six-term incumbent Frank McCloskey.

10. Barack Obama Carries Indiana (2008)

Few even in the Obama campaign believed he would carry Indiana. No Democrat had carried the state since Lyndon Johnson's landslide victory in 1964. Obama benefited from Indiana's dismal employment picture. And, Obama campaigned in the state, while McCain took it for granted. This would have been a truly great upset if Obama had needed Indiana's electoral votes to win the presidency.



Chris Sautter is an attorney, media strategist, and documentary filmmaker. He directed and produced *The King of Steeltown: Hardball Politics in the Heartland (2001)* about East Chicago's controversial 1999 mayoral election.



The Massachusetts message from Tuesday

By **DAVID M. McINTOSH**

WASHINGTON - Once again Concord and Lexington have fired a shot heard round the world. Just like John Adams and the Sons of Liberty, New Englanders have overthrown the political establishment in America.



Scott Brown will drive his pickup truck from Massachusetts down to Washington to become the first Republican in 50 years to hold the "Kennedy" seat. He campaigned for freedom - no more government takeover of health-care; free markets will create American jobs; strength in the fight against terrorism.

Brown won because he reminded us that it was the voters' seat: Government of the people,

by the people and for the people remains alive and well in America.

Both Democrats and Republicans can learn a lot by listening to the Massachusetts voters:

- **The American public wants nothing** to do with government-run health care. Every poll in America shows this to be true. But in Massachusetts there was a unique angle: It already has universal health care – and the people don't like it. Senior citizens turned out in droves last Tuesday because they have the most to lose from government run health care that cuts Medicare spending. More than half of voters in Massachusetts indicated that health care was driving their vote. Of those voters, nearly all voted for Scott Brown.

- **Middle class voters have left the Obama** Democrats. Election night polling shows that Brown won every income bracket from \$40,000 to \$100,000. The middle class has returned to its conservative roots.

- **It's not politics as usual.** Something larger than old fashion electioneering is going on in cities and towns across America. The American people, and specifically independents who had previously voted Democratic, are fed up with politicians who promise statesmanship and then turn around and push partisan solutions that infringe upon their personal liberty and freedom. They want government solutions, but within the limits of our constitutional framework of divided and limited powers. The Tea Party movement is alive and well.

For Democrats the election means there are no safe seats in 2010. In capturing "Ted Kennedy's seat" Tues-

day night, the Republicans did the impossible. The lesson is clear: If conservatives can win in Massachusetts, they can win anywhere. Yet Speaker Nancy Pelosi ignores that message. She continues to steer her party farther and farther left - even if it means they go off the cliff next November.

Interestingly former Clinton advisor Lanny Davis seems to agree. In a Wall Street Journal article entitled "The Loss in Massachusetts: Lessons for Democrats to Learn" he writes: "Bottom line: We liberals need to reclaim the Democratic Party with New Democrat positions of Bill Clinton and the New Politics/bipartisan aspirations of Barack Obama - a party that is willing to meet half-way with conservatives and Republicans even if that means only step-by-step reforms on health care and other issues that do not necessarily involve big-government solutions."

For Republicans the lessons are more subtle. 2010 holds out great promise - much like 1994 when I first ran for Congress. But it's too early for the GOP to celebrate. Massachusetts was not so much a victory for "Big Tent Republicanism" as a New England version of the Tea Party voters sending a message to Washington - they have had enough.

So for the GOP to win in November it will have to rebuild a coalition of independents, conservative Democrats and Republicans who unite around an agenda that offers up real solutions to the problems facing America.

To focus on economic recovery and jobs, this agenda should reject tax increases and government takeovers of the private sector and instead promote competition and free enterprise that leads to real job creation. To strengthen families as the foundation of our society, it should endorse traditional values of life, marriage, and religious liberty. And to protect Americans from terrorism at home and abroad, this agenda should champion a strong national defense and individual liberties for law abiding Americans.

In Massachusetts, New Jersey, and Virginia Republican candidates won by building just such a coalition based on these conservative principles.

Now it is up to Republican national leaders to follow suit. ❖

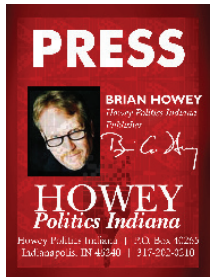
McIntosh is a former Indiana congressman and now practices law in Washington.



Obama's first year and unrealistic expectations

By **BRIAN A. HOWEY**

INDIANAPOLIS - We are not seeing any "1.19.13" bumper stickers - yet, but at the end of President Obama's first year at the White House, he is receiving a stinging rebuke from the most liberal state in the union with the election of Republican Scott Brown to the Senate.



It closed an absolutely wild year and prompted me to go back and look at what I said as Obama entered the presidency. A couple of things that were written still stand true today. I predicted that given the array of problems Obama inherited when he entered the White House, the deck was stacked against

him. I said his approval rating would probably be in the 40th percentile by November 2009. There were too many "damned-if-you-do; damned-if-you-don't" scenarios.

And here we are!

Do you pull out of Afghanistan and take heat as a war wimp soft on terror, or push forward with a surge?

On that one, Obama committed troops to what appears to be a quagmire, only to find the next terror attack attempt emanating from Yemen, the new al Qaeda redoubt. This pleased the conservatives, unnerved his base and, by golly, what took him so damn long? As for Iraq, he avoided a crisis there while we appear to be on course for a pullout next summer.

Do you let General Motors and Chrysler liquidate? If you do, the 10 percent jobless rate surges to 12 to 15 percent as the rest of the auto sector collapses. The American manufacturing base - a bare 12 percent of the economy - erodes further. The UAW is betrayed. On this one, Obama rejected two GM and Chrysler restructuring plans, forced them into an accelerated bankruptcy, and by the end of last year GM began paying back the TARP funds. Chrysler is still a precarious basket case. It was President Bush who "bailed out" the auto sector in late 2008, though Gov. Daniels called it the "biggest political payoff in history." On Tuesday night, Daniels heralded Indiana as a revived auto state.

What do you do with Wall Street, the true benefactor of the biggest political payoff in U.S. history with \$780 billion at the end of the Bush presidency? Here, Obama has

made headlines docking executive bonuses and is now talking about a tax to regain the TARP funds, estranging him from 2008 supporter Warren Buffett. But little has been done structurally to keep the barons from doing the exact same things they did leading up to that meltdown. The Goldman Sachs' sponsored U.S. Treasury has former CEO Timothy Geithner signing our greenbacks, and there is eroding confidence on this front. Here it appears Americans will be condemned to repeat history, though Obama is tagged as the "socialist" while Bush is not. Go figure.

The stimulus? It's fueling the Tea Party movement. Republicans lash out at the stimulus, but here in Indiana, it bailed the state out and kept severe education cuts temporarily at bay. Without the Obama stimulus, we would be raising taxes and shutting down services. Some economists don't believe the stimulus was enough and others are outraged that Pelosi and Reid back-loaded it for political advantage later this year. Now there is no political stomach for a stimulus redux. With the jobless rate at 10 percent, I can hear James Carville's wicked voice: "It's the economy stupid." Duoh!

Energy? We had virtually no energy policy during the Bush-Cheney years. Obama's efforts to increase CAFE standards and incentives to the electric car sector appears to be paying off, particularly here in Indiana as EnerDel grows and Th!nk comes to the state. In a normal year, this

would have been a major achievement. In the year of Obama, it's almost an afterthought.

Education? I remember riding back from Kokomo with Gov. Daniels in the fall of '08 as he contemplated a potential "President Obama" and said that if he had the guts, he could reshape American education in a Nixon-goes-to-China type scenario. On this front, Obama and Daniels are speaking from a similar script. Daniels and Supt. Tony Bennett have embraced the Race to the Top. But the results of this education revolution both here in Indiana and nationally are far, far away.

Health care? Now we know why the White House was press-



President Obama made his first trip out of Washington to Elkhart to make a push for the stimulus as Hoosiers worried about a depression. (HPI Photo by A. Walker Shaw)



ing for the reforms to pass the House last July before the August recess. When they didn't, the Guns of August appeared, watering the tree of liberty with the blood of patriots and young presidents. This is the proverbial snowball in hell that grew into the ballot box shots in Lexington on Tuesday. Republicans like Sen. Lugar counseled Obama to concentrate on the economy and take an incremental approach. Such counsel fell on deaf ears, even for Obama who used Lugar as a campaign example of consensus building. You can understand how Obama made the decision to use his political capital early, forge historic reforms and hope that good public policy nourishes his reelection three years hence. Today, it stands in shambles. Obama vowed during countless Indiana campaign appearances that he would reach out to Republicans. It was a half-hearted effort on both sides. Leaving the details to the Congressional liberal leaders has provoked a vigorous backlash.

The deficits? Whew! This just makes folks angry, particularly Republicans and Sen. Bayh. The \$1.4 trillion deficit is staggering and Obama must use his Jan. 27 State of the Union address to reverse course. But give Obama credit for at least putting everything on the ledger; as opposed to the good old Bush-Cheney days where about a trillion dollars spent on two wars weren't counted.

So, we're looking at a one-term president, right?

Not so fast. Obama has endured bitter lessons very early in his presidency; much earlier than President Clinton did. Clinton lost the health reforms in 1993 and Congress in 1994. Two years later, he had a relatively easy reelection victory over Bob Dole. The problem for Republicans is they don't even have presidential timber as credible as Bob Dole right now.

Do you run a good ol' southerner like Haley Barbour against the first black president? Does Sarah Palin get savvy enough to ride a Fox-fueled lightning bolt of anger to the White House? Can Mitt Romney fill out his cardboard persona with flesh? Newt?

One more thought.

As early as last spring, more so by August, and certainly by the end of 2009, Republicans were quick to point out that the misadventures, miscalculations and outright malpractice of the Bush-Cheney president were now under Obama ownership. It's a crazy notion embraced by Ivy League educated people who know good politics even if it means getting fast food grease on your necktie. We live in a fast food society and we expect instant results. Humpty Dumpty should go from omelet and back into shell; Obama should get the toothpaste back in the tube.

The odds were so stacked against him and are even more so today. We just can't wait to get the Republicans back in control so they keep a lid on things. ❖



Jasper Mayor Bill Schmidt (left) and House Minority Leader Brian Bosma look on as State Rep. Scott Pelath takes on the tax caps. (HPI Photo by Brian A. Howey)

A bitter pill for cities as Bosma feels their pain

By **BRIAN A. HOWEY**

INDIANAPOLIS - Hizzoner, Brian Bosma feels your pain.

You're just going to have to writhe with it for a couple more years.

House Minority Leader Bosma, a big proponent of Gov. Mitch Daniels' property tax caps, appeared at the Indiana Association of Cities and Towns Conference on Tuesday and told the mayors what they didn't want to hear. He acknowledged that now with the tax caps likely to be chiseled into the Indiana Constitution, mayors and councilmen and women "face tremendous challenges in your community. I understand the strain you're all under."

But as far as the "flexibility" that legislators and Daniels often talk about - like allowing cities to decide for themselves whether to install option income taxes - it won't happen in 2010. "Flexible options have to be looked at in the future," Bosma said. Instead, he urged them to use HB1362 to merge, consolidate and create co-ops. "You can do anything you want with any of the governments which touch your borders."

Bosma noted the Zionsville merger with two townships as well as the Perry and Franklin township mergers with the Indianapolis Fire Department as examples. "It can happen," Bosma said. "It's tough medicine, but I want to encourage you to explore those options."

State Rep. Scott Pelath earned wide applause when he described himself as one of the few legislators to vote against the tax caps twice. He described his lifetime in Michigan City and said, "I don't want to live anywhere





else." And he said that taxpayers there expect the streets to be plowed, the sidewalks cleared and the city to be "vibrant."

Pelath said he has been told that he had "courage" to vote against the caps, but explained, "Let me tell you, it's not a very courageous position as long as you take the time to explain it to constituents."

The Democrat believes that the caps will threaten the "health of our cities" because the people will need the services that face budget cuts due to the cap constraints. "We need safe streets and quality of life," he said.

Plainfield Town Manager Rick Carlucci likened the caps to the 2008 incident where a confrontational man was subdued by police, pleading, "Don't tase me, bro." He said that with the caps, cities and towns could no longer afford unfunded mandates from the state.

Again, Bosma was sympathetic. "You'll receive a lot of support for that in the legislature. That debate must now change. I agree with you wholeheartedly." But Pelath explained, "All 150 legislators will say they agree with you unequivocally and then they just keep doing it."

Goshen Mayor Allan Kaufmann asked if road funding would increase. "No," said Pelath, the second ranking Democrat on the House Ways & Means Committee. "Certainly not in the short term."

Bosma said the "next solution" to that would be the "next Major Moves" where the state will attempt to leverage money out of underused assets.

Mishawaka Mayor Jeff Rea, a Republican, explained that while Daniels and Bosma have called for "creativity," that will only take cities so far. Mishawaka, for instance, has joined Angola, Lafayette and Highland in a health insurance trust to try and contain the 15 percent annual increases in insurance costs. He noted that of Mishawaka's \$40 million annual budget, \$8.5 million deals with health insurance. But the trust won't save the city money. He hopes it just keeps the annual increases in the 3 to 5 percent range.

Rea fears the caps will force cities to cut parks and recreation budgets. "We're trying not to cut into public safety. It's made contract negotiations very tough."

While the caps change the revenue streams for cities, collective bargaining agreements haven't changed along with them.

South Bend Mayor Stephen Luecke, a Democrat, noted another problem.

South Bend and LaPorte have been the targets of lawsuits over sidewalks and American Disability Act standards. "Do you lay off firefighters to put in new sidewalks?" he asked.

Rea said that mergers and consolidations can work, but mentioned a study that showed that municipalities under 10,000 people can find cost savings, but

less so with cities above that population. Luecke noted a case where neighboring Penn Township recently added 30 firefighters. South Bend suggested a mutual agreement to cover parts of the township with nearby city firehouses. The offer was rejected. "They tell you they don't want Unigov," Luecke said.

And Luecke called the caps a precursor to an end to annexations, saying that mayors will now begin asking themselves, "Can I afford to annex any longer?" ❖

IMMIGRATION BILL RETURNS TO SENATE: Indiana could have tougher immigration standards if a bill before the Indiana Senate becomes law (Downs, HPI/Franklin). The Senate Bill 213 would require contractors E-Verify, a software system set up to check people's citizenship, and would increase penalties for using false identification. The bill passed the Senate Pensions and Labor Committee, 9-0, and was sent to the Senate Appropriations Committee. The bill's primary sponsor, Sen. Mike Delph, R-Carmel, said it will help Indiana deal with immigration without costing money. Delph has introduced similar versions of the legislation in each of the last two sessions of the General Assembly. Sen. Tim Skinner, D- Terre Haute said he like this bill because it argues the legal side of the debate on unauthorized aliens, and not the business side. The biggest change this bill could make is that employers will no longer have to verify that their employees are citizens but the contractors of Indiana will, said Sen. Phil Boots, R- Crawfordsville. Contractors will now have to go through E-Verify to check their new employees' status as an American citizen, said Boots. He said E-Verify doesn't allow contractors to check the employees they have now, only future employees. "(SB 213) will help us going forward," said Boots. "It won't help us going backward." The bill likely will move to the Senate floor for second reading on Monday.



MARRIAGE AMENDMENT PASSES JUDICIARY: This morning the Indiana State Senate Judiciary Committee passed SJR-13, the proposed constitutional amendment to ban same-sex marriage and civil unions. The legislation passed on a vote of 6-4 party line vote with one senator out of the chamber at the time of the vote (Blue Indiana).

NO WORD ON OXLEY: No one in state government seems to know whether or when Rep. Dennie Oxley, D-Taswell, will return to the House. (Lemon, HPI/Franklin). Oxley suffered a heart attack in November. "All I can do is refer you to the family," said John Schorg of House Democrats. The family has not responded to several calls. ❖



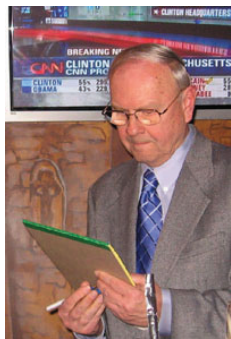
Clark sees Donnelly-Walorski as a hot race

By JACK COLWELL

SOUTH BEND - Indiana Republican Chairman Murray Clark says the 2nd Congressional District race, with Jackie Walorski skewering Democratic Congressman Joe Donnelly, "could be the most exciting in the state" this fall.

In an interview during a stop in South Bend, the state chairman also said:

1. The main focus of the GOP organization, working with Gov. Mitch Daniels, will be on capturing control of the Indiana House. That would give Republicans complete legislative control during Daniels' final two years as governor and enable Republicans to draw the new legislative districts after the 2010 Census.



2. Daniels is serious about wanting new districts, state legislative and congressional, to be more compact, without weird shapes of traditional gerrymandering, and the governor "absolutely" would veto a map with such irregular district boundaries. Clark said a map enabling Republicans to win a majority of House races can be drawn without blatant gerrymandering.

3. Republicans suffered losses nationally in the '06 and '08 elections because "the Republican Party lost its brand," with a GOP Congress and administration spending more, not less, and growing government, not restraining it. "The American public punished us," Clark said, and the party must convince voters that it has learned its lesson.

4. Daniels, drawing more national attention, "has become the poster child for what our brand should be," Clark said. But a Daniels' presidential bid? "He hasn't told me anything other than he's not interested."

While political party chairmen sometimes predict only sure victory for their candidates and belittle the opposition, Clark avoided such hyperbole.

In discussing the 2nd District race, Clark described Donnelly as "a nice fellow" who, like Democratic Sen. Evan Bayh, has crafted a moderate image that is popular in Indiana.

But Donnelly "has the problem a lot of Democrats do," Clark said, citing votes for health care and stimulus funding.

Although President Obama was the first Democrat to carry Indiana in a presidential election since 1964, Clark sees "buyer's remorse," with the president's popularity

plummeting in Indiana.

That, the chairman said, and an anti-incumbent feeling toward members of Congress, help to make Donnelly vulnerable.

Walorski, a state representative who was encouraged to run by the National Republican Congressional Committee, is viewed by Clark as the type of challenger who can reverse the situation of the '08 race, when Donnelly won big against token opposition.

"Jackie is tough, seasoned and articulate," Clark said.

She will get help from the NRCC and the state party organization, Clark said, with prospects of the 2nd District race being in the national spotlight as Republicans seek to reclaim a majority in Congress.

Clark was less confident of an ability to successfully challenge Bayh. While Bayh could face some of the same problems politically as Donnelly, Clark said no potential challenger has shown thus far the ability to compete in the manner that Walorski has at the district level.

Bayh has a huge fund-raising advantage and has been voted for by Hoosiers in election after election, Clark noted.

The chairman also said many Republican candidates in Indiana this fall, especially for the Indiana House, will be helped by the success of the governor and state legislative Republicans in pushing a constitutional amendment on property tax caps to a referendum vote this fall.

That proposal is expected to bring out additional voters who will vote for the caps and for Republican candidates as well.

Although many Democrats in the House were skeptical about whether the caps really will hold down taxes, especially those of homeowners, most of them voted to put the proposal on the ballot. Those who didn't, Clark said, will hear about it in the fall campaign.

A potential danger as well as a potential plus for Republicans, Clark said, are the Tea Party protests.

The people at the protests, concerned about taxes, health care proposals and the response of government, would seem more likely to vote for Republican rather than Democratic candidates. And Clark hopes they will be energized to do just that.

He is aware, however, that many of them are displeased with Republican as well as Democratic incumbents. That's why he is so concerned that Republicans show they have learned a lesson from '06 and '08 defeats.

It would be "disastrous" for Republican candidates, and helpful to Democrats, Clark said, if the Tea Party protests brought a third-party movement. ❖

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



Jerry Davich, Post-Tribune: President Barack Obama preached in the spirit of the Rev. Martin Luther King Jr. behind the pulpit at Vermont Avenue Baptist Church in Washington, D.C. "Folks ask me sometimes, 'Why do you look so calm?'" Obama told parishioners on Monday, MLK Day. "There are times when I am not so calm. During that time, it is faith that brings me calm." I found Obama's last line most telling. Not because he relies on his faith to settle his nerves, fears and worries. But because Obama's believers will need a similar faith to calm their rising dismay, disappointment and disillusionment over his first year in office. As we mark Obama's one-year anniversary in the White House, it's not hard to find rampant doubts and biting criticism from the American people -- and I'm talking about his own supporters. His presidency to date has been a sitting-duck target for critics, but I expected this regardless of his accomplishments or failures. A recent CBS-TV poll shows that Obama's approval rating has dropped to 46 percent, reportedly the lowest ever at the beginning of a president's second year in office. This doesn't surprise me at all. Let's face it. His approval rating had to plummet because most of his supporters had unrealistic visions of his seemingly limitless powers from the Oval Office. He would stop the war. He would halt the housing crisis. He would rescue the economy. He would create jobs. He would secure health care for all. He would leap tall buildings in a single bound. Not to mention the added pressure of being the first minority in office and even more expectations from "his people." I asked around about Obama's local approval rating and I received mixed results from voters on both sides of the political aisle. Some are losing the faith. Others never had it to begin with. Most are profoundly dissatisfied. "I am disappointed," someone told me. "I do not see the change in transparency. It is still business as usual in (Washington) D.C." ❖

Sylvia Smith, Fort Wayne Journal Gazette: A resurrection of Dan Quayle? Two announcements last week got political tongues wagging at the prospect that the former vice president/senator/congressman is back in the game. The Senate or even presidential aspirations of Rep. Mike Pence? The political tea leaf-readers saw that interpretation in Pence's hiring of a nationally known and experienced political operative. In an environment where the slightest move is examined for its underlying meaning, the activity around Quayle and Pence was sliced, diced and served on the political menu. Are the interpretations half-baked? Early in the week, Quayle publicly endorsed a candidate in the Republican Party's contest for the New Hampshire Senate nomination. Late in the week he endorsed a Republican in a suburban Chicago House race.



Since leaving the national stage after his fizzled attempt to win the 2000 GOP presidential nomination, Quayle has been minimally involved - at least publicly - in his party's doings or public policy. So these endorsements, which came on top of a fund-raiser he did for a Hoosier Republican trying to unseat a Democratic congressional incumbent, made some folks wonder whether Quayle is hoping for a comeback. A rational person might say: How do you make the leap from the endorsement of a couple of Republicans to a Quayle candidacy? If you've been bitten by the political bug or watched it up close, you know there's no vaccination against wanting to recapture the sense of power, prestige and adulation. So the idea of Quayle as a 21st century candidate is not far-fetched. If Quayle were interested in re-establishing himself as a national Republican figure, one approach is to become a factor in a Senate race that is emblematic of the internal struggle of the GOP: the near-Libertarian Tea Party-esque candidate (Quayle's choice) vs. the more conventional Republican. That's possible. But here are another set of background notes: The New Hampshire candidate was Quayle's state chairman when he was trying to win the GOP presidential nomination. In short, Quayle may simply be returning a favor, not taking sides in the intra-party struggle. His appearance at a fund-raiser for Todd Young in southern Indiana was, indeed, a personal favor. Young is married to a relative of Quayle's wife. ❖

Doug Ross, Times of Northwest Indiana: On Thursday, President Barack Obama took a step toward fulfilling his promise of changing the way the federal government operates. I'm curious how much of this zeal will filter down to the local level. The White House Forum on Modernizing Government brought together CEOs from a variety of corporations to discuss with federal officials ways to quickly transform the federal government's interaction with its citizens. On Thursday, Lake County Attorney John Dull unmasked himself as the author of a series of memos on ways to improve operations of Lake County's government. He called himself Publius Valerius Publicola, and collectively published this Federalist Papers-styled collection of essays as the Lake-itis Papers. Dull said he is revealing himself as the author after neither of his goals -- implementing the Good Government Initiative efficiency recommendations suggested by Maximus and developing a more equitable local option income tax -- was realized. His latest missive -- this time with his real name -- shows the level of frustration in Lake County at the sluggishness with which local government is changing. Perhaps the Obama administration can transform the federal government more rapidly. Perhaps the local folks will be inspired to act similarly. ❖



HRCC reports big money edge over Dems

INDIANAPOLIS - Financial reports by the two Indiana House campaign committees shows an edge for Republicans.

The House Republican Campaign Committee reported \$608,569 cash on hand, compared

to \$396,766 for the House Democratic Campaign Committee. Minority Leader Briam Bosma reported \$368,522, while Speaker B. Patrick Bauer posted \$359,398. Together, HRCC and Bosma together raised \$ 678,528 more than Bauer and HDCC. Bosma and HRCC posted a 22 percent increase over what it reported in 2007, while HDCC and Bauer reported 11 percent less than they did in 2007.



Obama ponders scaled down health reforms

WASHINGTON - President Barack Obama and his Democratic allies are conceding for the first time that they may have to accept a less ambitious health overhaul bill than the massive one they've struggled for a year to assemble (Associated Press). Shorn by Massachusetts voters of their pivotal 60th Senate vote and much of their political momentum, the White House and congressional leaders are considering a more modest version of Obama's top legislative priority. It could focus on curbing insurance company practices like denying coverage to sick people and on helping low-earning people and small businesses afford coverage, officials said. Also fueling the Democratic search for a fresh health care strategy is a conviction by many in the party that it's time for an election-year focus on jobs and

the economy, which polls show are easily the public's top concerns.

Indiana applies for Race to the Top funds

INDIANAPOLIS - Indiana is asking the federal government for half a billion dollars in the Race to the Top competition for education money, double what the guidelines say the state is eligible to receive (Soderlund, Fort Wayne Journal Gazette). As part of President Obama's education stimulus package, Race to the Top will make \$4.4 billion available to school districts willing to make serious changes to struggling schools. Obama announced Tuesday he plans to add \$1.3 billion in his fiscal year 2011 budget proposal to continue Race to the Top. Based on population, the U.S. Department of Education Web site indicates Indiana could receive between \$150 million to \$250 million. "Indiana submitted a \$500 million application because we know Secretary (Arne) Duncan is committed to investing in states that will make systemic and long-lasting reforms," Superintendent of Public Instruction Tony Bennett said. "I believe there is no better investment than in Indiana. Our plan deserves this type of historic funding."

Kenley douses social promotion bill

INDIANAPOLIS - Less than 24 hours after Gov. Mitch Daniels called for schools to stop promoting third graders who can't read, a key state senator said the proposal would be too expensive to pass this year (Weidenbener, Louisville Courier-Journal). Senate Bill 258 would require schools to identify struggling readers and retain them if they are not proficient in reading at the end of third grade. It then calls for 90 minutes per day of intensive instruction to bring those students up to grade level. That alone could cost schools

\$20 million annually, according to an analysis by the nonpartisan Legislative Services Agency. That's too much, said Senate Appropriations Chairman Luke Kenley, R-Noblesville, who also serves on the education committee. "I hope you understand that," Kenley told Tony Bennett, the state superintendent of public instruction, who supports the bill and testified Wednesday. "The fiscal (impact) is so large I don't see how we can possibly pass the bill out of the Senate this year." House and Senate leaders have banned their members from introducing or moving legislation that will cost money, a rule that went into effect this year as Daniels announced budget cuts to deal with a revenue shortfall.

Walorski, Stutzman push for states rights

INDIANAPOLIS - Rep. Jackie Walorski, R-Jimtown, presented her resolution to about 40 supporters Wednesday morning that would claim Indiana's sovereignty under the Tenth Amendment (Coffin, HPI/Franklin). House Concurrent Resolution 10 says that "the states are demonstrably treated as agents of the federal government" and "many federal laws are in direct violation of the Tenth Amendment to the Constitution of the United States." The resolution also calls for federal legislation deemed in violation of the Tenth amendment be "prohibited or repealed." Walorski said 14 other states have similar legislation. Walorski asked those in attendance to take copies of the legislation to House Speaker Pat Bauer, D-South Bend, and tell him they want it heard. She said it will take pressure to get the speaker to put it on the floor. "[The resolution] basically guarantees the sovereignty of the state of Indiana so that as we see these unprecedented mandates happening at the federal level... that we basically say together as a state that the time of this is over," Walorski said. "The federal government is usurping the state's author-



ity, and by doing that they're usurping our authority as citizens." Sen. Marlin Stutzman, R-Howe, said the Senate has been working on legislation like this and actually passed similar language last year. "Right now, federal government continues to reach further and further, taking over the responsibilities that the states have specifically in the Constitution," Stutzman said. However, Rep. Russ Stilwell, D-Boonville, said he doesn't think legislation is worthy to come to the floor unless "it's slowly vetted in a committee to make sure it is reasonable enough to come for a vote." "Maybe she (Walorski) is running for Congress more than she is serving in the state legislature," Stilwell said. "I don't know if that'd be the case, but it might be indicative of that."

Smoking ban passes House committee

INDIANAPOLIS - Smoking would be banned in most public places statewide in Indiana under legislation endorsed Wednesday by a House committee (Louisville Courier-Journal). The bill approved by the House Public Policy Committee on a 7-5 vote would ban smoking in restaurants, bars and other places where the public is allowed. Casinos and pari-mutuel horse racing venues would be exempt, however. The bill now moves to the full House, which passed a similar bill last year that failed to pass the Senate and died during late-session negotiations. "This is a bill whose time has come," said Rep. Charlie Brown, D-Gary, the bill's primary sponsor. "Secondhand smoke does a lot of harm to people who don't smoke."

Johnsen nomination may be in trouble

WASHINGTON - The prospects for Dawn Johnsen's confirmation as head of the Justice Department's Office of Legal Counsel took a hit last night (Powerline). When Sen. Arlen Specter had said he would support Johnsen, whom he had previously opposed, it

appeared that Johnsen might have the necessary 60 votes. But once Brown takes his seat, she will probably max out at 59.

Baird files for HD44

INDIANAPOLIS - Bill Baird has filed his candidacy to challenge State Rep. Nancy Michael this morning. Baird is a former Putnam County Purdue extension agent and runs an in-home health care company (HPI).

2 file for Sipes seat; Leatherbury running

INDIANAPOLIS - In Senate District 46 - now represented by retiring Sen. Connie Sipes, D-New Albany - two candidates filed to run. Floyd County Commissioner Chuck Freiburger will seek the Democratic nomination. In the Republican primary, New Albany-Floyd County School Board member Lee Ann Wiseheart filed as well. She is expected to face Jeffersonville City Councilman Ron Grooms, who had not filed by 3 p.m. Filings in other districts by 3 p.m. included: Senate District 47: Sen. Richard Young, D-Milltown. House District 66: Republican Jim Lucas. Incumbent Rep. Terry Goodin, D-Crothersville, said he also filed but his name did not make the state's 3 p.m. list. House District 70: Republican Brett Lloyd of Greenville. House District 71: Incumbent Rep. Steve Stemler, D-Jeffersonville, said he filed, although his name did not make the state's 3 p.m. list.

Henry, Ballard have big war chests

FORT WAYNE - While Mayor Tom Henry has been mum on his future political life, he has been raising money like someone preparing for a re-election campaign (Lanka, Fort Wayne Journal Gazette). The mayor raised nearly \$290,000 in 2009 and has almost \$350,000 in his campaign

war chest almost two years before he would face re-election, according to campaign finance reports that were due Wednesday. Indianapolis Mayor Greg Ballard hasn't said publicly whether he will seek a second term, but campaign finance reports filed Wednesday show that the first-term Republican mayor has more than adequate cash to run again in 2011 (Indianapolis Star). Ballard has a little more than \$1 million in campaign money.

Blumenberg defies DLGF takeover

GARY - Calumet Township Assessor Booker Blumenberg shot back at a state official Wednesday, accusing him of unethical behavior and making false claims to discredit Blumenberg's office (Post-Tribune). A spokeswoman for Timothy Rushenberg, commissioner of the Indiana Department of Local Government Finance, said Friday his office would complete assessments for Calumet Township after a ratio study revealed continued errors in Blumenberg's work. Those errors are the only thing holding up Lake County tax bills, according to Rushenberg's office. However, Blumenberg wrote in his letter to Rushenberg that his decision changes nothing. "You and the DLGF will make a few keystrokes to generate trending factors and take the credit," Blumenberg wrote. "But you will be taking credit by stealth. Nothing has changed. There is no 'takeover.'" Mary Jane Michalak, Rushenberg's spokeswoman, said there seems to be "confusion" in Blumenberg's letter about the role of the DLGF and Blumenberg's duties as township assessor. She said the DLGF will conduct the annual adjustment for Calumet Township.