



HPI Power 50: The Pence era begins

Dramatic changeover at Statehouse and Congressional delegation

By **BRIAN A. HOWEY** in Indianapolis and **MARK SCHOEFF JR.** in Washington

You would have to go back to years like 1995, 1981, 1975 and 1965 to experience the kind of “change of the guard” feeling that exists in the Indiana political and public policy sectors today.

We have a new governor and same-party super majorities in the Indiana House and Senate for the first time in the television age. For the first time in half a century, there is no Bayh or Lugar in the U.S. Senate from Indiana. U.S. Rep. Marlin Stutzman, at age 34 and with two years and two months of tenure is the “dean” of Indiana’s Republican congressional delegation. For the first time in history, there are two Indiana Republican congresswomen. They part of an unmistakable trend of more Hoosier women moving up the state’s political ladders. Indiana Democrats have been reduced to an urban and college town party when it comes to the Indiana General Assembly.

Scattered across the political landscape are the 20- and 30-something neophytes as



Incoming Gov. Mike Pence (above) and U.S. Sen. Joe Donnelly (left) have changed the Indiana political dynamic.

well as promising entrepreneurs who could forge the next generation of political leadership, though most of them won’t make the Power 50 list (few freshmen

Continued on page 4

Pence talks his agenda

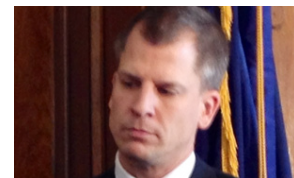
By **BRIAN A. HOWEY**

INDIANAPOLIS – Gov.-Elect Mike Pence stopped by the offices of Howey Politics Indiana on Wednesday morning and participated in this interview:



HPI: Talk about the transition from being a legislator to being a governor.

Pence: This was something I was pondering two years ago. I hope the fact that I’ve been a legislative leader will make me a better executive. But I do understand the different types of leadership. As a legislator, you are an advocate. You represent your constitu-



“It’s already illegal. What’s to be gained other than ostracizing a whole section of the population?”

- State Sen. Pete Miller, one of a growing number of Republicans opposing the proposed Constitutional gay marriage ban



Howey Politics Indiana

is a non-partisan newsletter based in Indianapolis and Nashville, Ind. It was founded in 1994 in Fort Wayne.

It is published by
WWWHowey Media, LLC
405 Massachusetts Ave,
Suite 300
Indianapolis, IN 46204

Brian A. Howey, Publisher
Mark Schoeff Jr., Washington
Jack E. Howey, editor

Subscriptions

\$350 annually HPI Weekly
\$550 annually HPI Weekly and
HPI Daily Wire.

☎ Call Adrian France
812.455.4070 or email
adrian@olympiamediagroup.com

Contact HPI

www.howeypolitics.com
bhowey2@gmail.com

☎ Howey's Cabin: 812.988.6520
☎ Howey's cell: 317.506.0883
☎ Washington: 202-256-5822
☎ Business Office: 812.455.4070

© 2013, Howey Politics Indiana. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, whole or part, is a violation of federal law without permission from the publisher. ❖

ents and your ideals. You carry those into the debate to the best of your ability. It's vitally important to understand that being a legislator and an executive are both leadership roles. They are different kinds of leadership roles. Whereas a legislator is in my judgment an advocate, an executive ought to be someone who demonstrates the capacity to listen to all sides, to reflect, to cast a vision and then create a proposal to advance that vision on a consistent basis. That's a transition we saw frankly through the campaign. When I gave my speech to the State Republican Convention, I had our vision as the "State That Works" and then we advanced that vision with six specific goals. We had independent metric measurables. After the convention, we rolled out one proposal after another. Moving through the transition, it all continues to conform to that vision. We'll have administrative action and legislative action that will advance those proposals that we ran on. I really believe the leaders I have admired include our 49th governor and the people who have followed that model. They have cast a vision and demonstrated the ability to listen and have done the planning, offered proposals to advance that vision.

HPI: Do you see the two legislative super majorities as an asset going in? You're entering pretty much an unprecedented situation in modern times.

Pence: I've said for many years, I truly believe the first characteristic or leadership in a free society is humility. I intend to approach this job from the standpoint of servant leadership. I am grateful for the majorities that the people of Indiana awarded our party in the House and Senate. But I intend from day one to

reach out to the leadership of both political parties in both chambers and make it clear our door is open. We've articulated what we think are the goals that we ought to pursue forward. We've articulated policies that we think will advance those goals. But I don't have any view that our administration or our party is the only place you can find good ideas.



When I met with our superintendent of public instruction Glenda Ritz, we had a very warm, cordial conversation. We talked particularly about making career-oriented vocational education in high school a goal. We found out this was something she was talking about completely independently from what I was talking about. There's a paperweight that I've had on my desk for about 10 years. I'm told the saying on the paperweight was on Ronald Reagan's desk. When I move in Saturday afternoon bringing in a few boxes, I'll put it right there. It says, "There's no limit what a man can accomplish as long as he doesn't care who gets the credit." The attitude that I hold is reflected throughout our administration on the very first day. Let's bring everybody together and let's look for areas where we can agree on goals; where we can find common ground. Where there are differences, let's work on those differences that reflect civility and the courtesy that Hoosiers always afford their neighbors.

HPI: I'm sensing wide bi-partisan support for legislation that



will address the skills gap with regional councils that will address the needs of business and industry and match local curriculum. That's a safer bet for your top legislative priority than the income tax cut, which may get tripped up by the April revenue forecast. Talk a little bit about how you will proceed on that and whether my perception is valid.

Pence: We'll be presenting a budget next week. That budget will reflect all of the priorities that we ran on and the priorities that we want to advance in the legislative process. When you look at this moment – what I call "Indiana's Moment" – I think it's our time to shine. Because of the progress we've made over the last eight years, Indiana is on the verge of a timely growth, educational attainment like no other time in our lifetimes. I really do believe that if we continue to practice fiscal responsibility we'll continue to be the fiscal envy of the country. We need to make sure we pass an honestly balanced budget, make sure we have reserves that will send a message across the country and the world that Indiana has a strong balance sheet. It is of the first importance. But next I think we have to lean into the fight to make Indiana more attractive for investment by businesses that are here and businesses which want to come here. I truly believe that lowering taxes and improving the quality of our work force represent two great opportunities to do just that.

HPI: How will your top priority be presented?

Pence: When we present that budget next week, you'll see we'll put that priority on fiscal responsibility and protecting that balance sheet and those healthy reserves even as we fund our priorities and deal with issues like Medicaid and education. Beyond that, to seize this opportunity in my judgment, the most effective way to pass pro growth tax reforms is to lower the marginal rates on individuals. First, it lowers the tax burden on Hoosiers at a time when their taxes are going up. Whether it was the recent deal in Washington, or whether it's the medical device tax taking effect, taxes are going up on Hoosiers. The opportunity to lower taxes on every Hoosier will promote growth. As significant is the fact that 90% of our business enterprises file their taxes as individuals. While we have in recent years provided tax relief on inheritance taxes and business taxes, I think the most important and effective way is to lower taxes on job creators in the cities and on the farm through the marginal income tax rate. And lastly, we will also make Indiana more competitive because according to our analysis, using numbers from the Tax Foundation, if we lower the marginal income tax rate by 10%, we'll be the lowest tax state in the Midwest. When you add to everything else we have going for us, I think it gives us an even better story to tell. We are going to champion that idea cheerfully and consistently. In traveling around the state, they say there's nothing more powerful than an idea

whose time has come. Well, one of the most powerful ideas I've encountered from board rooms to shop room floors is the idea that the time has come to make career and high school education a priority here in Indiana. And doing that on a regional basis to forge partnerships with businesses to design curriculum relevant to careers and make the curriculum available to high schools in those areas is an enormously important aspect to this proposal. I truly believe we'll continue on our present course.

HPI: There's been a lot of caution from legislative leaders about the income tax cut. It seems to me the April revenue forecast will be critical. The whole thing may hinge on that. Is that a proper way to gauge this?

Pence: What we'll do in our first week in office is to present a budget to the budget committee and initiate a process. I'm looking forward to working through this with the General Assembly. I really do believe that the focus going forward is how do we seize this moment? I would just say to you I will welcome the dialogue and the discussion.



Pence announces economic team

INDIANAPOLIS - Gov.-elect Mike Pence named additional appointments within his Administration.

Victor Smith will join Governor Mike Pence's Cabinet as Indiana Secretary of Commerce, where he will help lead the state's domestic and international economic development agenda. Previously, he was CEO of CDS Engineering.

Eric Doden will serve as Chief Executive Officer of the Indiana Economic Development Corporation. Doden most recently worked as a principal for Domo Ventures LLC, a boutique private equity firm located in Fort Wayne. In 2011, Doden ran for Fort Wayne mayor on the Republican ticket.

Dr. William VanNess will serve as State Health Commissioner. Most recently, he served as President and CEO of Community Hospital of Anderson and Madison County, Inc.

Sean Keefer has been named Commissioner of Labor. Keefer, of Fishers, has served as Chief of Staff within the Indiana State Department of Health since 2011.

Originally appointed commissioner of the Department of Correction (DOC) in early 2011, **Bruce Lemmon** will serve in this capacity in the Pence Administration.

Danny Lopez and **Jackie Cissell** were named special assistants to the Governor. Lopez currently serves as Executive Director of the Indiana Commission on Hispanic/Latino Affairs. Cissell serves as the Assistant Director of the Office of School Improvement and Turnaround for Community Engagement. ❖



Power 50, from page 1

do).

The 2013 HPI Power 50 – something we’ve published since 1999 – is an exercise in prognostication about who will be most likely to influence the compelling political and policy events of the day. This year, it is a legislative biennial budget session along with various Congress/White House battles that we believe will generate the main thrust of headlines, thus the Power 50 list reflects that dynamic.

Many political and campaign candidates, operatives and financiers have fallen out of the Power 50 and into our honorable mention section, but not without our love and affection. It’s just that there aren’t any elections this year. Many of those names will rise again next year.

In the almost decade and a half we’ve been publishing the Power 50 – the most anticipated and widely read list of status in Indiana – we’ve had an unprecedented level of HPI subscriber participation. Thus, this list goes well beyond the authors of this article. It reflects the thoughts of HPI subscribers, which is a literal “who’s who” of the Hoosier political and public policy establishment. Many thanks for all the contributions we received.

Here’s our 2013 Power List.

1. Gov. Mike Pence: Colts quarterback Andrew Luck taking the helm after the legendary Peyton Manning was supposed to be a tough act to follow. It was an analogy we pondered upon writing this. And it was one of the first things Gov.-Elect Pence brought up when he stopped by Howey Politics Indiana on Wednesday morning. Gov. Mitch Daniels leaves office next Monday with a 58% approval rating in the final Howey/DePauw Indiana Battleground Poll late last October. This will be the third time in modern Indiana history when a new governor followed a relatively popular one (i.e. Robert Orr after Doc Bowen; Frank O’Bannon succeeding Evan Bayh) and both were able to navigate tough economic times or complex issues to forge a path to a successful reelection. Pence inherits a state with a chronic 8% jobless rate, but the perception is that Daniels has future good times cued up once the national economy shakes off the doldrums, and there are signs of that.

Pence is fulfilling a lengthy anticipation that he would eventually slip on gubernatorial shoes dating back to

the days when he presided over the Indiana Policy Review Foundation, his hosting of popular conservative talk TV and radio shows, and then a 12-year congressional career where he became an avowed critic of drunken federal spending while championing an array of social and press issues. He rose to leadership as the No. 3 conference chair position in late 2008. His ascension to the governor’s office comes after a tight 49-46% victory over John Gregg when he kept a principled stand not to launch a negative campaign, then fought off the Richard Mourdock ticket drag. But in doing so, Pence becomes the first modern governor to win with under 50% of the vote. Pence’s biggest campaign mistake might have been to believe that the Indiana GOP wouldn’t suffer without U.S. Sen. Dick Lugar at the top of the state ticket (Pence was neutral in the Senate primary and campaigned heartily with and for Mourdock through late October).

While he survived anxious mid-evening Election Night moments, Pence comes to office with unprecedented accoutrements: Republican super majorities in both the Indiana House and Senate. The last time there were super majorities came with the Democrats thanks to the Water-gate fallout of 1974. But those majorities lasted a mere two years and came with Republican Doc Bowen at the helm. This time, Pence not only will preside atop a GOP bulwark, he also comes with stellar conservative and pro-life credentials that match those of Speaker Brian Bosma and Senate President Pro Tempore David Long. The advent of Roe vs. Wade occurred on Bowen’s watch, and Gov. Orr was a member of Planned Parenthood and never made pro-life issues a top priority. Daniels and this legislative team were able to pass emphatic pro-life measures in 2011 and 2012, such as the defunding of Planned Parenthood, something Pence had championed in Congress. That dynamic could allow Pence to focus mostly on the economic issues at hand. It was a position he repeatedly vowed to take during the campaign, while Gregg suggested a Pence governorship would amount to a radical “Tea Party” takeover of the state.

Pence insists he will be a governor for “all Hoosiers” and has reached out to new Democratic Education Supt. Glenda Ritz and the small Democratic minorities in the legislature. His biggest challenges at the onset of his term appear to come with Republican leaders, who have been cool and cautious about his call for a 10% income tax cut, fearing it could burn up the surplus and blow up the tax base at a time when Indiana faces critical Obamacare





decisions such as whether to fund Medicaid up to 133% of poverty levels, as well as how to complete the I-69 interstate between Indianapolis and Bloomington. Pence continues to declare the tax cut as his top legislative priority, whereas a number of Pence's friends and allies hope he opts for a universally popular "skills gap" vocational education and jobs legislation that could earn passage with big bipartisan majorities.

As there was with Gov. Bayh, there will be considerable speculation that Pence is using the governorship to build his "executive" resume en route to a White House bid in either 2016 or 2020. Pence is just 53 years old and his presidential candidate shelf life could extend into two decades. His top lieutenants insist that any such decision is

a long way off. Any notion of a 2016 run when the White House will be open would probably have to come within 18 months, and with that scenario Pence would need a strong out-of-the-gates session this year, which he has the potential political apparatus and majorities to pull off. Critical to his successes this year will be a favorable April revenue forecast and his socially conservative allies not overplaying their hands.

2. Speaker Brian Bosma: He is in his second stint as speaker and has created an Indiana House that is transparent, has reached out to the minority party by appointing a Democrat committee chair for the second consecutive session, and his longtime nemesis – B. Patrick Bauer – has been neutered by his own caucus. Bosma can rightfully claim credit for engineering the 69-seat super majority he achieved with long-time campaign lieutenant Mike Gentry. It could have reached into the 70s but the Mourdock Senate candidacy imploded and created a ticket drag. The matured, seasoned Bosma will certainly make headlines as he grapples with the Pence income tax cut, the Obamacare budget fallout, and controversial social legislation. The speaker appeared to be outside the Pence campaign loop when the income tax was proposed last July, despite a long-time friendship between the two dating back to their IU Law School days. Bosma remains

avowedly pro-life, but he has cooled on his past advocacy of a constitutional gay marriage ban. In the wake of Supt. Tony Bennett's upset last November, Bosma still ardently embraces the Daniels/Bennett education reforms, but talks of wise implementation as a key priority. Both Bosma and Pence have teachers in their families and appear to un-

derstand the fine line between reform and populism as well as teachers mounting GOP primary challenges in 2014. While it's a long way off, it's easy to envision Bosma potentially following Doc Bowen's footsteps from the speakership to the governor's office.

3. Senate President David Long: The Fort Wayne Republican has shown a deft skill at keeping his pulse on his divergent caucus, and knowing when to kill a bad idea in the crib, or when to let one get enough sunshine to let

public opinion do it for him. Long is the proverbial "adult in the room" who has become a pragmatic leader even as he adheres to the true conservatism in his heart and mind. The sense is that Long will probably enjoy being beyond Gov. Daniels' alpha shadow, and it will be fascinating to see how his rapport with Gov. Pence – a man with a legislator's heart himself – develops in the coming four months.

4. State Sen. Luke Kenley: A critical dynamic in the Statehouse is the "Kenley Test" – whether an idea or a bill will pass muster with the powerful Appropriations Committee chairman. Kenley and Budget Committee Chairman Brandt Hershman have developed a cohesive working relationship, not unlike the old Borst/Mills dynamic in the days of yore. Kenley is more apt to take a controversial public stance – as he recently did opposing the gay marriage amendment – whereas Hershman is more wonkish, more of a policy mechanic who isn't afraid to use, say, tax credits to achieve a policy outcome. Kenley is more media friendly and savvy and has developed an institutional gravitas that has served the Senate majority caucus well even as the right grumbles.

5. District Attorney Joe Hogsett: The Southern District attorney could be on the precipice of a sensational story and uncharted territory if he indicts former Marion County prosecutor Carl Brizzi, coming on the heels of his

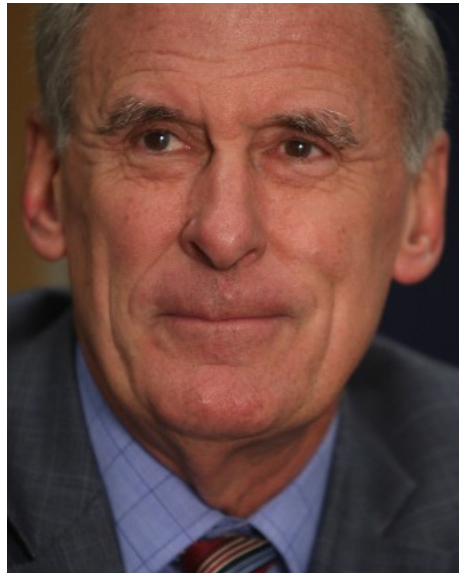




successful prosecution of financier Tim Durham, who will likely spend the rest of his life behind bars. It has been generations since an Indianapolis public official as high as Brizzi has been prosecuted. Hogsett sits at the nexus of all sorts of legal and political options. There has been talk about a potential 2015 challenge to Mayor Ballard in Indianapolis, or a 2016 rematch against U.S. Sen. Dan Coats, who defeated Hogsett in 1992. Hogsett also has the credentials to wage a gubernatorial race. The American political landscape has a number of former DAs – Rudy Giuliani, Chris Christie, Big Jim Thompson, and Richard Daley (the younger) immediately come to mind – who have waged sensational prosecutions and reaped political dividends as a result. Hogsett has been on the Indiana political scene since 1986 as a key Evan Bayh ally. He now finds himself in a position to create the political capstone to a storied career.

6. U.S. Sen. Dan Coats:

Finally . . . Indiana’s senior senator! As the highest ranking Republican on the congressional Joint Economic Committee, Coats (pictured right) will have an opportunity to carve out some prime political turf in the debate over cutting the massive federal deficit and debt. It’s an area that will come in handy, as he tries to fend off a potential Tea Party challenge in 2016. Coats as a voice of reason could be on the cusp of the most impactful period of his long career.



7. U.S. Sen. Joe Donnelly:

The Granger Democrat is probably the lawmaker with the best common touch in the Hoosier delegation. When he mixes it up with constituents at a Congress on Your Corner meeting or throws back a beer at a bar with Notre Dame fans, there’s no question about his authenticity. He’s a blue collar Democrat in a mostly red state. He also asserts that he’s a moderate. You can bet that Republicans and conservative organizations will be closely watching his votes on tough issues, like the debt ceiling, to keep him “honest” in their view. It will be interesting to compare and contrast his everyman approach with the more aloof posture of the previous Hoosier Democratic senator, Evan Bayh.

8. U.S. Rep. Todd Young: The Bloomington Republican is perhaps the most cerebral of the Hoosier House freshmen in the 112th Congress. A graduate of the U.S. Naval Academy and a former Marine, Young earned an MBA from the University of Chicago while going to school at night. His economics background and his work on the

House Budget Committee, where he also contributed to Chairman Paul Ryan’s budget plan, set him up for his recent appointment to the House Ways & Means Committee. It’s the first time since 2006 that a Hoosier will serve on the tax-writing panel. It’s a plum position for the low-key Young that sets him up for a strong sophomore term in Congress.

9. Ways & Means Chairman Tim Brown: The doctor finds himself in an unprecedented modern situation. He is the first House Ways & Means chairman to ascend to that station with no experience on the committee. Speaker Bosma ostensibly tabbed him because of the potential Obamacare impact on state budgets. Brown will face critical questions from the beginning after inheriting a “mid-point” budget forecast. The potential Medicaid hit of 17% could potentially eat up 80% of the \$1.2 billion surplus in the first year and 40% in the second. Thus, the “surplus” is a mirage. We’ve seen other young turks come in and take major budget roles: Pat Kiely took over Ways & Means after one session and former Senate Budget Chair Larry Borst took over that post during his first term. Dr. Brown certainly has the intellectual wherewithal to perform in that stellar league.

10. Purdue President Mitch Daniels:

In West Lafayette, Daniels has an enormous canvass on which to innovate and continue to think big thoughts and pursue big policies. He’ll likely enjoy the greater freedom that campus life provides. Sure, he’ll have fundraising pressure, just as he did in politics. But dealing with the Purdue Board of Trustees and faculty will be a lot easier than contending with the legislature and answering to voters. If the Purdue constituencies couldn’t bring down former President Steven Beering, who had a tense relationship with some Boilermaker professors, they shouldn’t give Daniels too much trouble. Daniels critics would be correct, if he was set to become provost. He’s not qualified for that role. Instead, he was hired to be president, a position in which he’ll excel. It puts Daniels in a position to implement at that level many of the achievements in education, transportation, research and operations that were the hallmark of his two terms as governor. Daniels will likely become a national voice on education issues. We also expect him to bring a fresh – and potentially controversial – perspective to higher education and how a great university operates. We see Daniels, IU’s Michael McRobbie and Ivy Tech’s Tom Snyder as an influential group of college presidents who touch many legislators.

11. Indianapolis Mayor Gregg Ballard: The second term Republican has demonstrated his strength



over the past few years; has not shied away from using his veto pen on some Democrat council proposals (budget and other fiscal items that would be bad for the city's financial picture), and he remains popular among Independent, Republican, and Democrat voters. His recent mission to transition city vehicles to electric/hybrid/natural gas has gained him national recognition. He has built a relationship with Governor-elect Pence. He's begun fundraising again and looking toward re-election in 2015. (Looking at the past couple of cycles for Republicans in Marion County just reinforces what broad appeal he has to have won in 2011).

12. Bill Smith: The new governor's chief of staff has been a loyal lieutenant of Mike Pence throughout his congressional career after heading the Indiana Family Institute. He has overseen the compilation of the new administration and will be the key gatekeeper on the second floor.

13. U.S. Rep. Marlin Stutzman: The farmer from Howe, Ind., is another Hoosier freshman who landed an "A" committee assignment, when he was recently appointed to the House Financial Services Committee. This role follows Stutzman's work with Sen. Richard Lugar in introducing and promoting the Rural Economic Farm and Ranch Sustainability and Hunger Act. Although Congress failed to pass a farm bill – a truncated version was included in the fiscal-cliff legislation – Stutzman's legislation gave him a platform to talk about ag policy and highlight his own background as a northeast Indiana farmer. He's also become one of the most vocal proponents of conservative philosophy in the House GOP caucus. He was a strident opponent of Speaker John Boehner's Plan B fiscal-cliff proposal, helping torpedo that measure, and was one of the first to come out against the Senate fiscal-cliff bill that the House passed despite 151 Republican "no" votes. Stutzman, who is likely to become a player in the Republican Study Committee, says that he's promoting conservative principles and generating a discussion that House GOP leadership appreciates. Or maybe he's annoying them and they're just being tolerant.

14. State Rep. Eric Turner: The Democrat turned Republican is the key social conservative in the House and he will head up efforts to pass the gay marriage constitutional amendment. Speaker Bosma decided against a rare nexus of a leading social conservative taking the reins of the powerful Ways & Means Committee, opting for Dr. Brown instead. The persistent talk in the hallways which

ultimately may have swayed the speaker's decision involves Turner's son and daughter who operate as lobbyists and in the nursing home sector.

15. State Rep. Bill Davis and State Sen. Ron Alting: As chairs of the public policy committees in the two chambers, Davis and Alting will be the gatekeeper to an array of controversial legislation related to abortion, various social issues, alcohol, gaming and tobacco.

16. Secretary of State Connie Lawson: The former state senator was chosen by Gov. Daniels to fill the remaining term of convicted secretary of state Charlie White and will run statewide for the first time in 2014, making her the head of the GOP ticket in less than two years. She has the office running smoothly and visited all 92 counties in the last nine months, getting a lot of positive press in local news outlets along the way. She has had a couple of very successful fundraisers in recent months and is expected to post \$200,000 cash-on-hand for her year-end report. That's a big number in a short time and nearly two years out from her first statewide election. Her strong allies at the Statehouse have helped in her campaign launch and will continue to aid her success. There are some grumbings about her selection from some rural Republican chairs who are still upset with Daniels over the Jon Costas/Greg Zoeller convention fight in 2008. But we expect Lawson to be a heavy favorite to win a full term of her own.



Secretary of State Connie Lawson with U.S. Rep. Todd Rokita.

17. Hammond Mayor Tom McDermott Jr.: The Lake County Democrat chairman is also mayor of the Region's largest city. He has been innovative, has reached out to work with neighboring cities and has the ability to bring a new era of regionalism to "Da Region." Well into his third term, the mayor should stop fretting about the "reputation" of the Region, showcase his own stewardship and not fear running a statewide campaign should it fit into his life's station.

18. Evansville Mayor Lloyd Winnecke: The Republican had a great first year in office, even with an 8-1 Democratic city council. He's cleaned up a few of his predecessor's messes without trying to pin blame on anyone (the Roberts Stadium decision was particularly tricky.) He's getting very good reviews as someone who can work with the other side and get things done and he's already looked to and respected by his fellow mayors around the state.

19. U.S. Rep. Todd Rokita: He got off to a strong start in his congressional career in 2011 by being appointed to the House Steering Committee, one of three



freshmen to land on what is essentially the board of directors for the House GOP. He had a voice on policy that was more influential than almost any other freshman could attain. Rokita claimed credit for helping to marshal the efforts of Reps. Todd Young (R-9th CD), Larry Bucshon (R-8th CD) and Marlin



21. Supt. Glenda Ritz: This Indianapolis Democrat stunned the political establishment with her upset win over Supt. Tony Bennett, riding a social media wave of teacher discontent over the sprawling reforms of 2011. She comes into a position both party platforms had advocated to become a gubernatorial appointment, and Ritz is well aware of this and the limitations of dealing with the dominant Republican General Assembly.

Stutzman (R-3rd CD) in punching above their freshman weight during the 112th Congress. He also directly contributed and helped raise more than \$800,000 for House GOP candidates in 2012. But Rokita's efforts to parlay his fundraising and Steering Committee position into a perch on one of the House's most powerful committees, the tax-writing Ways & Means panel, fell short. His ambition and aggressiveness sometimes rubs colleagues the wrong way. For instance, he refers to House Budget Committee chairman, and former GOP vice presidential candidate, Paul Ryan's budget plan as the "Ryan-Rokita budget." But for someone who was shut out of an "A" committee like Ways & Means, Rokita loyally backed House Speaker John Boehner's Plan B fiscal-cliff legislation. He will serve as a subcommittee chair on the House Education and Workforce Committee.

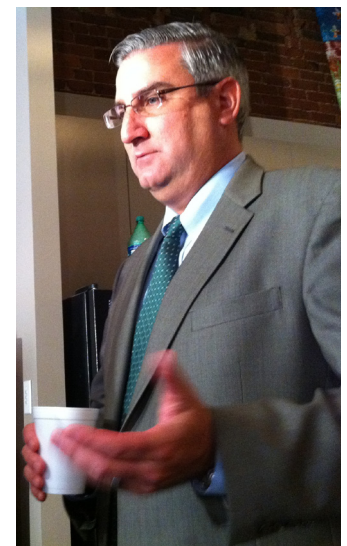
She plans to resist acting unilaterally and will seek to build consensus. Her priorities will be literacy, working with Gov. Pence on his vocational education program and improving assessment models. Ritz will strive to bring more people to the table and she has had initially friendly meetings with key Republican legislators and Gov. Pence, who talked warmly about her on Wednesday.

20. Evan Bayh: The Ten Million Dollar Man finds himself in a position for a possible second resurrection of the Indiana Democratic Party. He is a former two-term governor and U.S. senator, has never lost an election, and raised eyebrows when he sent out a Christmas card last month. His twin sons are now 16 and will be making a college choice soon. If they end up at IU, Purdue or Notre Dame, that would be one scenario that might draw the Bayh family back from DC and Delaware. Sen. Coats' last-minute move back to Indiana to claim the old Bayh Senate seat will be a politically untenable move after the Lugar primary residency debacle of 2012, so if Bayh is interested, 2014 might be the time he could be back home again. Having said all of this, his closest allies have told HPI they don't believe he's interested, though that type of thought is always couched with phrases like "Evan loves public service." He just didn't dig the Senate, he won't be in a position to move past Hillary in a presidential race (that opportunity passed in 2006) and so either the Obama or Clinton cabinet or the Indiana governorship are the most likely places he could do that. Our take? If we had to place a money bet, it would be "nada." But then, Evan Bayh has surprised us all before.

22. Fort Wayne Mayor Tom Henry: The second-term mayor of Fort Wayne was under key consideration for the Democratic ticket in 2012 after hosting his state convention. He is viewed by many Democrats we talk to as a potential statewide candidate, held in almost universal high esteem.

23. Kokomo Mayor Greg Goodnight: The second-term mayor has been an innovative and popular mayor of the City of Firsts. He is a prolific fundraiser while leading his city beyond the near 2008-09 automaker catastrophe, reaching out to work with Marion Mayor Seybold to create the "auto belt" economic zone. Both Kokomo and Marion have seen their fortunes rise, jobless rates fall and home construction revving up just four years after they could have become cratered cities. Goodnight, who ran once unsuccessfully for Congress, is a Democrat with ticket potential. There has been some talk of a gubernatorial run, though Goodnight has yet to signal his interest.

24. Republican Chairman Eric Holcomb: Although you think of Holcomb (pictured right) as a Daniels guy, he has made it clear he intends to make sure Gov. Pence is successful out of the gate and there's a good chance he stays on as chair. Holcomb has been intimately involved in state poli-





tics for over a decade. He served as Daniels' deputy chief of staff, ran the re-election campaign and Aiming Higher PAC, plus wrote a book on Mitch's leadership qualities thus putting him in a key position to be a huge resource for the Pence team. The continuity he will provide Team Pence during their first state legislative session will be invaluable. Both Pence and Holcomb graduated from Hanover College and were members of the same fraternity there. He's close to senior Senator Dan Coats and close friends with most members of Indiana's congressional delegation. Holcomb is what you want a modern day state chairman to be, a professional, inclusive leader for the team. He understands local party politics, messaging, and is an effective fundraiser. Our sources say Holcomb is being "heavily" encouraged to run for re-election as chairman in March.

25. U.S. Rep. Pete Visclosky: The dean of the entire Indiana delegation has had a lower profile since the House went Republican. His Marquette Plan for revitalizing the Lake Michigan shoreline into an array of recreational uses and his support for the NW Revedelopment Authority in an alliance with Gov. Daniels will be Visclosky's indelible imprint of Indiana..

26. Chamber President Kevin Brinegar and IMA President Pat Kiely: The "skills gap" that impacts business and industry, as well as the state's unemployment rate and personal income should be the front-stage-center issue of the Indiana General Assembly. Both these powerful leaders deal with the limitations of workforce development on a daily basis, and both are in a position to greatly influence legislation that deals with the problem this session.

27. Lt. Gov. Sue Ellspermann: The incoming lieutenant governor (pictured left) has had a meteoric, virtually unprecedented rise in Indiana politics, going from career educator and business-woman to the state's second highest elected executive in the span of three years. In reaching the Statehouse, she upset House Minority Leader Russ Stilwell in 2010, and did so by agreeing with the Democratic leader to run a clean campaign. Pence tabbed her as a socially conservative ally who offered gender and regional balance. So she moves from the House back bench to running the Senate sessions in just 48 months. Over the next two years, the Statehouse community will be watching her the way they did Lt. Govs. Kathy Davis and Becky Skillman to see if she develops and accrues the po-



litical status and operations to position herself as Indiana's first female governor, which could happen as early as 2016 if Pence were to opt for a presidential campaign, or 2020 when there could be an open gubernatorial seat. Neither Davis or Skillman ever developed the political operations that Lt. Govs. Robert Orr and Frank O'Bannon did when they ascended to the top job.

28. State Rep. Judd McMillin: One of the key questions leading into this year's Power 50 list is which of the Class of 2010 Republicans is emerging as a leader? A number of HPI's influential subscribers point to McMillin, who will chair the House Courts and Criminal Code Committee. This committee will play a critical role in the efforts to reform Indiana's aging criminal code and bring about sentencing reform. McMillin took some hits from Democrats in his first campaign because of professional and personal indiscretions, but he's been focused since arriving to the Statehouse and is earning respect.

29. U.S. Rep. Larry Bucshon: The Republican heart surgeon from Newburgh was targeted by the Democratic Congressional Campaign Committee in his first re-election bid but prevailed in November by 10 points over former Democratic state representative Dave Crooks. Going from a "race-to-watch" status to a blowout is a political achievement for Bucshon, who was helped out tremendously by an infusion of almost \$1 million in outside spending. He attributes his success to working hard in Congress and keeping his finger on the pulse of one of the few districts in Indiana that became more Democratic in the 2012 cycle. Bucshon garnered a seat on the always district friendly House Transportation and Infrastructure Committee in the 112th Congress. This gave him a platform for championing provisions in the highway authorization bill

that benefitted the I-69 extension and manufactured housing companies. He also brought House Transportation Chairman John Mica to Indianapolis for an event. The key question for Bucshon is whether he can continue to improve his fundraising ability to fend off the DCCC.

30. John Gregg, Jonathan Weinzapfel, Baron Hill and Woody Myers: OK, we cheat a bit on the Power 50 list, in that there are always more than 50 names. At No. 30 is the "2016 Democratic gubernatorial" category beyond Evan Bayh. Within this grouping is a probable gubernatorial nominee should Bayh take a pass (see No. 20). Many believe that had Gregg started, hired a finance director and moved



beyond his Sandborn schtick earlier, he might have pulled off the most epic upset since Frank O'Bannon in 1996. Normally in Indiana politics, you get one shot at the nomination (i.e. John Mutz, Larry Conrad), but Gregg has gravitas, his statewide name ID will not be a problem, and an earlier, better heeled campaign is not out of the question . . . if he wants it. Weinzapfel, the former Evansville mayor, is young, handsome and has run at the municipal, legislative and congressional level. He currently practices law with Faegre Baker & Daniels and would have to be taken seriously if he enters in. Former congressman Baron Hill has run statewide (credibly losing to Sen. Coats in 1990) and is a five-term congressman, is popular with Indiana Democrats and has exquisite taste when it comes to building a new Brown County cabin. He's a Blue Dog Democrat who could contrast well with Gov. Pence. And, finally, Dr. Myers has a voluminous portfolio when it comes to state and municipal health care, Fortune 500 business, and as an investing entrepreneur. His handling of the Ryan White case is still a beacon of Hoosier compassion. Myers also ran a credible 7th CD race, losing to U.S. Rep. Carson in a special election. It's way, waaaaay early when it comes to 2016, but this is the potential field we envision at such a premature posting.



31. South Bend Mayor Peter Buttigieg: There are five mayors age 30 or under (LaPorte's Blair Milo, Columbia City's Ryan Daniel, Frankfort's Chris McBarnes, and Rising Sun's Brandon Roeder). But Mayor Buttigieg is the big city version of the fountain of youth. He did his master's thesis on war zone economic development after on-the-ground study in Afghanistan and Iraq. He has told associates, "If I can do it there, I can do it in South Bend." As a high school student, he won a Harvard John F. Kennedy School essay contest on municipal government. Now he leads a city that has been denigrated as a rust belt poster child in the Wall Street Journal, though he has developed a relationship with Gov. Daniels and brings a fresh set of eyes and ears to Michiana. Buttigieg lost to Treasurer Richard Mourdock in 2010, but many believe he has a bright future, particularly if he can change the fortunes in river city and steer through a police department mess he inherited.

32. U.S. Rep. Susan Brooks: Brooks (pictured

below) and Rep. Walorski represent two-thirds of the new House freshman women. Brooks could be showcased by a Republican Party that is trying to show that it is diverse and sensitive to a wider range of political values and priorities than just those espoused by rural white men. Her experience as a senior vice president at Ivy Tech and stints as a U.S. attorney and deputy Indianapolis mayor provide her with the background to make an immediate impact on two of her committees – Education and the Workforce and Homeland Security. In fact, she's chairing a homeland subcommittee. Many Republicans we talk to see her as a true rising star where the sky is the limit.

33. U.S. Rep. Andre

Carson: The emerging perception is that Carson is growing into his job as congressman after arriving as a legacy figure following the death of his grandmother, U.S. Rep. Julia Carson. The Indianapolis Democrat was recently named a senior Whip and has joined the House Armed Services Committee.

34. Chris Atkins:

Pence's top campaign policy guy will serve as director of the Office of Management and Budget in the new administration. Atkins will bring a wealth of fiscal policy experience. He served as general counsel and policy director for Mitch Daniels in OMB.

35. State Sen. Brandt Hersh-

man: This Republican senator is the bookend to Sen. Kenley, chairing the Senate Budget Committee. It's a simi-

lar dynamic to the Larry Borst/Morrie Mills twin towers of budgetary powers, though neither Kenley nor Hershman intimidate lobbyists by making them putt for funding, as Borst used to do.

36. Gary Mayor Karen Freeman-Wilson:

The second-year mayor of Indiana's most financially and culturally distressed city is earning good marks from the Region to Indianapolis. She is beginning to eradicate the perception that the Steel City's woes are insurmountable. The former attorney general has opened a very business oriented administration, reached out to academics, former Chicago Mayor Daley and is exploring models of cities in Michigan to face the same needs: reduce the city's foot print and corral services to fit a dwindling tax base. She is building a rapport with key Indiana General Assembly leaders such as Sen. Kenley and, as Matt Greller of the Indiana Association of Cities & Towns notes, "She's smart enough to know what she doesn't know." A Lake County income tax would



certainly help her in the attempt to resurrect her city.

37. Marion Mayor Wayne Seybold: The three-term mayor is preparing his first statewide bid as treasurer just two years after an unsuccessful run for the 5th CD. He was instrumental in Marion surviving the possible liquidation of General Motors, and reaped the benefits when the automaker consolidation operations in his city.

38. Attorney General Greg Zoeller: The second-term attorney general has taken a lead role in battling the federal government, Obamacare and a variety of controversial issues.

39. John Hammond III: An array of political, corporate and ruling lineage comes together with Hammond. He is the new Republican National Committeeman, defeating Jim Bopp Jr. after the latter's attempt to create a Republican "litmus test" followed by the party breach during the Lugar/Mourdock primary battle. Hammond heads the 7th CD Republicans, and is a power attorney with IceMiller where General Motors is part of his portfolio. And Hammond has been a close friend and confidante of Gov. Daniels and will almost certainly be a valuable asset to Gov. Pence.

40. Karen Pence: Multiple Republican sources tell us that the incoming First Lady will take more of an activist Judy O'Bannon type role during her husband's first term. She is a teacher in both public and private schools, an accomplished water color artist, a pilot and mother. She founded the Artist Therapy Program at Riley Hospital. She will likely become a key asset for her husband, as she was on the campaign trail and will certainly have his ear after his long days at the office. The new First Lady will focus on cultural issues.

41. Joel Elliott: He is the chief of staff for Sen. Donnelly and will be a key gatekeeper for the new senator.

42. Heather Neal: She will be Gov. Pence's legislative director after serving as Supt. Tony Bennett's chief of staff. Before that, she was the state's public access counselor and chief of staff to Secretary of State Rokita. She'll be Pence's Betsy Burdick.

43. Mike Schmuhl: Sen. Donnelly will play the critical role in selecting the next Indiana Democratic Chairman and has installed Kelly Norton on the state committee. Donnelly will take the pulse of his district chairs before making a final decision. This is a stab with no reliable sourcing, but 2nd CD Chairman Mike Schmuhl ran Donnelly's tough 2010 reelection bid against Jackie Walorski, did the same for Mayor Buttigieg a year later, and then replaced the indicted Butch Morgan in the 2nd CD. So this is our educated guess on the next state chair. Even if it isn't Schmuhl this time, he's got a very bright future in Indiana

politics.

44. Chris Crabtree: The former political director for Mike Pence for Indiana, Crabtree will continue his work for Pence, serving as the deputy chief of staff for external operations and overseeing administration outreach and community relations in the governor's office. In his role for the campaign, Crabtree traveled to all 92 counties with the governor-elect and worked to build relationships with organizations and community leaders across Indiana. He has served in a similar capacity for nearly 20 years for two members of Congress and Lt. Gov. Skillman.

45. U.S. Rep. Jackie Walorski: For a freshman member of Congress who faces an almost certain rematch against the Iraq war veteran who came within a whisker of beating her in November, Walorski has been put on some advantageous committees. She will serve on the House Armed Services Committee and the House Veterans Affairs Committee. Likely Democrat challenger Brendan Mullen



must be thrilled. He brandished his military experience at every opportune moment – and even some that weren't – during the last campaign. Now he'll have to contend with a lawmaker who can cut commercials about her work on the panels that set military policy. One of the flash points between Walorski and Mullen was whether Walorski is a typical partisan politician or a lawmaker who is willing to work across the aisle, as she asserted. The first clue will be her approach to raising the

debt ceiling. It could be a bruising political battle.

46. U.S. Rep. Luke Messer: The Shelbyville Republican will be in a position to pick up the mantle that fellow GOP Reps. Todd Young and Marlin Stutzman leave behind on the House Budget Committee. In addition to an appointment on that panel, Messer also will serve on Education and the Workforce and Foreign Affairs. On the latter, he could start to build on the legacy that Sen. Richard Lugar – and former House Foreign Affairs Chairman Lee Hamilton – have left behind. Messer also has been elected as the GOP freshman class president. The role is largely symbolic but also speaks to Messer's appeal.

47. State Rep. Rebecca Kubacki: A number of HPI's Statehouse subscribers view the Syracuse Republican as a real up-and-comer. In just her second session, she will chair the key Family, Children and Human Affairs Committee in a year after an array of negative headlines hit the Department of Child Services. She is a Latino and will be an



important voice on immigration issues that come before the legislature. Kubacki is a rising star in the Class of '10.

48. St. Joseph County Republican Chair Deb Fleming: She is making the GOP county effort serious rather than a joke. With election of a Republican commissioner this time, the GOP now for the first time since the 1970s has 2-1 control of the board of commissioners. And State Rep. Dale DeVon won HD5 vacated by Craig Fry.

49. Club For Growth Chris Chocola: He was a critical player in the GOP fiasco that saw the Indiana party cede a safe U.S. Senate seat to Democrat Joe Donnelly. He was an early backer of Richard Mourdock and failed to recognize the troubling tell-tales that doomed the Indiana treasurer to an ignominious defeat when he shot his mouth off on the topic of rape during the final Senate debate. But Chocola is not chastened. Within weeks, the Club for Growth president was condemning potential U.S. Senate candidates in places like West Virginia and railed against the fiscal cliff deal. The grumpy rich old men who hate pork and moderation still like Chocola, and he will likely continue to be a mega money bundler in the 2014 cycle, though his days as a candidate in Indiana are most likely over. From a news media standpoint, Chocola was not only good copy, but he showered Hoosier media with lots and lots of cash.

50. Whiting Mayor Joe Stahura: He is president of the Indiana Conference of Mayors and is a key force behind the coordinated "Trust Locals" group that is seeking more local flexibility, taxation and control from the Indiana General Assembly. Stahura has been a long-time, innovative mayor in this small city nestled along Lake Michigan near Chicago.

Honorable Mention:

State Rep. Scott Pelath: He is the minority leader of the 31-member House Democrats.

State Sen. Tim Lanane: He is the minority leader of the 13-member Senate Democrats.

State Sen. Ryan Mishler: Many believe the Bremen Republican is being groomed for a post-Kenley Senate budgetary era. HPI subscribers describe him as thoughtful, loyal and a business guy.

State Sen. Carlin Yoder: A leading Senate social conservative who is effective, not prone to grandstanding.

Bob Grand: Indiana's "Mr. Republican."

Democratic Chairman Dan Parker: The outgoing Indiana Democratic chair ended a lengthy stint by helping engineer the Donnelly victory (he had no primary opponent).

Jim Bopp Jr.: The key figure in rewriting campaign finance law, which resulted in a \$50 million U.S. Senate race here in 2012, Bopp will likely play a conspicuous role in defending what he wrought even though he lost

his GOP national committee post and bungled late mailers which implied a Lugar endorsement for Mourdock.

Bill Moreau: A key confidante to the Bayhs, a former gubernatorial chief of staff and now a power attorney at Barnes & Thornberg who has the ear of Sen. Donnelly.

Brendan Mullen: Coming within 4,000 votes of Rep. Walorski, Mullen will likely follow a 2nd CD tradition established by John Brademas, Chris Chocola, Tom Ward and Joe Donnelly and try it again in 2014.

Jeff Papa: The Zionsville Councilman is the influential chief of staff for the Indiana Senate.

Fort Wayne Councilman Mitch Harper: The council president and former legislator is preparing for a 2015 mayoral run.

State Rep. Wendy McNamara: She won her seat by a mere four votes in 2010, then defeated former State Rep. Trent Van Haften last November, this coming after she took a decisive stand on the controversial Right to Work legislation. "Mac" did not duck the controversial issue and won reelection by 3,500 votes.

Anne Hathaway: The Lugar Series director is an influential Republican political operative.

IACT Director Matt Greller: Municipalities are making a push for more local options and he plays a key role.

State Sen. Scott Schneider: This key social conservative survived a harrowing reelection bid.

State Rep. Heath Van Natter: An emerging member of the class of '10.

State Rep. Mike Karickhoff: Another emerging member of the class of '10

Councilman Jeff Cardwell: The Indianapolis councilman will serve as Gov. Pence's faith-based director.

Larry Landis & David Powell: The sentencing reform bill will be full speed ahead this year and it will have a huge impact on the Department of Corrections for generations with Landis, executive director of the Indiana Public Defenders Council, and Powell of the Indiana Prosecuting Attorneys Council will be key voices.

Councilman Vop Osili: The former Democratic secretary of state candidate is a likely 2015 Indianapolis mayoral candidate.

Jim Schellinger: The unsuccessful 2008 gubernatorial candidate has become a significant fundraiser for Democratic candidates and causes.

Mike Gentry: He's the campaign architect of the Republican House classes of 2010 and 2012 and the 69-seat majority.

Mel Raines: Rep. Brooks' chief of staff is a former Cheney operative and worked on the Super Bowl Committee. ❖



Rating six U.S. Senators over a half century

By **BRIAN A. HOWEY**
and **JACK COLWELL**

INDIANAPOLIS – There was a fascinating photo that emerged from the U.S. Senate chambers on Jan. 3. You could see Joe Donnelly taking the oath of office from Vice President Joe Biden, both of their right hands held aloft.

To the left was the eye of U.S. Sen. Dick Lugar, who Donnelly is succeeding. Behind Donnelly stood former U.S. Sen. Evan Bayh. And behind U.S. Sen. Diane Feinstein was the great cerebral mass of former Sen. Birch Bayh, though you couldn't see his face. U.S. Sen. Dan Coats had intended to escort Donnelly for his swearing in, but he had to deal with a family emergency and was unable to attend. Coats personally called Donnelly prior to the ceremony to explain his situation. Donnelly and Coats had met prior to Jan. 3.

Since 1963 – fully a half century – Indiana has had only seven U.S. senators. Joining Donnelly, Lugar and the Bayhs in this exceedingly exclusive group of people serving in the Most Exclusive Club in the World have been Sens. Vance Hartke, Dan Quayle and Coats.

"Donnelly was escorted by Sens. Lugar, Bayh and Bayh," said Bill Moreau, a long-time friend of the Bayh family who has become particularly close to Sen. Donnelly. "The Vice President was in full form. He greeted the four Hoosiers with great enthusiasm, with a special embrace for Birch. Then there's a short break before the next group of four is brought up. During this period, Birch and Evan, in separate spots on the floor, were greeted enthusiastically by their former colleagues. Birch lingered so long on the floor that the Vice President had to lean across his desk and in a stage whisper basically shoo Birch off the floor so the next group could be brought up. Vintage!"

For a state of six million plus people, that is an extraordinarily tiny pool of public servants. But beyond the mere numbers, there is a fascinating quality about this

group of men. One would go on to be vice president. Four would launch unsuccessful presidential campaigns. One would become an ambassador to Germany. One would write two of the 26 amendments to the U.S. Constitution and Title IX, which opened the institutional gates for female athletes. And one would help topple two foreign regimes and play a huge role in securing and destroying the arsenal of a bitter U.S. enemy, the Soviet Union. Two of the senators would be early opponents of the Vietnam War.

Four of these senators ran against each other. In 1974, Birch Bayh defeated Lugar. Two years later, Lugar would defeat Hartke. And in 1980, Quayle would upset Birch Bayh. Twice it appeared that Evan Bayh and Dan Coats would be opponents, but in 1998 Sen. Coats abruptly announced he would retire. And in February 2010 – just days after Coats announced he would challenge Evan Bayh – Bayh returned the favor. Coats was the only senator to enter the upper chamber as an appointee, chosen by Gov. Robert Orr to fill Vice President Quayle's Senate term.



How do these senators rate as individual public servants?

In our view, none of them grade below a "B-" (using Colwell's grading system for classes he teaches at the University of Notre Dame).

Here's how HPI rates our six modern senators who have served more than a week:

Dick Lugar, 1977-2013, A+: Lugar is a statesman, serving long and well the interests of the state, the welfare of the nation and the safety of the world in his efforts to eliminate or control weapons of mass destruction. He advised presidents from both parties on foreign affairs. Most listened. George W. Bush should have listened more to Lugar's questions about what we would do after



reaching Baghdad. He reached across the aisle, a governmental plus that unfortunately cost him the 2012 Republican nomination. As an election observer, Lugar called out Philippines President Ferdinand Marcos for fraud, leading to the toppling of his regime. He convinced President Reagan to abandon apartheid South Africa, leading the way for the imprisoned Nelson Mandela to come to power. He was instrumental in the saving of Chrysler Corporation in 1979. And Lugar initiated the Freedom to Farm Act which has resulted in high commodity prices and increasing farmland values.

Birch Bayh, 1963-1981, A: He was an effective senator, for the state and nation after he upset Sen. Homer Capehart in 1962, and probably would have been a better president than Jimmy Carter, if he had won the Democratic presidential nomination in 1976, at a time when voters mistakenly sought an "outsider." Carter was so "outside" as a president that he went down to defeat in 1980, dragging down Bayh and many other Democrats with him. Evan Bayh managed his father's final campaign. Bayh had an ability to connect with Hoosiers from different walks of life, farmers, union members, educators, students and even moderate Republican business people. Sen. Bayh authored the 25th and 26th amendments replacing vice presidents who ascend to the White House in death or resignation (ratified in 1967) as well allowing 18-year-olds to vote (ratified in 1971). Bayh was also instrumental in defeating two of President Nixon's Supreme Court nominees in G. Harold Carswell and Albert Haynesworth. And Bayh authored Title IX, which required high schools and colleges to fund female athletics.

Dan Quayle, 1981-1988, B+: This grade could shock those who believe Quayle was a Mr. Potato(e) Head, shallow and unfit ever to have been a heartbeat away from the presidency. He was, however, a good senator, reaching across the aisle to get things done at times with Democrats such as Ted Kennedy. If he had remained in the Senate, he would have become a leader there. He was smart and able. Those traits were obscured immediately when George H.W. Bush kept his selection of Quayle secret until the last

minute, resulting in Quayle rushing through a crowd in New Orleans, breathless and unprepared for his introduction to the nation.

Evan Bayh, 1999-2011, B: It was not his father's Senate, and he was not up to his father's "A" grade. Perhaps he would have been if he had taken more risks on key issues than he deemed wise for future presidential hopes. His vice presidential chances faded when he had no out-front stands on some of those issues. He represented well the views of a majority of Hoosiers. He sought to convince fellow Democrats to be proactive on the debt issue, not just defend against Republican attacks on spending. He

also could reach across the aisle, and would have been a valuable contributor to bipartisan cooperation, if he had run for re-election.

Dan Coats, 1989-1999; 2011-present, B: The Senate needs a utility infielder. Coats, never a star or a starter on anybody's all-Senate team, has in both of his widely separated times in the Senate, proven to be a reliable representative of Indiana interests. Like a good utility infielder, he handles roles on various committees and issue areas, doing the work. He tries now, with some success, to work both with Tea Party zealots, who never wanted him, and the more establishment Republicans, with whom he is more comfortable. Coats served as a U.S. ambassador to Germany and helped forge

the post-Sept. 11 terror attack alliances.

Vance Hartke, 1959-1977, B-: While he wasn't the greatest of senators, and many Hoosiers (except those in Evansville) would agree with President Lyndon Johnson's description of him as "a two-bit mayor from a two-bit town." Rumors about him being "bought" were never proved. On Jan. 8, 1965, Hartke was the first Democratic senator to break with President Johnson on Vietnam. "It hurt me back home," he said. "People have not forgiven me to this day in Indiana for breaking with my own party. They said it should be, 'My country right or wrong' and I would say, 'No, that's not the phrase. It should be 'My country right or wrong, may she always be right, but if she is wrong, put her right.' I was the only senator who spoke at the Moratorium. The Kennedys wouldn't do it. I was the great dove." He also brought home the pork, viewed as a positive then. An example is how he fought successfully to save the South Shore Railroad. ❖



The Bayhs and Joe Donnelly had up to the Senate swearing in ceremony on Jan. 3



Thinking back to my old General Assembly days

By **RICH JAMES**

MERRILLVILLE – When the General Assembly convenes each January, I think back to 1979 and the first session I covered as a reporter.

My lasting impression of that first week that year was meeting Martin K. “Chip” Edwards.

He was a Republican and the president pro tem of the Senate.



He was a big man – tall and husky – and had an air about him that commanded respect.

Edwards was a lawyer who wore \$500 suits and snakeskin boots. But all that was wasted by the \$25 toupee that hid his bald head.

Edwards’ mission that session was to change the law on how Indiana nominated governor candidates. He wanted to move the nomination out of the primary process and back into convention.

He got the bill through the Senate but it died in a House committee when Chairman Richard Mangus denied Edwards a vote following a lengthy hearing.

Republican Bob Orr went on to become governor. A few years later, Edwards went to prison for taking kickbacks for ramrodding legislation through the system.

That was then and this is now.

The start of any legislative session is much like the opening day for baseball – everyone is even and full of optimism.

Such is the case for Northwest Indiana as legislators again will try to pass what has crashed and burned in the past. And there may be new endeavors as well.

The face of the local delegation has changed somewhat. Republican state Reps. Rick Niemeyer of Lowell and Hal Slager of Schererville are new.

Democratic state Reps. Chester Dobis of Merrillville and Dan Stevenson of Highland have retired.

Despite the changes, many of the issues are the same. And most of them involve money.

I expect the local delegation – or at least the better part of it – to pursue these issues. At least they should do so.

TRAUMA CENTER: It’s much past time for Northwest Indiana to be home to a trauma center. The ideal spot would be at Indiana University Northwest where the medi-

cal school should be expanded into a full-fledged operation.

Those now suffering traumas are either driven or flown to Chicago or South Bend – both of which are life-threatening options.

SOUTH SHORE RAILROAD AND REGIONAL BUS SERVICE: The NWI delegation has an obligation to move the area out of the Dark Ages when it comes to transportation.

It is imperative that legislators come up with local funding sources to match federal dollars for those operations.

Legislators can talk all day about economic development, but without proper transportation, it’s not going to happen to any degree.

CONVENTION CENTER: It is time to stop talking about the need for a convention center large enough to host the biggest events. State funding is clearly needed to help a convention center become a reality.

Speros Batistatos, the president of the South Shore Convention and Visitors Authority is known to want the facility near U.S. 30 and Interstate 65; that isn’t the best location.

It is time to acknowledge that the facility should be built on the Lake Michigan shoreline that is being reclaimed through U.S. Rep. Peter Visclosky’s Marquette Project. The lakefront also is the area’s greatest asset.

CASINOS: It’s also time for legislators around the state to get serious about the threats to the Indiana casino industry.

With a casino in Chicago’s southern suburbs looming, NWI better get competitive.

Yes, Gary needs a land-based casino somewhere along Interstate 94. And the city should be able to keep more of the profits than now is allowed with the riverboat casinos.

And because of casinos coming online across the Ohio River from Indiana’s casinos – and the threat of more casinos in southwestern Michigan, the Legislature should look hard at keeping the state’s casinos competitive.

Batter up. ❖

James is the former editorial page editor for the Post-Tribune.



Historic lows for the U.S. Congress

By **JACK COLWELL**

SOUTH BEND - Just shut up.

Not you, dear reader. This salutation is directed at the loudmouths in Congress, the ones whose abrasive, abusive blustering hinders economic recovery and prevents constructive action on almost everything.



They drive down approval of Congress to historic lows.

The compromise passed to prevent tax increases for the vast majority of Americans and at least delay draconian sequester cuts that would threaten a new recession wasn't perfect. Many on the far left and the far right were unhappy, a sign of a pretty good compromise.

The stock market responded with enthusiasm to the reprieve from a fiscal-cliff fall. Business, pleased with certainty on tax rates and avoidance of going over the cliff and into recession, could finally plan to hire and expand.

With passage, however, the loudmouths would not shut up.

Sure, it's reasonable to express disappointment about things not in the bill and urge negotiations on dealing with other fiscal problems.

Reasonable people, however, also could hail that Congress had at least and at last shown ability to reach a significant bipartisan agreement, preventing harm to the nation and giving a measure of confidence to help spur the recovering economy.

But congressional loudmouths, with usual angry and threatening tone, denounced the bill that averted disaster as though it was a disaster. They seemingly seek to drive the stock market back down with threats of refusing to pay the nation's bills for what Congress has already bought.

Playing political games with the debt ceiling led to lowering of the nation's credit rating before and, if repeated, could again endanger our fragile economic recovery and even bring down the world economy.

It's time to look at future use of the federal credit card, not shout insults in unhelpful ways about what already was charged by the wild spending of Congress in the past, with Republicans and Democrats both to blame.

It's time to look at all future spending, defense and domestic and entitlements, but not with blind sequester

cuts.

It's time to realize that the best solution to the national debt is a robust economy, where folks now collecting unemployment are instead working and paying taxes, where businesses are expanding with confidence instead of worrying that Congress will shut down government and destroy the nation's credit.

An improved economy will do more good than the revenue increases or spending cuts about which congressional loudmouths bluster in ways that stall economic growth.

While loudmouths shouted at each other at the fiscal cliff, the deal put together to avert disaster was forged quietly by Senate Republican Leader Mitch McConnell and Vice President Joe Biden. They said little as they worked together to come up with the best compromise that could pass in both House and Senate.

A message from the voters in the election was that they wanted cooperation to get something done, compromise rather than chaos.

That was what McConnell and Biden did, cooperate to get something done. Neither, if having the choice, would want exactly what was done. Both knew that hope of a "grand bargain" dealing with all fiscal problems had vanished.

The extent of bipartisan support surprised Washington observers of the long, contentious political stalemate there.

The Senate voted 89 to 8 for the compromise, with just three Democrats and five Republicans voting "no."

The House voted in favor 257 to 167, with 85 Republicans and 172 Democrats voting "yes." And there likely could have been more Republican support if needed. Some Republicans, fearing primary challenges if they voted for a compromise, took the "safe" route of voting "no" but would have considered switching if needed to avert tax increases for everybody.

The compromise also dealt with the alternative minimum tax problem, extending unemployment compensation, the "doc fix" on Medicare and extending farm bill programs to prevent a big hike in milk prices.

Not bad. Not as good as everybody would like. But the important evaluation is that it was not bad and could show the way for future bipartisan efforts that will strengthen the economy. The loudmouths in the way should just shut up. They won't. But the rest of Congress knows now that it's possible to tune 'em out. ❖

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



Best Daniels reforms came in government with BMV

By SHAW FRIEDMAN

LaPORTE, Ind. - Amidst the gushing tributes that are pouring forth for the outgoing Governor from the adoring Indianapolis press corps, one angle most of them are missing is the fact that Daniels' signature achievement was accomplished with a government agency – not in a privatized venture.

That's right – government. Governor Privatizer who made a career and a name out of going after government agencies and soundly excoriating public employees fails to mention that one of the true reforms that he can rightly claim to his credit occurred in a government agency - the Bureau of Motor Vehicles.



While this Governor brought a new efficiency and accountability to this most ossified and hidebound bureaucracy, it would kill him to admit this was 'government' at

its finest.

Unlike the agencies that he turned over to for-profit corporations that became enduring emblems of waste and profiteering, the Bureau of Motor Vehicles wasn't left to fend for itself in the private marketplace. Rather our privatizer-in-chief has only helped make the argument of his critics stronger that many government enterprises can be reformed from within and can deliver a solid and satisfactory product to the public without needing the intervention of the private marketplace.

Indeed, I would submit that this Governor's two biggest mistakes were his ill-founded forays into privatization, despite the warnings of numerous critics.

Take the Toll Road sell-off, please! Though touted as the "jobs vote of a generation" when the Toll Road was auctioned off in a 75-year lease to foreign conglomerates, the \$3.8 billion received up front is now gone. It's spent. While the Governor could have imposed the same kind of efficiencies and profit-making incentives on the Toll Road as he did with the BMV and probably turned the Toll Road into a revenue generator for the state for generations to come, the Toll Road is now in the hands of a foreign conglomerate that is free to continue raising tolls and paying no more to Indiana tax coffers. Incoming Gov.

Mike Pence is now left with the till being empty and communities around the state crying for additional road funds just as Major Moves has gone bust and a key potential money making asset – the Toll Road - is gone for seven more decades!

Northern Indiana residents continue to soundly resent this Governor's sell-off of an asset they drove on routinely and felt they paid for. In fact, the Toll Road was spinning off grants to counties along the Toll Road in the final 10 years of its existence as a public asset. In my own county, water and sewer improvements for the 39 North Conservancy District were paid for by nearly \$2 million in Toll Road corridor funds. Those Toll Road corridor dollars that once were granted to all counties along the Toll Road are gone and so is any hope of recouping profit from the Toll Road for the public good.

The same with the Governor's epic misadventure with seeking to privatize the state's welfare intake and eligibility system. Though warned by critics that welfare privatization had been a huge failure in places like Texas, he took privatizer-in-chief Mitch Roob's advice and plunged the state headlong into a disastrous effort that would cost recipients of food stamps and Medicaid millions in wrongly withheld benefits and then cost the state \$10 million in legal bills and \$52 million in a judgment the state lost to contractor IBM.

Want another example of the Governor's reliance on private sector management of government resources turning sour?

How about his vaunted Indiana Economic Development Corporation and the Liang scandal that has left such a sour taste? Fortunately for both Mitch and that son-of-a-Mitch Roob, dead women tell no tales and we will never know what the Governor knew and when he knew it. What was the head of the IEDC doing giving a letter to this junior staffer to shop around to her Chinese contacts indicating she was the exclusive representative for Indiana state government in China? Somehow she ended up with \$50,000 in a personal bank account from a Chinese business. The whole thing stinks but it is emblematic of the secrecy and shady dealings between an agency under Mitch that traded in its opaque relationships with certain select businesses and was loathe to share details or operational information with the press or public. Perhaps we will see a different management style at the IEDC under Gov. Pence.

The incredible irony for those of us who have followed Mitch Daniels' incessant efforts to brand "government" as the enemy of innovation or creativity is that it was a government agency – properly reformed and managed efficiently – that provided one of the best success stories of the past eight years. That contrasts with Daniels' enduring and blind love affair with privatizing government ventures and allowing the private sector to sell off or lease



public operations or services.

Mitch Daniels will never understand or recognize that there are some duties and responsibilities that are too important, too core to our functioning as a civil society to turn over to the profit-seeking private sector. Wonder if our Princeton-educated Governor can see the irony that the most enduring success of his eight year reign was accomplished fully in a governmental agency - the BMV - with no outsourcing or privatizing of that agency's functions. Un-

wittingly, the Governor has proven his privatization critics were right all along. Government agencies, if well run and efficiently administered, can advance the public good and the BMV is Exhibit A. ❖

Shaw R. Friedman is a LaPorte attorney and a regular HPI columnist who served as Counsel for the Indiana Democratic Party from 1999-2004.

A special inflation rate for the elderly

By MORTON J. MARCUS

INDIANAPOLIS - Each year consumers cooperate with the U.S. Bureaus of Labor Statistics and the Census to report how we spend our money. According to the 2011 Survey of Consumer Expenditures, our 122 million households spent \$6.1 trillion or nearly \$50,000 per household.



How much we spend and what we buy depends on many factors. Not the least of these factors is age. As we pass through time, our family circumstances change leading to different income levels, and our personal needs alter our spending patterns.

A household headed by a person 45 to 54 years old spends about \$58,000 per year while the household headed by a person 25 to 34 spends in the neighborhood of \$48,000. Those in households of persons 65 and older

spend \$39,000 per year.

The differences in households by age can be seen in many spending categories. Food eaten at home accounts for 7.2, 7.6, and 8.4 percent respectively of the expenditures by households in the 25-34, 45-54, and 65+ groups.

The influence of age in spending patterns is most clearly seen in the health care sector. Households with persons 65 and older account for 21 percent of all households, yet they represent 30 percent of all health care spending. This age group buys 34 percent of health insurance which is a \$235 billion market. (These figures exclude purchases of health insurance by employers.)

As we have learned in national discussions about health care, the percent of household spending for health care rises with age. That percent is 4.4 for the 25-34 age group, 5.9 for those 45-54, and rises to 12.2 percent for

those 65 and older.

We also have learned that health care prices often, but not always, rise faster than the general level of prices as represented in the Consumer Price Index (CPI). It is no wonder then that groups (such as the American Association of Retired Persons -- AARP) seek to have the CPI redefined for use with Social Security, Medicare, and other programs for older citizens.

Ironically, there are members of Congress who wish to use a variant of the CPI that would reduce the growth of benefits for older Americans. In a state like Indiana, with a poorer and older population than the nation in general, using a lower CPI growth factor would put a squeeze on consumer spending and retail trade.

All of which raises a more fundamental question: Should there be different CPIs for different groups?

Veterans, for example, might have different spending patterns from the general public. Persons with disabilities may reasonably have recognizable variations in their purchases. Single parents, college students, Cubs' fans --- there might be no limit to the fracturing of the population we could devise.

Ultimately, each household is unlike the average household, but it would seem foolish to advocate 122 million CPI computations. That extreme, however, does not invalidate separate calculations for substantially large groups with clearly differentiated spending patterns. ❖

Mr. Marcus is an independent economist, writer and speaker.



Eric Bradner, Evansville Courier & Press: Incoming Gov. Mike Pence wants Indiana lawmakers to phase in a 10 percent cut in the state's income tax over the next two years. He's probably not going to get exactly what he wants. The Indiana General Assembly is set to kick off its four-month, budget-writing legislative session on Monday, and as the session opens, the biggest political question is whether Pence will achieve one of his top campaign priorities. Upon first glance, it would seem the answer should be yes. He's a Republican, and his party just captured supermajorities in both the House and the Senate, giving them enough seats to pass their agendas whether or not Democrats even show up. Also, Indiana is expecting to see its tax collections grow by about \$1.2 billion over the next two years — enough to cover the \$750 million or so price tag of Pence's tax cut and still increase spending in some areas. So why might lawmakers not give Pence the major political victory that he wants to kick off his term? That's a complicated question with a number of answers. Here are some of them:

Non-discretionary spending:

Now that President Barack Obama's health care law is on the books to stay, states have to cope with some additional costs — and the notion that by declining to set up its own health insurance exchange, Indiana can do much to dodge those costs is little more than wishful thinking. Whether states expand Medicaid or not, individuals who qualify for the program under current law but aren't signed up for it will enroll starting in 2014 because of a "woodwork effect" forced by the individual mandate, according to Milliman Inc., the state's health and human services actuary. Indiana might also have to increase the amount it pays health care providers to treat Medicaid recipients, because of the influx of new customers, according to Milliman.

The Medicaid expansion that Obama's law envisioned, which Republican lawmakers might or might not opt to block, actually wouldn't cost much when compared to the "woodwork effect" and changes to reimbursement rates. So, again, the idea that Indiana could dodge higher costs by declining to participate is just wishful thinking.

Political survival: Republicans saw State Superintendent of Public Instruction Tony Bennett defeated in November because of backlash to an education reform agenda that they'd passed for him. Because of the recession, they've been denying schools much in the way of funding increases for four straight years, and they know that loosening up the purse strings a bit might help ease tensions with teachers who don't earn much in the first place and have been burdened with a number of new obligations in recent years. House Speaker Brian Bosma, R-Indianapolis, has said he'd like to see teachers get pay raises. That means the state would have to spend more

of its budget on education. Since K-12 education already accounts for about 55 percent of all state spending, that's a key area to watch.

Regionalism: Southwestern Indiana's delegation knows the state needs money to finish Interstate 69 without tolls, so those lawmakers will take transportation funding issues seriously. But that's just one example — every area has something like a public university or a major roadway in need of improvements, and lawmakers from those areas have things they want more than a 10 percent income tax cut. It all takes money.

Power: Outgoing Gov. Mitch Daniels has enjoyed sky-high approval ratings, and with that comes the political capital to force the Legislature to meet his will.

But a fact of life is lawmakers outlast governors. Republicans in the Legislature are, to some extent, tired of being the second-most important branch of government in Indiana. They agreed to put a number of goals on the back burner through the recession, but that won't last forever. As a six-term congressman, Pence will understand this better than most. Pence is calling for the state's income tax to be stepped down from 3.4 percent to 3.06 percent, and he wants it done over two years. What's more likely is that for this budget session, lawmakers

will give him a smaller income tax cut, and they'll start it later. It won't be a terrible political blow for the new governor. He can rightly note Obama's health care law will claim a chunk of the state's new tax revenue, and he can point out that the latest revenue forecast projected growth in tax revenue that is slightly below what his campaign had expected. Still, it won't be what he'd hoped for during the campaign. How this issue plays out will be fascinating to watch because it will tell Hoosiers a great deal about the state's new political dynamics in a post-Daniels era. ❖



Jim Shella, WISH-TV: There's an effort underway at the Statehouse to preserve cursive writing. It's no longer required in Indiana schools. The digital age has educators making new choices and, suddenly, keyboarding is more important than cursive writing. This was irony, meantime, when the Senate Education Committee considering a bill to restore cursive writing started its first hearing of the year under new circumstances. It's paperless. "I've never had an I-pad and never worked on one till this Monday," said committee chairman Sen. Dennis Kruse (R-Auburn) as he launched the meeting, "so, this is new to me." And while technology marches on, the question is: should students in Indiana schools continue to learn the old way? "We could be creating a generation of kids that, if the battery's dead or the power's out, they won't know the value of a pen, pencil or piece of paper," bill author Sen. Jean Leising.



GOP opposition to gay marriage ban

INDIANAPOLIS — Some Republican state legislators are calling for the Indiana General Assembly to slow down on the constitutional ban on same-sex marriage, offering a variety of reasons why the effort shouldn't go ahead (Hayden, CHNI). Both publicly and privately, GOP lawmakers are expressing doubts about a measure that saw wide support in past sessions, and they cite changing public opinion on whether the state's current ban on same-sex marriage should be locked into the state's constitution. Republican State Rep. Jud McMillin, a Brookville

lawyer who sits on the House committee expected to hear the measure, thinks it needs to be put on

hold this session. He cites the U.S. Supreme Court's decision to take up the issue of whether state constitutional bans on same-sex marriage are legal and wants the Indiana legislature to wait on the court's ruling. "I just think it would be irresponsible for us to be putting something in the public hands when we know the Supreme Court may come down and rule on something that may alter our ability to do that," McMillin said. Republican State Rep. Ron Bacon of Boonville, who voted for the constitutional ban two years ago, said he wouldn't vote for it again this time. Bacon's reasons are two-fold: He agrees with McMillin that the legislature needs to wait for the court ruling, but he also objects to the language in the measure that would create a constitutional ban on civil unions as well as same-sex marriages. "That's a step too far," Bacon said. Their concerns are significant, given that Republicans control the Indiana legislature and that the amend-



ment faced almost no GOP opposition in the past. On the Senate side, both state Sen. Pete Miller of Avon and his fellow Republican state Sen. Luke Kenley of Noblesville have gone public with their opposition. Neither supports legalizing same-sex marriage, but both say a sweeping constitutional ban isn't needed. "It's already illegal," Miller said. "What's to be gained other than ostracizing a whole section of the population?" Miller echoed the concerns expressed by Republican state Rep. Ed Clere of New Albany.

Dustup over sibling voucher bill

INDIANAPOLIS — An effort to expand Indiana's school voucher program, which allows students to use tax money to attend private schools, spurred a sharp back-and-forth between two state Senate Republicans during an education committee hearing Wednesday (Bradner, Evansville Courier & Press). To qualify for the current program, students must attend a public school for at least one year. Sen. Carlin Yoder, R-Middlebury, has proposed a measure that would allow siblings of previously qualified students to obtain vouchers and head straight to private school without the one-year stint in a public school. Sen. Luke Kenley, R-Noblesville, took issue with that idea during a Senate Education and Career Development Committee meeting. He said he saw it as an initial step toward tearing down all of the restrictions on the voucher program that lawmakers approved in 2011. "I think this is a pretty fundamental change, and I'm just wondering whether it's one that really meets the intent of the original law — whether it would have passed if it was in this form to start with," Kenley said. Yoder quickly shot back, saying he doesn't see how "the state of Indiana, in its infinite wisdom," can tell parents that

they must shuttle their children back and forth to two schools rather than one.

BMV licences for illegals in bill

INDIANAPOLIS - Indiana could become the fourth state to issue driver's licenses to illegal immigrants if a proposal sponsored by state Sen. Frank Mrvan, D-Hammond, becomes law. Mrvan told The Times on Wednesday he's preparing to file legislation this week eliminating the requirement that the Bureau of Motor Vehicles only issue driver's licenses to Indiana residents able to prove legal status in the United States. He said making driver's licenses available to the state's estimated 200,000 illegal immigrants, many of whom currently drive without a license, will improve road safety by ensuring all motorists on Indiana highways know the rules of the road and how to properly operate a vehicle. Licensed drivers also are required to be insured, he said.

Former Lt. Gov. Robert Rock dies

ANDERSON - Former Indiana Lieutenant Governor and Anderson Mayor Bob Rock was not a politician. "He was just a man who knew how to make government work," said his wife, Mary Jo Rock (Anderson Herald-Bulletin). Robert L. Rock, whose career in Indiana politics was marked by pushes for industrial development, tourism and foreign trade, died Wednesday in Fort Lauderdale, Fla. He was 85. State Rep. Terri Austin and state Senate Democratic Leader Tim Lanane, both of Anderson, issued a statement, saying Rock's death "brought an end to a remarkable chapter of public service in the history of Indiana."