



### Burton's exit sets off 5th CD scramble

Dean of the delegation retires, setting off a fight between McIntosh, McGoff, Brooks, others

By **BRIAN A. HOWEY**

NASHVILLE, Ind. - For weeks, the speculation was that U.S. Rep. Dan Burton would not make it to the filing post in the 5th CD. Howey Politics Indiana reported sources in early January saying Burton was out of touch with his district, was finding fundraising difficult, his staff divided on whether to pursue another term as the most vulnerable Congressional incumbent, his wife was facing health problems, all while a prestigious challenger field was raising upward of \$1 million.

Burton told one district chair in early January that his wife might be facing surgery. "He said that if she has to have surgery, then he would put family ahead of the race," the chairman said. "I thought it was very odd for him to tell me this. It had the appearance of leaving him a graceful way out."

"He was totally clueless as to why Kittle and the boys were backing McIntosh. He had no idea that it was



part of a deal to benefit Messer by getting McIntosh out of 6th District. He had no idea that Murray Clark was backing Susan Brooks. He did not know that the Madison County chairman's wife is heading up McIntosh's campaign in Madison County. He did not know the Boone County chairman. He did not know Jennifer Ping."

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### Revenge and Right to Work

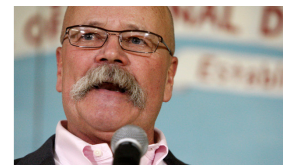
By **BRIAN A. HOWEY**

INDIANAPOLIS - Before the ink in the pens of Gov. Mitch Daniels dried on the Right to Work law he signed Wednesday afternoon, there were sinister stirrings. There was talk of ... retribution.



From the quivering lips of B. Patrick Bauer, from the lungs of Terry Goodin, to the bellows of Nancy Guyott and scores of brothers and sisters under the rotunda, the message is clear: there will be hell to pay come Election Day in November.

How serious is such a threat? From a practical standpoint, the



**"It's time to move beyond this divisive issue. Indiana needs a governor and a legislature that show up for work every day and work together with one focus - creating jobs."**

**- John Gregg, on Right to Work**



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Democratic base is stoked, as are the unions in Northwest Indiana (see Rich James' column on Pages 5 and 6). With the UAW now headquartered out of state, base motivation cannot be taken for granted.

Bauer, channeling his inner Samuel L. Jackson/Pulp Fiction, said on Wednesday, "There will be accountability demanded from those in the Indiana General Assembly who helped the governor deliver on his promise. Indiana House Democrats will continue to make it clear who caused this mess when the unemployment numbers stay high, and Hoosiers keep earning less than workers in other states."

Senate Minority Leader Vi Simpson vowed from the Statehouse steps Wednesday to continue the fight "in November 2012."

And AFL-CIO President Richard Trumka said in Highland on Tuesday, "They will pay a price at the polls."

We know that a Hart Research Poll released early last December on behalf of the AFL-CIO showed 47% said that they opposed right-to-work legislation, while 38% supported it.

But then there was that Public Opinion Strategies Poll in mid-December conducted on behalf of the Indiana Realtors that showed 56% support the Right to Work legislation and 32% opposed.

**Among swing voters**, POS showed 56% of independents backed the legislation (and 40% of the Democrats). And that POS Poll showed, decisively, that 68% disapproved of the House Democratic walkout. The governor's "Opportunity Fund" TV ads stroked on that point, and multiple sources tell me that it had a real impact inside the Democratic caucus.

How do the governor candidates respond to the new law?

U.S. Rep. Mike Pence lauded passage, saying, "Making Indiana the 23rd Right to Work state in America is a victory for economic freedom and Hoosier workers. Ensuring freedom in the workplace will make Indiana an

even better place to do business and help create new jobs for Hoosiers."

Democrat John Gregg had described to HPI the "overreach" on RTW and how "it made me speaker and it will make me governor."

**But on Wednesday**, Gregg, who was largely silent on the issue during the month of January, sounded conciliatory and not reeking of revenge. "It's time to move beyond this divisive issue," Gregg said. "Indiana needs a governor and a legislature that show up for work every day and work together with one focus— creating jobs, whether it's for a union or non-union workplace. Because in the end, it doesn't matter if you're in a union or not. If you get laid off, you're not bringing home a paycheck."

House Democrats and Hammond Mayor Tom McDermott Jr. were "livid" with Gregg's remarks. "I thought us Democrats were supposed to be on the same page for this issue?" McDermott said on Facebook. "John must have missed that memo."

Kokomo Mayor Greg Goodnight, a potential Democratic lieutenant governor nominee and former union official, told the Kokomo Tribune that RTW will prompt union reforms, "Sometimes you have to have that heart attack or something that makes you change your lifestyle or focus on things a little differently."

It's easy to predict that Democrats will theme TV ad campaigns nationally on the revival of General Motors (now the top automaker in the world) and Chrysler (which just posted record profits). If the jobless rate falls, however, that may take some of the punch out of an RTW counter.

**Republicans will** campaign on making the state more receptive to companies who balked at the status quo. But there will likely be little statistical evidence that the law is bringing new jobs. And they can campaign on the Democratic walkout.

Revenge can be a sword with two blades. ❖



## 5th CD, from page 1

In mid-January, Burton put out a statement vowing to stay in the race and win. But on Tuesday morning, Burton huddled with his brother, State Rep. Woody Burton, and State Sen. Mike Delph at the Marriott Hotel across the street from the Statehouse. It was there that he dropped the news: there would be no 16th term.

"He wanted to make the decision well known in advance of the filing deadline," said Delph, a former aide to the congressman. Within the hour, Burton was on the floor of the Indiana House – the place where his political career began.

"I wanted to come down here today and tell you that I started my career here, and it's been a wonderful run; met presidents, kings, princes, been all over the world," Burton said. "It's been an experience that I cherish. This will probably be the last time I will be addressing you folks – (I'm) not going to run for Congress again this year. I wanted to end my career where it started because I love this place."

Burton, 73, was quick to thank Delph, who had tweeted the impending announcement earlier in the morning. Burton indicated that "others" might get into the race, raising speculation that Delph could soon enter.

Within the hour, the 5th CD race was turned on its ear. Former Congressman David McIntosh, former District Attorney Susan Brooks and former Marion County Coroner John McGoff were frantically seeking aid from Burton's known and dwindling circle of political supporters. The Burton announcement had disrupted all of the game plans. Others, like Delph and Marion Mayor Wayne Seybold, pondered whether to enter the race just 13 weeks out from the May 8 primary.

State Rep. Eric Turner told HPI Wednesday, "Seybold is receiving many calls to run for Congress in the 5th District. His name has also been suggested as running mate for governor candidate Mike Pence. He and his wife, Jennifer, are seriously considering this opportunity now that Dan Burton has retired. Wayne is often referred to as Indiana's most aggressive mayor, having been on many overseas trips searching for jobs for his hometown of Marion."

Delph would face a fundraising prohibition until the Indiana General Assembly sine die on March 14, essentially losing six crucial weeks of fundraising and a severe crimp in scheduling. He also just started a new job with a Bloom-

ington company.

"I've gotten a lot of phone calls today. I've got a lot to think about, to pray about," Delph said. "Obviously, there's a time clock that's ticking as well."

Former Congressman McIntosh, who won the 2nd CD in 1994 after State Auditor Ann DeVore forgot to file her candidacy papers and when U.S. Rep. Phil Sharp decided to retire, told HPI, "That's huge. Now we're off to the races in an open seat."

After McIntosh won what at the beginning of the 1994 cycle would have been an improbable nomination, he was swept into the House over Democrat Joe Hogsett as part of the Gingrich revolution. He left the House in 2000 to unsuccessfully challenge Gov. Frank O'Bannon.

For the past 12 years, McIntosh has practiced law in Washington, though he maintained a residence in Pendleton. He originally planned to run in the 6th CD, but former Republican Chairman Jim Kittle, National Committeeman Fred Klipsch and Al Hubbard encouraged McIntosh to set his sights on Burton in the 5th.

McIntosh has raised \$426,783, including \$104,145 in the fourth quarter, and has \$314,218 cash on hand.

Brooks called the Burton decision a "game changer" and added, "Those are voters that will now obviously be looking for a new voice and a new representative."

She was coming off a good money thrust, reporting \$446,828 raised for the cycle, \$107,462 for the 4th quarter, and had more than \$325,000 cash on hand.

"This strong support is the clearest indication yet that the people of the 5th District are ready and eager for new conservative leadership in Congress," Brooks said. "It is especially gratifying that the voters of the new 5th District are willing to support someone who is not a traditional politician, someone who has never run for office, who is willing to challenge the status quo and irresponsible policies in Washington."

McGoff, who first challenged Burton in 2008 and raised eyebrows when he drew 45% of the primary vote, called it "an end of an era." McGoff added, "He has always been the voice for strong conservative values and that is why voters continued to re-elect him since 1982. This is truly the end of an era. At this point, we're not sure what the family health concerns are, which Congressman Burton alluded to in his announcement, but I want to let him know that my family will keep the Burtons in our daily thoughts and prayers."

McGoff campaign spokesman Brian Jessen noted that while McGoff reported about \$98,000 in the fourth quarter, "Within the last 24 hours, we've raised over



**U.S. Rep. Dan Burton with State Sen. Mike Delph in the Indiana House Tuesday.**



\$18,500 in unsolicited money via the website. The other candidates (and members of the mainstream media) need to realize that John has raised and spent over \$700,000 in the last two primary elections strengthening his name ID across vital parts of the 5th District."

Jessen continued, "In addition, we have knocked on over 18,564 doors (of which John has personally knocked on over 5,000 of those doors), we have made over 50,000 phone calls, attended over 500 events and created an experienced campaign organization with a large network of supporters. The other candidates in this race are starting well behind when it comes to the voters awareness and knowledge of them. They have just over 90 days to achieve the level of name ID that John currently enjoys. Remember: John carried Marion (in '08 and '10) and Hamilton Counties (in '08). Today these two counties represent over 60% of the votes in the District."

McIntosh said the polling his campaign released shows, "It's a conservative distrust and people are already thinking about a conservative successor. Dan has served the district well and I want to thank him for that service."

Earlier in the week, McIntosh campaign chairman Devin Anderson released polling data that showed Burton stuck at 29%, the same percentage he had when he barely fended off Luke Messer in the 2010 Republican primary.

In a Wednesday memo, McIntosh pollster John McLaughlin explained that McIntosh "is in a prime position to capitalize from Congressman Dan Burton's exit. David McIntosh ... has a substantial lead over the other candidates and it will be tough for them to close the gap. If the candidates raise and spend a similar amount of money, it would be very difficult for the other candidates to make up ground. In a recent survey, the results showed the Republican primary for Congress was a two-person race between Dan Burton and David McIntosh. The results illustrate that without Dan Burton in the race, David McIntosh is the clear frontrunner. He is more than twice as strong as any other candidate. McIntosh benefits the most from Congressman Dan Burton's exit from the race. By greater than a 2

to 1 ratio (38% to 14%), Dan Burton voters go to David McIntosh. With Congressman Dan Burton's retirement, David McIntosh will gain more momentum and be the clear choice in the Republican primary for congress."

The McLaughlin memo notes that McIntosh's fav/unfavs stand at 43/6%, compared to 24/3% for McGoff and 8/3% for Brooks. It notes that 59% have never heard of Brooks.

In an earlier survey which showed Burton at 29%, released on Jan. 18 to the campaign, McIntosh came in second at 20%, McGoff at 14%, Jack Lugar 11% and Brooks 4%. The survey included 303 GOP primary LVs and the margin of error was +/- 5.7%. Anderson told HPI, "It speaks very well for David and the race hasn't really begun. It's bad news for Susan. Even if she raises a lot of money, she has so much ground to cover it's hard to see a successful path for her. She finishes last with 4% and even behind Jack Lugar."

Brooks campaign chairman Murray Clark told HPI the poll was conducted by a former McIntosh campaign manager and paid for by friends in the Federalist Society, and it followed more than a week of McIntosh TV, which was still running Wednesday morning.

"The use of this poll is presumptuous if not disingenuous," Clark said. "It's complicit in creating a self-fulfilling prophesy. This campaign is in the bottom of the first inning."

Anderson told HPI on Wednesday that the "bottom line is David and Susan are equal in cash, but with Dan out of the race, the dynamic changes and I believe to David's benefit. Pete Session, chair of NRCC, invited David this morning to join the NRCC Young Guns program for open seats and challengers. There are only 30(ish) candidates in this program nationally but Luke Messer and Jackie Walorski are too."

Moving forward, McIntosh and Brooks are setting the standard with fundraising. McIntosh has higher name ID, a very experienced staff, and has established key relationships with various Tea Party groups, an important asset in the primary. Brooks likely will be endorsed by most of the Marion County township GOP chairs and has key backers in Lt. Gov. Becky Skillman and Clark. She has a wide network of local officials and fire and law enforcement personnel in the district that she has worked with in the past. She has already engaged a wide network of female Republicans. Lugar is a name ID phenomenon who has virtually no money (\$899 at the end of December). McGoff has name ID, a great resume but needs to pick up his fundraising.

The nomination will be decided on who can get the most traction via the money route with direct mail and TV. Right now that appears to favor McIntosh and Brooks.

**Horse Race Status:** Leans McIntosh. ❖



Susan Brooks (top) and David McIntosh: Early money leaders.



## No Florida sunshine for Newt Gingrich

By **MARK SOUDER**

FORT WAYNE - My warning a few weeks ago about the Grinch who stole South Carolina certainly came true in Florida. The angry Newt appeared as Florida began raining negative ads instead of providing more sunshine.

Mitt Romney seems a lot like George H. W. Bush, a refined, decent, likable man who might be a bit of a "wimp." Truth is, Bush 41 was an athlete and war hero but he seemed like a "wimp" because Reagan made him seem to cower in a debate and then the Democrat Congress made him weakly accept a tax increase after his memorable "read my lips, no new taxes" pledge. Well, Mitt was no perceived wimp in Florida.



After going after Gingrich repeatedly in the two debates, and discovering that Newt not only had thin skin but only the thinnest of thin skins, Mitt also took it to Newt in his speeches and in millions of dollars worth of ads. In what has to be an all-time record, in the last two days Santorum and Paul ran zero television ads, Newt ran 200, and Mitt ran 13,000 ads. You read that correctly: 13,000 to 200. There are no referees in politics to stop the fight.

Here are some post-Florida takeaways:

**1.** Romney needed 50% after all the hype but 46.4 is still an amazing turnaround from two weeks before. Because polling was going so well the last days, and early returns had him at 50% and Newt over 20% behind, a 14.5% victory wasn't the knock-out he needed. Still, it put him in a strong position and revealed Newt's weaknesses.

**2.** Newt received 31.9% which would have been respectable had he not been way ahead post-South Carolina. The angry Newt re-appeared. He united movement conservatives and moderates against him. The list of conservative luminaries siding against him ranged from Mark Steyn, Ann Coulter, Michelle Malkin, Michael Medved and Pat Buchanan to Bill Bennett, Bob Tyrrell, Michael Gerson, George Will and Charles Krauthammer. Their words were not minced either. The combined effect was a warning that Newt could nuke the entire conservative cause.

**3.** Santorum had no money again. Most observers felt he won the two Florida candidate debates. Winning debates minus money equals 13%. Santorum really needed 15%. He must show that he can raise enough money to compete with President Obama. The Republicans cannot capture the Presidency by just competing in Iowa and the

small states.

**4.** Santorum was stretching it that Gingrich had his big chance and blew it, meaning the non-Romney conservatives should unite behind Santorum. I'm for Santorum but it is a tad premature to rule Newt out. He has a least several lives left. The man is never dead.

**5.** The caucus states, depending upon the media source, should favor the organized Romney, the Paul activists, the Tea Party people who back Gingrich or the social conservatives who favor Santorum. They are probably correct.

**6.** The media seems perplexed that those who are very conservative will not unite behind Mitt. Let me suggest a few reasons: a.) we are afraid that ObamaCare will be taken off the table in the national debate; b.) watch the Massachusetts Senate debate between Teddy Kennedy and Mitt Romney where Mitt shows a passion arguing for abortion rights and homosexual rights, invoking his mother and his upbringing, a passion notably lacking when stating his now conservative values; c.) his mom was a liberal United States Senator; d.) his dad was a liberal Governor who opposed Goldwater and e.) he seems like the epitome of an upper class Eastern liberal. In other words, he's likable, looks like a President, and sounds pretty good right now but can we trust him?

**7.** No one is really, really sure whether the Republican base will really turn out just because they don't like Obama. This problem is over-whelming the need to actually reach the Obama voters who need to switch in order to win. It will be the never-ending dilemma for the Republicans this campaign.

**8.** With all these problems, President Obama isn't exactly a lock to win re-election. The Republicans best bet might be to nominate "lots will be cast in December to pick the Republican President" versus Barack Obama. We'd win hands down.

As Howey Politics Weekly goes to print, Donald Trump has decided to endorse Newt Gingrich. While it is tempting to say that Newt had an ace up his sleeve, it is probably more accurate to say he never plays his cards quite right. He's rolling the dice that his Tea Party and populist supporters will approve of the Donald and his follow-up meeting with fellow casino magnate Sheldon Adelson who has bet \$10 million on Gingrich so far. Odds are it won't work but it has a certain appeal to those who want a "muscular" sort of government that goes in and breaks things, and asks questions later. Minnesota gambled with a wrestler as Governor, which was a disaster and embarrassment. But the facts don't matter to people who love Las Vegas. They go there really thinking they will win. ❖

**Souder is a former Republican Member of Congress.**



## Mitch flips on Right to Work

By RICH JAMES

MERRILLVILLE - I remember sitting across a table from Gov. Mitch Daniels a year ago and hearing him say that he could live without right-to-work legislation and that there were more important things facing Indiana.

Right to Work just wasn't important to Daniels at the time.

The issue is important today, and not for the stated reason that it will bring more jobs to Indiana. No, that is a front for an effort by Republicans to further bring organized labor to its knee.

So, as his parting gesture, Daniels is embracing Corporate America – the folks who made him what he is.

But as Right to Work becomes the law of the land in Indiana, it is becoming increasingly clear that Hoosier Republicans neither appreciate organized labor nor understand it.

In Northwest Indiana, organized labor is a religion – the very faith that built the middle class.

Just a few weeks back, more than 500 union members turned out on a Sunday afternoon at McBride Hall in Gary to plan strategy to fight the Right to Work bill. They were there because they care about the future of unions in this country. I didn't do a head count, but I suspect the vast majority of those on hand had jobs. They just wanted to be sure that those who have jobs in the future are paid a livable wage and have benefits and a safe working environment – the very things their predecessors fought to gain.

While those 500 folks who gathered at McBride Hall may have lost the fight, don't count them out. They have a lot of grit.

You're likely to see a plethora of those "I'm Union and I Vote" bumper stickers appear on cars across Northwest Indiana and much of the rest of the state.

Although unions didn't win this one, is there something to be gained?

Oh, is there.

The operative word in "organized labor" is organized.

This legislation is, perhaps, the biggest blow to unions in Indiana over the last half century. And organized labor isn't going to take it without a fight.

Labor will work feverishly with Democrats in an effort to win back the Indiana House and make inroads in the super majority the Republicans hold in the Senate come fall. And those same folks who carry union cards will work relentlessly to see that Mike Pence – who makes Daniels appear liberal – doesn't become governor. Because Corporate America has moved a good bit of manufacturing to Mexico or overseas, union membership has fallen in Indiana.

But that doesn't mean unions no longer are effective. I suspect unions this fall will work tirelessly against anyone running for statewide office or the General Assembly who professes to be a Republican. Those little elephants on campaign literature will become smaller and smaller.

The thing about union members is that they have husbands and wives and brothers and sisters and sons and daughters. While just one in the family may be a union member, they more often than not all support organized labor.

During votes in the Senate and House, Northwest Indiana Republicans voted against Right to Work. That's not because they have a great love for union members, but out of a fear for the strength of organized labor in that part of the state.

Clearly, any NWI Republican voting for Right to Work would have a difficult time winning re-election. Besides wanting to win back the House, the biggest prize for labor is the governor's office.

Until Republicans arrogantly passed Right to Work, I doubt that Democrat John Gregg had much of a chance to be elected governor. Now, I'm not so sure. The momentum that organized labor will generate this fall is what Gregg needs.

Will it be enough to get him elected governor?

That's hard to say, but that same kind of momentum helped Barack Obama become the first Democrat to carry Indiana since Lyndon Johnson in 1964. ❖

**Rich James is the former editorial page editor and columnist for the Post-Tribune in Merrillville**





## Could the Dem House exodus reach a dozen? 9 GOP primary battles

By **BRIAN A. HOWEY**

INDIANAPOLIS - The exodus of long-time House Democrats continued this past week with State Rep. Dan Stevenson giving way to State Rep. Mara Candelaria Reardon in HD11, a district they were both drawn into. There could be as many as a dozen House Democratic incumbents not seeking reelection as the House minority has only 40 members. The caucus has been under intense pressure for two sessions over the Right to Work and other Republican legislative objectives.



Plus, being in such a distinct minority just doesn't have the clout many of these longtime members were used to.

Stevenson joins State Reps. William Crawford, John Day, Jeb Bardon, Scott Reske, Mary Ann Sullivan, Dave Cheatham and Dale Grubb who have decided to retire this cycle. Reske is running for the 5th CD and Sullivan is challenging State Sen. Brent Waltz in SD36.

Several other Democrats - Craig Fry in HD5, Sheila Klinker in HD27, Matt Pierce in HD61, Nancy Dembowski in HD17, Ed DeLaney in HD86 - had not filed as of Wednesday. If Dembowski runs, she will face a rematch with Republican Francis Ellert in HD17.

Other Democrats are lining up. In Day's HD100, Dan Forestal, Jonathan Katz and Zach Mullholland have filed. Former Republican Indianapolis Councilman Scott Keller has filed in HD100 for the GOP. In Crawford's HD98, Robin Shackleford has filed. In Fry's HD5, Jerod Warnock has filed. Former Rep. Sandra Blanton, who lost to State Rep. Matt Ubelhoer in 2010, has filed for HD73. John Barnes, who also lost in 2010, is running in SD32

Stevenson had been redistricted into a seat along with Reardon. "Had I decided to seek re-election, I am confident I would have been successful," Stevenson said, echoing earlier comments from Cheatham. "Unfortunately, I have become increasingly disgusted with a process that has become more bitter and partisan over the past several years. I feel the time is right to leave the legislature with confidence that the citizens of this district will be well served by Rep. Mara Candelaria Reardon," Stevenson said. "She has been a friend and a colleague for the past six



Rep. Dan Stevenson (second from left) with Reps. Dobis, Kruzan, Bales, Klinker and Speaker John Gregg.

years and I support her campaign 100 percent."

Nine Republican incumbents are facing primary challenges. They include HD16 where Rep. Douglas Gutwein is facing Diana Boersma, HD21 where Rep. Tim Wesco is challenged by Randy L. Conner, HD38 where Rep. Heath VanNatter is being challenged by Stephen A. Wilson, HD 48 where State Rep. Tim Neese is being challenged by Jerry Brewton and Randall Ty Weinley, HD53 where Rep. Bob Cherry is facing Sam Weist, HD83 where Rep. Kathy Heuer is facing Keith R. Potter, HD85 where Rep. Phyllis Pond is facing yet another challenge from Denny Worman, and HD91 where Rep. Robert Behning is facing Michael S. Scott.

But the big one appears to be HD50, where all eyes are on whether Rep. Jeff Espich, R-Uniondale, and Rep. Dan Leonard, R-Huntington, will file. Neither had as of Wednesday. Both have told The Journal Gazette repeatedly that they "plan" or "intend" to run.

### **Presidential: Big Romney lead in Nevada**

Newt Gingrich, Rick Santorum and Ron Paul all appear on the verge of making the Indiana Republican presidential ballot this morning. Gingrich has submitted 5,795 signatures to the Indiana Elections Division and lacks on the 7th and 9th CDs. Santorum has turned in 7,255 and lacks only the 9th CD. Paul has submitted 5,722 and lacks only the 7th CD.

A new poll shows Mitt Romney holding a commanding 20 point lead over Newt Gingrich in Nevada, two days ahead of that state's GOP caucuses. An 8NewsNow/Las Vegas Review-Journal poll of registered GOP voters shows the former Massachusetts governor with support from 45 percent to Gingrich's 24 percent support. Former Pennsylvania Sen. Rick Santorum is third with 11 percent and Ron Paul trails with 9 percent.

Real estate mogul and reality show star Donald Trump intends to endorse Newt Gingrich's GOP presidential bid, according to a source close to Gingrich's campaign.

### **Governor: Wallace signature watch**

Republican Jim Wallace has submitted 2,979 signatures to the Indiana Elections Division as of this morning,



qualifying only in the 4th CD. He has until noon Feb. 10 to submit the 4,500 needed to qualify. Mike Pence and John Gregg have already qualified.

John Gregg campaigned in South Bend on Wednesday and was asked about Mike Pence's money advantage. "The money can't vote," said Gregg (South Bend Tribune). As Gregg put it, Pence "has got more money than Fort Knox."

Politico is rating the Indiana gubernatorial race as No. 8 on its top 10 list: 8. Indiana — Rep. Mike Pence's \$5 million fundraising total through six months outpaces even Gov. Mitch Daniels's record tally from 2004. The cash pile puts him far ahead of former Indiana House Speaker John Gregg, who raised a modest \$1.7 million. Democrats had already feared a widening cash gap but now they may also lack the unity needed to topple Pence. Gregg's clumsy and unsuccessful attempt at replacing state party chairman Dan Parker left both men's reputations bruised. Influential reporter Brian Howey of Howey Politics asserted, "That GOP juggernaut core is there for Pence, who is building off it in historic fashion. It's much too late for Gregg to do the same." Who won January: Pence

## **Senate: Mourdock self funds again**

Richard Mourdock's financially struggling U.S. Senate challenge to Sen. Dick Lugar was marked by a third consecutive lackluster FEC report. Roll Call reported that Mourdock has put another \$100,000 of his own money into the campaign, or \$300,000 total.

With the various national groups interested in the race - Tea Party Express, FreedomWorks and Club for Growth - looking for some traction from Mourdock, they did not find it with his 4th quarter posting of just \$386,000 and just \$362,000 cash on hand, about enough money for a half week of statewide TV. "If Mourdock wants to prove his worth to national conservative leaders in the hopes of winning their support, his latest report isn't going to help very much on that front," wrote two reporters for the National Journal's Hotline On Call.

Politico reported on Wednesday: National groups outside Indiana have been hardly engaged in the race so far. The Club for Growth spent \$160,000 on TV ads attacking Lugar — but that was last summer. FreedomWorks, the tea party group, has spent more than \$31,000 — while the Tea Party Express has not even dropped \$1,000 beyond donations to the Mourdock campaign, according to the Center for Responsive Politics. Barney Keller, a spokesman for the Club for Growth, would say only, "We're still watching the race." Officials at the Tea Party Express and FreedomWorks did not respond to inquiries seeking comment. Mourdock campaign spokesman Chris Conner said "you will begin to see more involvement from national organizations" once the Feb. 10 registration deadline passes. "Frankly, it was

telling that Lugar has already thrown down \$500,000 for TV and radio ads," Conner said, as he dismissed the senator's outreach to tea party groups as too little, too late.

Murdock tried to spin the bad news, revealed in a bad news dump last Friday, saying, "We have raised \$1.29 million against a 36 year incumbent Senator in a contested



**Treasurer Mourdock has struggled to raise funds and has invested heavily in his own campaign. (HPI Photo by Brian A. Howey)**

Republican Primary in Indiana, which should tell everyone how hard our campaign has been working. I am encouraged by the progress we have made so far, and I am confident we will be ready for primary day here in Indiana on May 8th."

Lugar's campaign finance report showed him with \$4 million cash-on-hand. Campaign officials said despite the sluggish national economy and seasonal holidays, Friends of Dick Lugar exceeded fourth quarter fundraising goals.

Lugar's report showed it received \$761,268 between Oct. 1 and Dec. 31, 2011 and maintained high in-state and individual giving levels for the year. "Our report reflects strong statewide support for our shared mission to lead on common-sense solutions in an often-dysfunctional Washington, D.C.: fostering private-sector jobs, cutting taxes and spending, and opposing President Obama's liberal agenda and regulations," Lugar wrote to supporters over the weekend.

Emily Krueger, Lugar's statewide campaign manager, said "more than eight in 10 donations during the campaign cycle have been from fellow Hoosiers." Friends of Dick Lugar raised \$3,489,201 during 2011 and ended the year with \$4,040,548 on-hand because of previous donations. To date, the campaign said 7,310 contributors have made 13,516 separate gifts toward Lugar's 2012 re-election efforts. Krueger said the report filed Monday also verified the Lugar campaign had no debt and owed no loans. Lugar's primary election opponent, Richard Mourdock, personally loaned money to his struggling campaign in two of the first three quarters of 2011, according to Federal Election Commission records.

Donnelly raised \$1.4 million for the cycle and has \$847,000 in cash on hand. Donnelly "has raised more for his campaign than any challenger to Senator Richard Lugar in his entire 35-year career," Donnelly's campaign said in a statement.

Allen County Republicans will have a chance to hear from both senatorial candidates just before Election Day (Fort Wayne Journal Gazette). Lugar and Mourdock will





both speak at the county's Lincoln Day Dinner, scheduled for April 30, according to Steve Shine, local party chairman. The event is thought to be the first announced joint appearance for the two candidates who are fighting for the party's nomination. The event's location and format have yet to be set, but it will not be a debate, Shine said. Rep. Marlin Stutzman, R-3rd, will serve as emcee for the dinner.

Mourdock has signed U.S. Term Limit's "Amendment Pledge," in which he agreed to support and co-sponsor an amendment to the U.S. Constitution limiting Congressional terms. The pledge limits U.S. Senators to a maximum of two terms in office.

The Lugar forces also leaked a poll by the Indiana Values SuperPAC that showed the senator leading U.S. Rep. Joe Donnelly 58-32%, while Mourdock and Donnelly were tied in a head-to-head at 42%. "We say, look, if Sen. Lugar is the (Republican) candidate, he wins walking away" against Donnelly, said Andy Klingenstein, treasurer of the political action committee and a Lugar aide in the early 1980s (Fort Wayne Journal Gazette). "If, on the other hand, Mourdock squeaks by in the primary, it's messy. It's going to be a battle. We're not saying he definitely won't win, but it's messy." Mourdock spokesman Christopher Conner and Ben Ray, press secretary for the Indiana Democratic Party, each said the survey was likely a biased "push poll" in which respondents are asked questions designed to elicit certain answers. The poll "reeks of desperation by his campaign," Connor said about Lugar. Ray said: "In our own (polling) numbers ... Sen. Lugar is stuck in the mid-40s, and he's unable to get out. The thought that he is at 58 (percent) in the general election, without loading voters up before asking that question, is a fallacy to me."

### 2nd CD: Mullen reports \$313K

Brendan Mullen's campaign to bring Hoosier values of common sense and fairness to Washington announced that they raised more than \$313,000 in 2011, including nearly 1,000 individual contributions. Multiple active duty soldiers currently serving in Afghanistan, dozens of fellow West Point Alumni and multiple active military personal and veterans from all over the United States join teachers, business owners, police officers, fire fighters, retirees and all types of working people have contributed time and money to Brendan's campaign. "I am thrilled and proud of the support of so many dedicated friends who share my belief that Hoosiers deserve a steady and common sense voice representing them in Washington. Together we will

work to solve problems and help create an environment for job growth," said Mullen.

### 3rd CD: Ex-GOP Prosecutor runs as Dem

David C. Kolbe, 57, an attorney in Warsaw, is the third person to file this week as a Democratic candidate with the Indiana secretary of state. He joins Fort Wayne residents John Forrest Roberson, 62, and Tommy A. Schrader, 49, on the May 8 primary ballot. Kolbe was Kosciusko County prosecutor from 1995 through 1998. He said Friday in a telephone interview with the Journal Gazette that he became a Democrat in 2004 because he was unhappy with how the GOP had changed during the administration of then-President George W. Bush. "Some of us say we didn't leave the Republican Party, it left us," Kolbe said. "When we lose the middle class and the working class, we lose our status as the greatest country. The average person is suffering and will continue to do so if this agenda continues," he said about legislation pushed by conservative Republicans that he believes has led to greater income disparity.

### 5th CD: McIntosh signs Contract

David McIntosh today became the first and only candidate in the 5th CD to sign The Contract from America. "I'm proud to be the 5th District's sole signer of the Contract from America," McIntosh said today. "If I'm fortunate enough to be elected to represent my fellow Hoosiers in Washington, I pledge to do all I can to advance the objectives of the Contract: restore individual liberty and economic freedom by ending Washington's destructive patterns of out-of-control spending and over-regulation. The Contract from America is a powerful tool for ensuring that those of us who seek the public's trust keep it."

### 6th CD: Messer reports \$415k

Republican Luke Messer's campaign for Indiana's 6th Congressional District filed its year end Federal Election Commission finance report announcing that Messer raised more than \$415,000 for the year to date including \$94,291 in the most recent quarter. "Over the past ten months, we've been working to build a grassroots campaign with the financial strength necessary to win," said Messer. "Today, we took another big step toward that goal. From

Candidate*	4th Quarter Contributions	Cash-on-Hand	Total 2011 Contributions
<a href="#">Luke Messer</a>	\$94,291	\$290,405	\$415,440
<a href="#">Travis Hankins</a>	\$27,012	\$68,051	\$161,364
<a href="#">Don Bates</a>	\$30,440	\$27,830	\$104,306

\*Chart includes candidates who have filed as candidates with the Indiana Secretary of State's Office and the Federal Election Commission. Numbers taken from FEC Year-End Finance Reports.



Muncie to Madison, Hoosier Republicans are joining our campaign to send the next generation of conservative leadership to Washington." To date, Messer has raised a total of \$415,440 and reported having \$290,405 cash on hand. From the start, Messer has consistently outraised the other candidates seeking to replace Congressman Mike Pence. In the fourth quarter alone, Messer raised three times the amount raised by his closest fundraising competitor. "We are in great position to win this race, but we must keep building momentum as we enter the final 90 days," continued Messer. "It will take a team effort to get this done, and that is happening all across the 6th District. People are tired of business as usual in Washington and are looking for leaders with a record of delivering positive results. They want real leadership, a focus on jobs and the economy - and reform."

### **8th CD: Risk wins straw poll**

Dave Crooks filed in the 8th CD. On the GOP side, challenger Kristi Risk won a Tea Party straw poll last weekend in Evansville. They were United Freedom Makers of Evansville and Tea Party associations in Warrick, Dubois, Greene, Martin, Owen and Parke counties. Each group sent two delegates to Saturday's event. All 14 votes went to Risk. Incumbent 8th District Rep. Larry Bucshon, a Republican from Warrick County, was invited to the event but did not attend.

### **9th CD: Trendlines under new maps**

The campaign of U.S. Rep. Todd Young has shared this analysis with Howey Politics Indiana and how they see the 9th CD shaping up this cycle:

1. NEW MAPS. When the Indiana General Assembly redrew the Congressional maps last April, it was generally assumed that the 9th District became more Republican. Beyond educated speculation, however, there has been little public analysis of just how this district has changed.

\* In the Democrat wave election year of 2006, Republican Mike Sodrel lost to Democrat Baron Hill by a 45-50 margin under the old maps. But if we look at the new district lines, we see that the Republican candidate for Congress would win by a 50-46 margin--a 9-point GOP swing and near reversal of the numbers. While that margin may seem close, it's worth noting that the Republican candidate would have survived in the midst of one of the largest Democrat wave elections in history.

\* 2008 was another bad year for Republicans under the old maps as they suffered a 38-58 loss. There are numerous factors that might explain why the margin was so large, but anyone who has paid attention to this district realizes 2008 was an anomaly. What is important to note, however, is that under the new lines we see an impressive 16-point GOP swing. A Republican might have lost, but only by a 47-51 margin.

\* In 2010, the district went heavily Republican as Young won with a 52-42 margin under the old maps. Under the new maps, however, his victory would have been an even larger 58-37, a GOP swing of nearly 11 points.

Because the last three Congressional elections have been subject to a volatile national atmosphere, it might be more instructive to look at baseline votes by party. We chose to look at the state auditor and attorney general races, and found the following:

\* In 2006, the baseline moves from 47-53 under the old maps to 50-50 under the new maps (GOP swing of 6 points).

\* In 2008, the baseline moves from 50-50 to 54-46 (GOP swing of 8 points).

\* In 2010, the baseline moves from 54-41 to 59-37 (GOP swing of 9 points).

At the baseline, then, the numbers swing around 8 points for the GOP. At the federal level, the district swings even more--potentially in the double digits. That provides a huge mathematical advantage in what was typically a competitive district.

2. FUNDRAISING. In every quarter of 2011, Congressman Young led the Indiana delegation in raising money for re-election. His fundraising totals that have been reported were (in order) \$154,000, \$226,000, and \$182,000. The year-end report that will be filed later this month will show Rep. Young raised another nearly \$200,000 in the fourth quarter, over \$765,000 raised for this election cycle, and over \$575,000 in the bank. Because the Democrats don't have a clear nominee at this point, the winner of the May primary will have spent a sizable chunk of their money before the general election begins just to win the nomination.

\* Fundraising is perhaps more important this year than in years past because the new district is so heavily in the expensive Indianapolis media market (50.5% of the new district sits in the Indianapolis DMA; the other 49.5% sits in Louisville's DMA). Candidates who can't afford Indianapolis broadcast television will find themselves at an extreme disadvantage.

3. THE DRAG OF PRESIDENT OBAMA. There's already ample evidence that Hoosiers won't go for Obama this year as they did in 2008 as his approval rating in Indiana sits under 40%--well below the national average and numbers that should scare any Democrat anywhere on the ticket.

### **HD55: White has money lead**

Bob White raised \$23,138 from Jan. 1 through Dec. 3, 2011 outpacing his opponents. Campaign finance reports show contributions for Sam Harvey of \$7,130, Lora Williams of \$16,125 and Cindy Ziemke of \$9,780. ❖



## Keeping Peyton Manning in the Hoosier pantheon

By **BRIAN A. HOWEY**

INDIANAPOLIS - When it comes to the pantheon of Hoosier sports heroes –Johnny Wooden, Knute Rockne, Bob Knight, Larry Bird, Reggie Miller, Rick Mount, Bobby Plump, George Gipp – the newest name will certainly be Peyton Manning.

We all know the story, but sometimes you have to state the obvious. Until Manning arrived in 1998, the Indianapolis Colts were almost an afterthought, to be lampooned on the Bob & Tom Show, playing in “Naptown” with the only perennial Pro-Bowler being punter Rohn Stark. They played second fiddle to the Indiana Pacers and Hurryin’ Hoosiers. Without the arrival of Manning, we’d probably be cursing at the “Los Angeles Colts.”



This week becomes one of the most bittersweet in Indiana sports history. The NFL Super Bowl comes to Indianapolis, the city has risen gloriously to the occasion, but the virulent subplot is that Peyton Manning may have

taken his last snap as the Colts quarterback. We’ve been treated to an onslaught of speculation by the local and national sports media, talking without the normal honor and armor of “facts.”

And the “facts” are that Colts owner Jim Irsay intends to bring Manning back, as long as he’s healthy. He said on Dec. 23 in Houston, “I think the situation is if he’s back and he’s healthy, I see him coming back and playing here. I think the hope is that his health is in the position where he could return again. That remains uncertain and that’s something that’s first and foremost on my mind.”

**On Monday, former Colts** coach and current NBC analyst Tony Dungy told WTHR-TV that he had spoken with Irsay several times in the past month. “I think if there’s any way he can play, it will be for the Colts,” Dungy said. To the Star on Wednesday, Dungy said, “I just don’t see Peyton playing for another team in another jersey. I don’t think Jim wants that, I don’t think Peyton wants that. I think he’s going to play here if he’s physically able to play.”

But there are other facts: the Colts house-cleaning has come and gone without management consultation with Manning, who has rehabbed at the team HQ and watched his general manager, head coach and even his trainer get canned. Whether you’re an NFL quarterback or a newspa-

per beat reporter, the scenario of rolling heads is a difficult one.

Despite these assurances, the speculation has ramped up, to the point where Yahoo Sports was reporting late Monday that sources close to the Colts don’t believe that Manning will be healthy enough. Jason Cole reported: “The underlying issue is that people close to him don’t believe he’ll resume his career. The nerves in Manning’s arm are not healing as quickly as hoped and, worse, don’t appear to be progressing at enough of a rate to indicate that he will play again, according to two sources with knowledge of Manning’s rehabilitation from neck surgery.”

**But Manning himself** refuted that with ESPN on Tuesday. “The doctors are encouraged, and that’s encouraging to me.”

Should the Yahoo speculation bear out, it is as stunning a development as what occurred in 1939, when “The Iron Horse” – New York Yankee first baseman Lou Gehrig – took a precipitous statistical and physical decline just as his amyotrophic lateral sclerosis, or ALS, began to eat away at his legendary skills as well as his life. Batting .145 in April, Gehrig took himself out of the lineup, ending a 2,130-consecutive game streak. He stayed on the team the rest of the season, but never played again.

Sportswriter James Kahn observed of Gehrig: “I think there is something wrong with him. Physically wrong, I mean. I don’t know what it is, but I am satisfied that it goes far beyond his ball-playing. I have seen ballplayers ‘go’ overnight, as Gehrig seems to have done. But



they were simply washed up as ballplayers. It’s something deeper than that in this case, though. I have watched him very closely and this is what I have seen: I have seen him time a ball perfectly, swing on it as hard as he can, meet it squarely, and drive a soft, looping fly over the infield. In other words, for some reason that I do not know, his old power isn’t there.”



Of course, we know the Manning Iron Horse legend: only Brett Favre at 297 regular season games and 321 including playoffs, has more consecutive starts in NFL history than Manning, 208 regular season games and 227 total. The next two on the list are Eli Manning (129) and Ron Jaworski (123), far behind in the rearview mirror. While major league baseball is a grinding, every day sport, it simply doesn't compare to the violence a modern NFL quarterback is subjected to with 350-pound marauders paid millions to rip a QB's head off.

**Manning, we believed**, was destined to become the greatest statistical QB ever: more games and touchdowns than Favre. His 54,828 yards third only behind Dan Marino (61,361) and Favre (71,838). Manning's 361 touchdowns trailed only Marino (420) and Favre (497). His 95.2 career quarterback rating is second only to Steve Young. These were all records to be claimed by Manning wearing the horseshoe.

The silver lining here is that as the Colts tumbled from perennial playoff to a dismal 2-14 team, the consolation prize most likely will be Stanford QB Andrew Luck (though Dungy likes Baylor's Robert Griffin III), setting up the franchise for another generation of great helmsmanship.

Indianapolis Star columnist Bob Kravitz has been convinced for months that Peyton Manning has taken his last snap as a Colt. It comes even though the new NFL contract dramatically reins in rookie contracts, meaning that Luck or Griffin would come in around \$4 million (the same amount the team paid Kerry Collins for four games last season). The scenario I loved was Manning tutoring the rookie. "Guys like that come along so rarely," Irsay said on Oct. 10 at an NFL owners' meeting in Houston. "Even if that means that guy sits for three or four years, you'd certainly think about taking him ... you see what Green Bay did with [Brett] Favre and [Aaron] Rodgers and you'd like to be able to do the same thing."

**Given what happened** to the Colts, the Chicago Bears with an injured Jay Cutler, Miami, Kansas City and Oakland – none of whom made the playoffs after fast starts and injured QBs – having two quality quarterbacks seems like an appropriate way to venture into the NFL violence.

The critics of keeping Manning suggest he would return to a team struggling to contend. I'm not buying that. The Colts were decimated for a second consecutive year with injuries, particularly on defense. With the top choice in each round, they can quickly reset. Teams such as San

Francisco and Cincinnati proved that a moribund team can rebound quickly.

Invading all this emotion were apparent hard feelings last week, with Irsay calling Manning a "politician." The two quickly released a joint statement, saying, "We would like to dispel any misperception that there might be any hard feelings between us. Since 1998, we have enjoyed a great relationship, based upon mutual respect and trust. We have always been able to talk and address matters we've faced over the years, not just as owner and player, but as friends. We had a long talk today and we want to assure Colts fans everywhere that we are both committed to maintaining our close relationship and to working together through any challenges the future may bring."

The prevailing prediction with most national sports pundits is that the Colts release Manning. Which would be sheer lunacy. What if Manning ended up in Tennessee or Jacksonville? Or the hated Jets?

An idiot caller on Dan Dakich's 1070TheFan Show said this week, "Peyton Manning is the greatest, but you've got to dump him." Huh?

It took the Boston Red Sox almost nine decades to overcome the curse of the Bambino. The curse of Peyton would be a terrifying thing.

So this surreal week in Indianapolis sports history moves on with the NFL village, with the NFL Experience, zip lines, along with Tom Brady and Bill Belichick in town to win a fourth title for the hated New England Patriots. It is Eli Manning who will defend the House that Peyton Built, Lucas Oil Stadium. Peyton Manning is off in the shadows. He may never return. He might come back in those ridiculous Titan uniforms.

**I think Manning stays.** There is too much bad karma involved for Irsay to just release him. He knows Hunter S. Thompson wouldn't let him sleep peacefully again for doing such a stupid thing.

Yes, we know the NFL is big business. It's not "fantasy league football" as Irsay reminded us. Yes, we understand the overt tug to rebuild. But Hoosiers are a loyal people. We don't like our college programs to cheat. We like the three-pointer, tenacious man-to-man defense, and Manning going to the line, audibling, messing with the heads of the linebackers who don't know whether they should lean in or back pedal (or try and get off the field before a snap).

We like the sharpest tool in the shed. For 14 years that was Peyton Manning. For most of us, if it ends next month, that is too short a time. ❖



**Peyton Manning throws to Bosma on his way to building Lucas Oil Stadium.**



## It's not envy, Mitch, it's crony capitalism

By **SHAW R. FRIEDMAN**

LaPORTE - The governor's response to the President's State of the Union message shows once again that he and like-minded establishment Republicans like Mitt Romney just don't get it.

When Governor Daniels derided the President for seeking to "divide us" or "currying favor with some Americans by castigating others" he showed once again a remarkable tone-deafness to what the President has rightly called the fundamental challenge of our generation.

The President best captured the national mood when he told the country that we need to "restore an economy where everyone gets a fair shot, everyone does their fair share and everyone plays by the same set of rules."

Mitch, Mitt and the rest think that this is nothing more than "envy of the rich" or unfair resentment of bankers and hedge fund managers and their outsized salaries and bonuses. What Governor Daniels

utterly failed to address during his speech was the fact that Americans have witnessed in the housing market meltdown of 2008, theft and fraud and market manipulation on an unprecedented level, and yet no one responsible for the millions of foreclosed homes and misery that was caused by reckless speculators has gone to prison.

It's not success that voters are resenting. Indeed, Americans largely like and admire honestly earned success, even by the obnoxious rich. Why would folks tune in droves to watch Paris Hilton, the Kardashians or others? We love watching stories of success like Steve Jobs or successful well paid athletes like Peyton Manning and Tom Brady.

**No, what drives Americans nuts** are the "cheaters" like so many on Wall Street who are using shortcuts to make their millions or in some cases billions. It's crony capitalism when ordinary people have to borrow their money at market rates but big-time bankers like Jamie Dimon and Lloyd Blankfein get billions of dollars for free from the Federal Reserve to prop up enterprises deemed "too big to fail."

Voters have come to understand the deck is stacked when the biggest Wall Street banks get to go to the Fed's discount window and borrow billions at zero percent and then turn around and lend mortgages to us at 5 % or charge credit card rates to us at 20 to 25%.

The little guy gets it while Mitch is blind to this. If you or I miss a \$20 payment on a chain store credit card or, heaven forbid, we miss a mortgage payment, we can forget about that mistake ever being forgotten by those who set a credit score. But serial mistakes by the likes of CitiGroup or Bank of America that meant billions in overleveraged toxic securities – oh well, don't worry – there's the Temporary Liquidity Guarantee Program, which has allowed irresponsible banks to borrow against the government's credit rating.

**When guys like Mitch Daniels** wax poetic about the "freedom of the market" they utterly fail to address the charade that the very biggest and wealthiest in our country get "bailed out" for making bad investment decisions. What about the "freedom" to fail, Mitch? Wealthy critics of Occupy Wall Street have the nerve to go after the protesters as wanting "something for nothing" yet that's ironic. As one of Rolling Stone magazine editors put it so well back in October, "something for nothing is Wall Street's official policy." In fact, getting bailed out for lousy investment decisions has been understood as the way of doing business on Wall Street for many years.

It's crony capitalism that voters resent, Mitch. When guys like Mitt Romney are paying a tax rate much less than Warren Buffett's secretary, there is naturally going to be resentment and a real sense that the game is rigged.

The issue is not class envy or class warfare. Rather it's a perception that continues to grow that because of big money in politics, government policies are skewed toward the already wealthy and the powerful. In fact, 70% of respondents in a recent Gallup poll felt that it was important for the government to increase opportunities for people to get ahead.

**The President's speech** was so much more effective because it recognized this powerful pull among the American people. Mitch's reply showed once again that he and many establishment Republicans simply don't understand. Government policies are needed to help level the playing field to provide that opportunity. Simply talking, as Mitch did, about the "haves and the soon to be haves" doesn't cut it so as long as the playing field is so tilted toward the richest and the best connected among us who play by their own set of rules. ❖

**Shaw R. Friedman is a LaPorte attorney who is a regular contributor to Howey Politics Indiana.**





## Taxes and spending centralized in Indiana

By **MORTON J. MARCUS**

INDIANAPOLIS - The on-going trend in state-local government relations in Indiana is increasing paternalism. The state government, in the form of the legislature and the governor know what is best for our counties, cities, and towns. They decide how we should live in our localities. They limit the variations in services and regulations that we have in our state. What is right for Jay and Porter counties is necessarily appropriate for Jackson and Posey counties.

If you believe in the greater wisdom of the central authority, as do liberals and conservatives alike, you will applaud the recent decision of the General Assembly to deny the people of Marion and Hamilton counties the right to vote on an augmented public transit system. (The fact that the bill in support of the local referendum failed due to political squabbling is only another example of the legislators' inability to decide issues on their merits.)

A state-wide ban on smoking in public places is another example of using the state government to resolve what could easily be seen as a local issue. Less and less authority over local schools rests with elected school boards. One legislator even wanted to regulate the singing of the national anthem. The short session of the legislature invites trivial pursuits that have no explicit budgetary implications for the state government.

When our new governor and new legislature meet in 2013 they will once again have the pleasure of considering and reorganizing our revenue and expenditure flows. They will find that the biggest chunk (43 percent) of revenue received by the state comes from the sales tax. (Data are for fiscal year 2011 (July 2010 to June 2011). The total take by the state on a limited set of what we buy was \$6.3 billion. In contrast, the taxes on individual income was \$4.6 billion. Sin, in the form of alcohol, tobacco, and wagering, brought in only \$1.2 billion. Together these three activities (working, consuming, and sinning) provided \$12.1 billion or 85 percent of the state's tax revenue.

**These tax dollars**, however, made up only 54 percent of the state's total revenue of \$26.5 billion. Another 35 percent was received from the federal government with the final 11 percent derived from miscellaneous fees, licenses, permits, etc.

Is this the right mix? That's an unanswerable question. It is deemed the feasible mix as of 2011 by the

general assembly and the administration.

What does the state do with its money? Much of it is sent to localities to be spent according to rules established by the state. For example, \$7.6 billion is budgeted for local K-12 schools. This appears to be generous, but the funds must be spent in the manner state prescribes.

**There is wisdom here**, if the local schools boards are corrupt, ignorant, or incompetent. Since schools are dependent on state-limited property taxes, there is little room for local discretion in spending and hence in educational services. Should there be such freedom or should each public school child be subjected to the same quality education?

What if schools and other local government units enjoyed a flow of revenue that was unrestricted? Would it be squandered by boards and councils seeking their own personal enrichment? If so, we do have means to remove such public servants.

The presumption of stupidity or veniality by government officials is a condemnation of local voters. If the legislature and the governor want better voters, they ought to spend some money on engaging and educating citizens in governmental processes. Voter ignorance leads to indifference and absence from the polls. ❖

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



**The Washington Post**  
SATURDAY, DECEMBER 29, 2007

**“The Best Indiana Political Reporter: *Howey Political Report* editor Brian Howey.”**

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## Mitch wouldn't have won; he's too reasonable

By **JACK COLWELL**

SOUTH BEND - Mitch Daniels wouldn't have made it. And why not? He's too reasonable.

The governor's Republican response to President Obama's State of the Union address showed why Daniels would not have won the GOP presidential nomination if he and his family had decided that he should run.



He was neither mean enough nor angry enough in his criticism of the president to attract support from the type of voters turning out for those early tests of strength in Iowa, New Hampshire and South Carolina.

Daniels actually referred in his remarks to "President Obama" and "the president" and even, for heaven's sake, to "our president."

Contenders drawing applause in those contentious debates refer simply to "Obama," spitting out the name as though they refer to a rabid dog or at least to a pretender to the title of president.

In the response speech, in other speeches and in his book, Daniels is out of step with the presidential primary and caucus activists who demand no deviation from "conservative" values and principles.

Those who shout "class warfare" to any suggestion that the wealthy pay more no doubt were turned off, if they tuned in, by Daniels saying this about saving Social Security and Medicare:

"Decades ago, for instance, we could afford to send millionaires pension checks and pay medical bills for even the wealthiest among us. Now, we can't, so the dollars we have should be devoted to those who need them most."

**Reasonable? Yes.** But reasonable compromises in soft-spoken language is not what would have swayed those South Carolina voters away from Newt Gingrich. No buzz of excitement was stirred by Daniels' speech. No widespread draft movement developed in the way hoped for by organizers of an online petition drive launched on runmitchrun.com last weekend.

It's not that the speech was terrible. It wasn't like the disaster that befell Louisiana Gov. Bobby Jindal, who came prancing out looking and sounding like a fool when he delivered the Republican response to the president's 2009 State of the Union address. Jindal is no fool. He had

been regarded as a prospect for president.

Jindal's performance, however, was panned universally, even on Fox News, and thoughts of him as the guy to challenge the president vanished with the speech.

Daniels wasn't panned that way by all the TV analysts, just some who would be expected to disagree, such as Paul Begala, who on CNN likened Daniels' speech to "a glass of warm milk with a fly in it."

**Chris Matthews said** on MSNBC that he "really liked the speech" and now understood "why people like Mitch Daniels."

Matthews liked that Daniels "recognized that the rich can't plunder the poor anymore." An interpretation like that, however, is not something to attract support from those Republican primary voters searching for a firebrand as an alternative to Mitt Romney \_ even Michele Bachmann at one time.

While powerful figures in the Republican establishment - think George W. Bush for example - wanted Daniels to run and would have supported him with substantial funding, Daniels is Daniels and would not have become a firebrand favorite of the Tea Party.

He would have been splitting the establishment vote with Romney and Jon Huntsman, another favorite of conservative intellectuals who wanted a thoughtful conservative rather than just someone angry and vengeful.

Daniels had a tough act to follow. President Obama had just spoken in the glitter of a packed and ornate House chamber, with lots of applause from Democrats and even from Republicans too as he displayed the flag of the Navy SEAL team that eliminated Osama bin Laden, a symbol of success by Americans working together.

Then Daniels spoke with no audience, no applause in delivering the opposition message about how bad everything is.

**As TV networks turned** to him, there also were reminders that he was in a nasty, divisive battle in Indiana over efforts to curb labor unions.

Few lines in Daniels' speech, especially with his low-key delivery, would have appealed to the cheering, jeering partisan crowds at some of those debates, the clown show.

Daniels probably would have won clearly on college debate scoring but lost in the turnout of voters who are not exactly like mainstream Hoosier Republicans. ❖

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



**Eric Bradner, Evansville Courier & Press:**

Though they won't be as sweeping as last year's major changes, Indiana lawmakers are considering education reforms of a different sort. The current 10-week legislative session could be divided in half: The right-to-work portion, which is dominating the period through the Super Bowl on Feb. 5, and "everything else," as in the issues that will get attention now that the labor fight is nearing its end. Filling out a lot of that space will be education. A set of changes ranging from the mechanisms that decide schools' finances to what the public knows about the pay their superintendents earn to what kind of handwriting their students are taught are on the agenda for that second half. It might be one that will cause eyes to glaze over, but one of the most important involves changing the way schools physically count their students. State funding for K-12 education is divvied up on a per-pupil basis, using a complicated formula that assigns each school a per-student value determined by how many of their students qualify for free and reduced lunch and several other factors. Schools, meanwhile, hold an annual "count day" in September. That's when they try to get every student possible to show up, because they have to turn in the number of students present to the Indiana Department of Education. That number determines their level of funding for the next year. Lawmakers tweaked the funding formula last year, in an effort to adopt a policy that State Superintendent of Public Instruction Tony Bennett might describe as the funding following the child. Those changes got rid of some portions of it that sent extra cash to urban and rural schools where enrollment is shrinking. Those schools took a hit, while growing suburban schools benefitted. If you need proof of the impact, chat with a teacher or administrator at a rural school. Most lost just a handful, if any, students to the voucher program. This year, lawmakers want to expand that process so that there are multiple "count days." The idea is that they'd then get a more accurate measure of how many students are attending each school. ❖

**Bill Beck, Elkhart Truth:** We'll soon find out if Indiana is home to Colts fans or Peyton fans. Peyton won a Super Bowl, inspired the construction of Lucas Oil Stadium, Peyton's Place, and made the Colts relevant from a community and economic standpoint. Given where the depth of team despair when Peyton came to Indiana as a rookie in 1998, the Colts' meteoric rise in popularity has captured the imagination of countless fans. But if Peyton grabs his championship ring, packs up a stack of Papa John's pizzas and leaves Indy, will Indiana's loyalty follow suit? There wasn't much passion, let alone full-blown interest, for the Colts during the taxing first 13-14 years in Indianapolis. They were stumbling and horrid, though the Jim Harbaugh-

led Colts team in mid-1990s almost lucked its way into a Super Bowl. Lucked. Can't believe that came off my fingertips. As I tour a city I've been to a thousand times, I'll be curious to see if the Indianapolis fan base — Elkhart's, too, I guess — loves Peyton more than the Colts, or the Colts more than Peyton. I guarantee that there will be horseshoe hypocrites who'll lose interest if (actually when) Peyton cleans out his locker. Hopefully, he'll wait until Eli's done using it next Sunday. ❖

**Dave Bangert, Lafayette Journal & Courier:**

In the beginning -- of this year, anyway -- Hoosiers seemed bent on improving their image to the rest of the world, what with the world descending on Indianapolis for the Super Bowl next Sunday. A few weeks later, we're explaining why Indiana isn't Kansas -- which is pretty hard to do when your state legislature goes Old Testament, trying to sell creation science as a viable option for our public schools. Last week, the Senate Education Committee voted 8-2 for a bill that says a school board "may require the teaching of various theories concerning the origin of life, including creation science." The bill's sponsor, Sen. Dennis Kruse, R-Auburn, says this is all about choice -- the choice of a school board and the choice of a child to

believe or not believe conclusions found in the scientific method. He's right. This is about choice. Want to make sure the world knows Indiana is choosing to not be ready for a 21st century economy? Pass this bill. How did we get back to this spot? Will this crusade -- one that needlessly pits faith and science as some sort of enemies -- ever really subside? Or is this the work of a faction in the General Assembly -- emboldened by the seductive momentum of choice, highlighted by last year's victory for tax-paid vouchers for parochial schools -- feeling its oats? Or, scarier still, maybe this is just what happens when the Statehouse goes so totally numb to the Constitution that no one's brave enough to stand and say: Let there be light. ❖

**Doug Ross, NWI Times:** Already, we have been there for more than a decade. It's a long war that has proven costly for Northwest Indiana and for the nation. Not nearly as many lives as in Vietnam, Korea or World War II, of course, but still there has been too much young blood spilled in the name of ... well, what exactly? The four members of the Valparaiso-based 713th Engineering Company killed Jan. 6 by a roadside bomb explosion in the Kandahar province of Afghanistan were serving long after the May 2 death of Osama bin Laden, the al-Qaeda mastermind. Wasn't it the U.S. mission to capture and/or kill bin Laden? What's the point of being in Afghanistan now? ❖







## **Bucshon impact on highway funding**

**By MARK SCHOEFF JR.**

WASHINGTON - Rep. Larry Bucshon, R-8th CD, is trying to accomplish something through highway-funding legislation that is difficult for a freshman House member to demonstrate – tangible impact on a major bill. Bucshon serves on the House Transportation and Infrastructure Committee, which will spend most of Feb. 2 in a meeting working on the a measure that would provide \$260 billion over five years for transportation programs. The thrust of the bill is to give states more flexibility in how they can spend their road dollars, and Bucshon is touting his success in championing a couple provisions that underscore that theme.



He is the author of a section of the bill that would give states the authority to use federal highway money for emergencies that was originally designated for other purposes. For instance, funds that were to have gone to bike trails and beautification can instead be rerouted to unexpected problems.

A practical example occurred next door to Bucshon's district, when Indiana and Kentucky officials shut-down the Sherman Minton Bridge between Louisville and New Albany in September for emergency repairs. Even though most of the tens of thousands of people directly impacted by that problem are not Bucshon's constituents, he points out that it's impossible to tell when something similar may happen on his turf, which stretches from Terre Haute to Evansville.

"You shouldn't have money sitting in an account and have an

infrastructure problem and not be able to use federal dollars to fix it," Bucshon said in an HPI interview in his Capitol Hill office on Feb. 1. "States need that [latitude]. I'm a big believer in flexibility."

Another provision that Bucshon authored could have an immediate effect on his district. It would allow states to overrule local metropolitan planning organizations if they resist some aspect of a multi-state federal road project. Such a rule would let Indiana to proceed with building an I-69 extension between Indianapolis and Evansville despite opposition in Bloomington to an approximately two-mile stretch of the road, according to Bucshon. He stressed that local groups would still have influence on state and county roads. "This is a common-sense provision that I think is going to significantly benefit Indiana," Bucshon said. "It's public. Everyone knows it's in there."

During the Feb. 2 markup, Bucshon will be trying to add something to the highway bill – an amendment that would increase weight limits for recreational vehicles, a provision that would benefit northern Indiana RV manufacturers. After the transportation committee votes on the highway bill, it will be marked up by the House Ways & Means Committee on Friday. It is scheduled to reach the House floor during the week of Feb. 13.

## **Daniels quickly signs Right to Work**

INDIANAPOLIS - Gov. Mitch Daniels signed the Right to Work legislation on Wednesday, just hours after it passed its final hurdle in the Indiana Senate. "Seven years of evidence and experience ultimately demonstrated that Indiana did need a right-to-work law to capture jobs for which, despite our highly rated business climate, we are not currently being considered.

This law won't be a magic answer but we'll be far better off with it. I respect those who have objected but they have alarmed themselves unnecessarily: no one's wages will go down, no one's benefits will be reduced, and the right to organize and bargain collectively is untouched and intact. The only change will be a positive one. Indiana will improve still further its recently earned reputation as one of America's best places to do business, and we will see more jobs and opportunity for our young people and for all those looking for a better life."

## **Labor protesters swarm NFL village**

INDIANAPOLIS - Thousands of union members took to the Super Bowl Village and downtown Indianapolis to protest the state senate's passage of the controversial right to work bill Wednesday (WISH-TV). Video from Chopper 8 showed the massive crowd pouring out of the statehouse as they took their protest outside. The group rallied on the statehouse steps before leaving for a march through the Super Bowl Village. At the statehouse, union members, chanting and singing, demanded the names of the Senators who voted for the bill saying the will become targets in the November elections. Senator Vi Simpson spoke on the Statehouse steps saying "We lost this battle, but the next battle is November of 2012."

## **Condi Rice endorses Lugar**

INDIANAPOLIS - The re-election campaign for Sen. Richard Lugar, R-Ind., announced Wednesday that former U.S. Secretary of State Condoleezza Rice will attend a fundraising reception for Lugar in Indianapolis this weekend. Rice said in a statement



that Lugar “has proven his ability to be a positive force for our American principles and for our party. As such, I am proud to support his bid for reelection.”

## **Prosecutors to wrap case vs. Charlie**

NOBLESVILLE - Prosecutors expect to wrap up their voter fraud case against Indiana Secretary of State Charlie White on Thursday. The Indianapolis Star reports that prosecutors hope phone records will prove White was living in a condo he bought with his fiance before he voted in the 2010 Republican primary. White claims he was living at his ex-wife’s home at the time, coping with campaign pressures and a complicated personal life. Prosecutors say White lied about where he lived on his voter registration and continued to collect his pay from the Fishers Town Council after moving out of his district. He later resigned from the council and gave back part of his salary. White would be removed from office and could face prison time if convicted. On Wednesday, prosecutors presented testimony and documents attacking White’s claim that he wasn’t living in the condo before the primary. Amanda Ricketts, a former employee of the Indiana Department of Resource, where White worked until early 2010, said White asked that his final paycheck from the DNR be sent to his new condo, not his ex-wife’s house. However, the town of Fishers’ payroll records show that White listed his ex-wife’s address as his home. Prosecutors also introduced emails between White and Tammi Kaeser, who sold him the condo, to try to prove White moved into it months before he used his ex-wife’s address to vote in the May 2010 primary. Kaeser also testified that she saw White at the condo often. Indiana State Police Detective Paul Hansard testified about documents including White’s voting records and marriage license. The jury

will be allowed to review the documents.

## **Long refuses to revive mass transit**

INDIANAPOLIS - Senate President Pro Tempore David Long, R-Fort Wayne, says the Central Indiana mass transit plan will not be revived. Long said supporters have not made their case to the legislature and the Senate will not be amending the issue into a bill (Indianapolis Star). “There’s a real split, Democrats and Republicans, on that issue, both the House and the Senate,” Long said today. “Central Indiana needs to work this out. I had told proponents it was probably a bad year to bring it.” He said it would be “smart” to bring the issue next year, when the legislature is debating a new two-year state budget. The House Ways and Means Committee on Thursday voted 11-10 against transit legislation. Rep. William Crawford, D-Indianapolis, said most Democrats voted against the bill only because they disagreed with right-to-work language inserted by author and committee chairman Jeff Espich, R-Uniondale. A bill to open up captive deer hunting in the state is dead, Long said Wednesday. “I think it’s a terrible bill,” Long said. “It’s not real hunting. It fences in these animals. Almost every real hunter that I talk to says it’s a terrible idea and they don’t support it.” House Bill 1265 narrowly passed the House on Tuesday, but Long has now assigned it to the Senate Rules Committee. He is the chairman of the committee and said he will not allow the bill to move forward. “It is dead,” he said.

## **Rokita votes on repeal of ACA**

WASHINGTON - Rep. Todd Rokita voted for the Fiscal Responsi-

bility and Retirement Security Act of 2011, legislation he co-authored to repeal the Community Living Assistance Services and Support (CLASS) program, an unsustainable entitlement program created as part of Obamacare: “The CLASS Act was a budget gimmick used to hide the true cost of Obamacare, and it creates a new, long-term entitlement program that we cannot sustain and cannot afford. Repeal of this legislation, which even the White House now admits is unworkable, is critical to preventing it from being implemented in the future. Long-term care is becoming an increasingly important health care issue as our population ages and lives longer. But the CLASS Act was never a viable solution to long-term care issues. The only thing this program will do is ensure that our children and grandchildren face one more unsustainable entitlement program and the crippling debt that will result.”

## **Fort Wayne air base may close**

FORT WAYNE - The commander of Fort Wayne’s Air National Guard base expects to learn soon whether the complex is on the Department of Defense’s chopping block (Fort Wayne Journal Gazette). “This Friday is when hopefully we will find out officially what’s going to happen to the 122nd Fighter Wing,” Col. David Augustine said Wednesday afternoon at a news conference at the base. Media that cover the military reported this week that the 163rd Fighter Squadron at the Fort Wayne base – consisting of nearly 20 planes – is among five squadrons flying A-10 Warthog jets that the Pentagon will recommend closing in a cost-cutting move. The proposals will require congressional approval. “It’s only speculation in the press,” Augustine said about reports using unnamed sources.