

Behning, Kubacki, Waterman teeter

Rep. Morris under fire as primary heads into homestretch

By BRIAN A. HOWEY

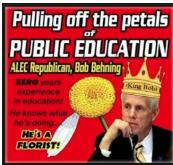
INDIANAPOLIS – Three incumbent House Republicans, including the Education Committee chairman and one Republican senator, are in tossup primary reelection battles heading into the homestretch of the May 6 primary.

Education Chairman Robert Behning, along with State Reps. Rebecca Kubacki and Bob Morris, are in "Tossup" races and could

lose their seats. State Sen. John Waterman is also in a tough reelection campaign as his Senate colleagues have flowed into the district to campaign and sent money from their own war chests.

While Waterman, Morris and Kubacki all anticipated tough primary challenges, the Behning race has developed late, with challenger Michael Scott co-opting some of the education forces that doomed the 2012 statewide







reelection campaign of Supt.

of Public Instruction Tony Bennett. Indicative of the tough race he is in, an 11th hour influx of establishment money is flowing in, including \$45,000 from Hoosiers for Economic Growth on Monday and \$2,500 from the Marion County GOP Central Committee on Tuesday. That comes on top

Continued on page 4

Pence's disciplined script

By BRIAN A. HOWEY

INDIANAPOLIS – Somewhere in a very, very far place, Michael Deaver and "the fellas" had to be smiling. For here was an earnest Reagan disciple, Indiana Gov. Mike Pence, getting ready for questions from Fox



News Sunday's Chris Wallace, and on millions of conservative screens across the fruited plains and amber waves of grain was this chyron:

"Pence's Record as Indiana Governor: Cut taxes dramatically; 1st state to pull out of Common Core; Increase in private school vouchers; \$400M on new highway projects."

A campaign consultant





"I always believed I acted clearly within House rules and the House code of ethics while offering my expertise on a particular issue."

> - State Rep. Eric Turner, after the House Ethics Committee exonerated him

Page 2





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 Mary Lou Howey, Editor Maureen Hayden, Statehouse Matthew Butler, Daily Wire

Subscriptions

HPI, HPI Daily Wire \$599 HPI Weekly, \$350 Ray Volpe, Account Manager 317.602.3620 email: HoweyInfo@gmail.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: 317.602.3620

© 2014, 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.

anywhere would have been exultant about the visual treatment. Here on the screen is someone we not only know so well, but we could practically say his lines before they left the governor's lips.

"Is there a governing philosophy in everything you've been trying to do?" Wallace asked.

"Well, I really think there is,"
Pence began. "It's why we say Indiana is a state that works. And the results speak for themselves. We have the lowest unemployment rate in the Midwest. We have one of the fast-

est growing labor forces in the country and our state is prospering even during these uncertain times because for some time here in Indiana, we've been just putting common sense principles into practice,

living within our means, letting people keep more of what they earn, promoting economic freedom like the right to work. And that's why you're seeing increased investment in Indiana, more jobs in Indiana, and I'm awful proud of the progress that people of Indiana have made."

After Wallace pressed him on guns in school parking lots (Pence: "We made a modest change, a common sense change in Indiana law. And I strongly supported it") and Russia (Pence: "Let's allow Poland and the Czech Republic to have that missile shield that they were entitled to by joining NATO") the anchor popped his POTUS cork.

"All of which brings us to the possibility of your running for president, sir," Wallace said. "I just happened to notice that next month in May you're going to be speaking before the Wisconsin State GOP convention and in June you're going to be speaking before the Alabama state GOP convention. Forgive me for being a little bit cynical here, but it seems like you're leaving the door wide open to running for president."

"Well, Chris, honestly," Pence began, "my focus is entirely on the future of the people of Indiana. We'll let my future take care of itself."

The strict talking points and programmed moments we've watched and heard from Gov. Pence over the past few years now come into focus. The Indiana governorship is his launching pad. Pence sticks to the script, and his modest policy achievements (built on the foundation forged by Gov. Mitch Daniels) become the conservative beacon.

While U.S. Sens. Ted Cruz,

AS INDIANA GOVERNOR

CUT TAXES DRAMATICALLY

1ST STATE TO PULL OUT OF COMMON CORE

INCREASE IN PRIVATE SCHOOL VOUCHERS

FOX

Marco Rubio and Rand Paul say things deemed controversial to the mainstream (do your own Internet search), Pence religiously sticks to the script. He goes to the shooting range, but he doesn't hold a gun upside down at an NRA convention.

Speaking to the national NRA convention in Indianapolis last Friday, Pence kept the red meat in the Governor's Mansion refrigerator. "The cure for what ails this country will come more from our nation's state capitals than it ever will from our nation's capital," Pence said in comments deemed to be the beginnings of a second Jeffersonian movement (See page 19). "It's important to remember that the states created the federal government, the federal government didn't create the states."

Instead of guns, he talked butter. "We have tax cuts scheduled every year until 2021," Pence said. "We've cut the income tax. We've cut the corporate tax to the second lowest in the country. And we ended death taxes in Indiana, once and for all last year." Common Core? Education decisions "should be made in the commu-



nities by the parents and families that are affected by them the most."

A presidential run in 2016? "If I only had 12 years left to live, I'd want to live it as a member of Congress, because that was the 12 longest years of my life," he joked.

The crowd lapped it up. So did the pundits. The U.S. News & World Report observed that Pence was the one who emerged from the gathering with the "most buzz, partly because he's the freshest face on the possible slate."

"Indiana Gov. Mike Pence might have given the most 2016-pitch-stylespeech so far," tweeted Jim Geraghty, a reporter for the conservative National Review.

As Howey Politics has, Wallace circled around the governor and tried to pierce the script.

"I don't want to beat a dead horse. But I guess I'll hit it one more time," Wallace said. "Back in 2012 you were thinking about running for presi-

dent. You decided not to. I mean does that – does the idea that perhaps you could help save the nation, solve the nation's problems, does that still beat inside you?"

He found rhetorical Pence Kevlar.

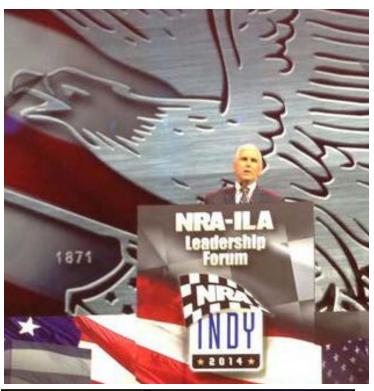
Pence responded, "Well, let me be honest with you, I'm always humbled and flattered any time I'm mentioned for the highest office in the land. But I honestly think much of that talk is the result of the progress the people of Indiana have been making. I mean the fact is we have the lowest unemployment rate in the Midwest, we demonstrated the ability to balance our budget, cut taxes even while we invest in expanded educational opportunities and infrastructure. So ..."

Wallace interrupted. "Right," he said.

Pence picked up the script. "I'll take the compliment to heart, but I will defer it to the progress the people of Indiana have made and we'll stay focused here at home."

Got it.

While Our Governor won't spend one minute pondering the drapes at 1600 Pennsylvania Ave., he will boost





fellow governors in Wisconsin and Alabama later this spring, and punditry keeps the score.

Several days after Pence appeared on Fox News Sunday, an NBC/Wall Street Journal Poll revealed that former Florida governor Jeb Bush's fav/unfavs stood at 21/32%. In another nugget, 70% in that poll agreed with former First Lady Barbara Bush that more than two or three families should run for president.

After Bush said he was considering running for president at last week's fundraiser, he joked: "Would you call and tell my mom?"

As for Sen. Paul, NBC/ WSJ showed him with 23% favorable and 25% unfavor-

able rating. But among Tea Party Republicans, it's a 59% to 7% margin. Among non-Tea Party Republicans, his favorability rating is 30%-14%.

The national pollsters are not asking the Pence questions yet. Stay tuned.

Pence and Paul look at the 2016 lay of the land, and they see that populist/evangelicals Mike Huckabee and Rick San-

torum won the Iowa caucuses the past two presidential cycles. Neither was from the cornbelt. They know this type of brand will also play well in South Carolina and Nevada.

But search the Internet for "wacky quotes" from Cruz, Paul and Pence, and you find discipline from the Hoosier and not so much from the others. A tight script. A conservative in a good, self-effacing mood ("Behind every great man is a woman rolling her eyes").

Instead, you find Pence saying things like this: "The conservative movement today is like that tall ship with its proud captain: Strong, accomplished but veering off course into the dangerous and uncharted waters of big government republicanism."

And while the Pence team will never admit it because they know it won't help him on the Statehouse third floor, it appears the 2016 presidential strategy has been in place all along. The advance Berlin speech script into the hands of Fox News earlier this month was quite revealing.

It appears more and more likely we'll get to watch this script play out in Davenport. ❖



Primary, from page 1

of \$25,000 from the Chamber's INBR made last February. Behning began running broadcast ads on WISH-TV Tuesday evening, with the message that Scott is being funded by unions and the same people who have supported President Obama and convicted Illinois Gov. Rob Blagojevich.

"Michael Scott's negative campaigns have been funded by some the same groups that supported Barack Obama," the ad voiceover says, "organized labor and Democrats."

"My TV ad is totally factual," Behning told WISH-TV in defense of the ad.

The ads, messaging and influx of late money are signs that Behning is in deep political trouble.

Scott received \$5,000 from the International Union of Operating Engineers on Wednesday.

Two years ago an underfunded campaign of Democrat Glenda Ritz used social media to stoke up a coalition of educators opposing the Daniels/Bennett education reforms, as well as Common Core. On a localized basis,

those forces are attempting to defeat the education chairman. Behning has responded with an influx of supplemental funding and has a core of volunteers going door to door and working phone banks on his behalf.

Just about every source HPI has talked with believes that Rep. Kubacki is in danger of losing her seat to Curt Nisly, a Tea Party favorite and husband of Elkhart County Republican chair Mary Nisly. Kubacki has been targeted relentlessly by Monica Boyer and Eric Miller's Advance America PAC. Kubacki earned their ire for her votes on HJR-3 and state church daycare regulation. For weeks, this coalition has sent teams of volunteers into neighborhoods dropping off leaflets, networked in the very conservative evangelical church network, and Kubacki has been the target of a letter

to the editor campaign in the Warsaw Times-Union and StaceyPage.com.

Sources say that Kubacki, who upset State Rep. Bill Ruppel in the 2010 Republican primary, was reluctant to go negative after that campaign. By not responding to the Boyer/Miller-led onslaught, she finds herself as a distinct underdog, multiple GOP sources tell HPI.

Kubacki received an additional \$13,000 from HRCC on Tuesday and \$1,000 from Lt. Gov. Sue Ellspermann on Wednesday.

The credible challenge to Rep. Morris has built in steady fashion by Fort Wayne attorney Michael Barranda. Morris found himself in the state and national news two years ago when he criticized the Girl Scouts as supporters

of lesbian causes. Barranda is targeting a core of moderate, urban Republicans to try to unseat the incumbent.

On Wednesday, the Morris campaign released an endorsement from Gov. Mike Pence, in recorded a radio ad for him that will run on WOWO beginning today.

* * *

Here is the most comprehensive breakdown on the Senate and House primary races:

SD6: Open seat, Sen. Sue Landske retiring. Democrats Lon P. Childress, Roxanna Hanford; Republicans Rep. Rick Niemeyer, Chris M. Shepherd. **Race overview:** Niemeyer is expected to easily win the GOP nomination and Hanford, a former Newton County commissioner, is expected to win the Democratic nomination. **Horse Race Status:** Democrat: Leans Hanford. Republican: Safe Niemeyer.

SD15: Open seat, Sen. Tom Wyss retiring. Republicans Liz Brown, Allen County Sheriff Ken Fries, Jeffrey A. Snyder, Allen County councilman Darren Vogt. **Race overview:** While local sources say this race appears to be coming down to Fries and Brown, the former Fort Wayne councilwoman, Vogt picked up the endorsements of the

Fort Wayne Journal Gazette and the Fort Wayne News-Sentinel. Fries entered the race with higher name ID and some believe he has an edge due to his position and that name ID. Several sources tell HPI they believe this race is "fluid." Supplemental money is spilling into this race. Brown received \$10,000 from R. Bruce Dye, and \$10,000 from the NE Indiana PAC for Better Govt. Fries received \$10,000 from Richard Byers Jr., \$5,000 from Thomas Borne, \$2,000 apiece from Clayton Ellenwood and the Plumbers and Steamfitters Local 166, and \$1,000 each from the Wine & Spirit Distributors of Indiana, Freedom PAC and

Cheryl McComb. On Wednesday, Fries received \$10,000 from Rhonda Hanning, \$1,000 from Norman Myers, \$2,000 from Dr. John Crawford, and \$4,500 from D. Lee & Rose McNeely. **Horse Race Status:** Tossup.

SD27: Open seat, Sen. Alan Paul retiring.
Republicans Eric Atkinson, Jeff Raatz, Doug Williamson, Richmond City Councilman R. Bruce Wissel. **Race overview:** This race appears to be coming down to Wissel and Raatz. Raatz has been on TV for four weeks and Wissel began his TV schedule this week. Wissel is touting the fact that he has 20 years of experience on the Richmond City Council. Raatz is pointing out that voters don't want "another career politician" in Indianapolis, but a "fresh new voice." Wissel has been concentrating on the older, more







Sens. Waltz, Waterman, Nugent, Steele and Tomes campaign in SD39.

established base using local businessmen to tout his long political career while Raatz is pushing his endorsements by the Indiana Manufactures Association, Hoosiers for Quality Education and Indiana Family Action PAC. Push polling revealed to HPI showed a small lead for Wissel, but several sources tell HPI the momentum appears to be with Raatz. **Horse Race Status:** Tossup.

SD31: Republicans Chrystal D. LaMotte, Sen. Jim Merritt. **Race overview:** Sen. Merritt will easily prevail in this race against a candidate who was running against "entitlements" in the legislature. **Horse Race Status:** Safe Merritt.

SD38: Democrat: Sen. Tim Skinner; Republicans John D. Carson, Jon Ford. **Race overview:** Ford, a current member of the Honey Creek Township Board, faces Carson, who ran unsuccessfully against State Rep. Vern Tincher in 2000. Ford has some Chamber of Commerce support and has been courting the GOP establishment. It's tough to make a call on a Republican primary like this in a Democratic stronghold. **Horse Race Status:** Leans Ford.

SD39: Republicans Washington City Councilman Eric Bassler, State Sen. John M. Waterman. Race Overview: The Senate Majority Campaign Caucus is all-in on this race, with an influx of senators coming in and walking the district for Waterman. He is trying to fend off an intense challenge from Bassler, who is being supported by Americans for Prosperity and the Indiana Chamber. Waterman received the endorsement of the National Rifle Association, which will play big in this district. Not only are Indiana senators walking the district with embattled State Sen. John Waterman, they are sending money. In supplemental funding, Waterman received \$2,000 from State Sen. Brandt Hershman and \$1,000 from Sen. Luke Kenley. Seventeen sitting GOP Senators gave a total of \$10,500 to Waterman (as reported in his pre-primary report). The total is 19 GOP senators and \$13,500 when counting late money from Kenley and Hershman. The Senate Majority Committee kicked in \$17,600 (direct and in-kind). Various labor groups gave him \$6,000, and LAW PAC of Indiana gave him \$5,000. Bassler has received supplemental funding from James Goghinska, Montgomery, TX, \$2,000; Sharon K. Staudt, Chestnut Hills, MA, \$1,500; Nathan Gabhart, Loogootee, IN, \$5,000; Julie Bassler, Washington, IN, \$10,000; Mark Baker, D.O., Washington, IN, \$1,000; Hoosiers for Economic Growth, \$10,000; and \$11,234 from the Indiana Chamber of Commerce.

On Tuesday, AFP began running TV ads assailing Waterman's record. "Senator Waterman's record of voting against core economic freedom issues is unfortunate," stated Chase Downham, Indiana state director of Americans for Prosperity. "Senator John Waterman has repeatedly chosen to stand with union bosses rather than the interests of hardworking Hoosiers in his district. Take for instance his votes against a constitutional amendment to protect the right to a secret ballot for union elections, his vote against workplace freedom by opposing Right to Work or his repeated votes against school choice and parental control in education." Waterman reacted by saying, "I was just made aware that national money is also coming in to try to defeat me and hand-pick your state senator. Americans for Prosperity, as part of their national effort to advance their agenda, is working alongside the other Indianapolis special interest groups to buy this seat and force an extreme agenda on you. I've never been a rubber stamp for the Indianapolis special interests and you have my word that I will continue to fight for you."

Waterman is also trying to refute charges he is working against the coal industry. "You may have heard or seen the negative attacks accusing me of attacking the coal industry. These attacks are simply not true," Waterman said. "I know that Indiana is heavily dependent on coal for our energy needs and I know much of that coal is right here in Southwest Indiana. I have been leading the fight against the federal government and their efforts to kill the coal industry. And I continue to work with Gov. Pence and other state and national leaders to protect this vital resource and the jobs it provides to so many hard-



working Hoosiers."

Meanwhile, the Bassler campaign accused the SMCC of "smearing" his record by alleging that the councilman was trying to get city utilities off the rural electric grid.

How is this race going to turn out? The Indiana Manufacturers Association had March polling numbers showing Waterman with a sizable lead. Our sources are all over the map on this race. Some say Waterman will win comfortably. Several say it will come down to whether Bassler can stoke up a big turnout in Daviess County. With the influx of senators (and their campaign funds) coming in to campaign for Waterman, and the big media buys by AFP, along with robust supplemental funding activity, this race looks, smells and sounds like a dogfight. We'll leave it in tossup. **Horse Race Status:** Tossup.

SD43: Open seat Sen. Johnny Nugent retiring. Republicans Ripley County Councilman Bill McDonald, Chip Perfect, Mark Schneider; Democrat Rudy Howard. **Race Overview:** Retiring Sen. Nugent has endorsed Perfect, owner of the Perfect North Ski Slopes. All our sources believe that Perfect is in good shape to win this primary. **Horse Race Status:** Safe Perfect.

SD47: Republicans Erin Houchin, Harris Lloyd Whitis; Democrat State Sen. Richard Young. Race Over**view:** Whitis, 67, is a Corydon lawyer and former judge, beef cattle farmer and Laconia resident and has raised little money outside of the \$30,000 he loaned his campaign. Houchin served as Southeast Indiana regional director for U.S. Sen. Dan Coats and has his imprimatur. She has also been endorsed by Lt. Gov. Sue Ellspermann. She is the former 9th CD Republican chair. Houchin has received a lot of smaller contributions from folks connected to Dick Lugar, and a lot of contributions from current and former office holders including: Becky Skillman, Randy Frye, Pete Miller, Sue Ellsperman, Brent Steele, Jud McMillin, Carlin Yoder, Steve Davisson, Todd Huston, Murray Clark, Ron Bacon, and Rebecca Kubacki. Among the other familiar names on her pre-primary report, John Hammond, Bob Grand, and Al Hubbard. The Chamber IBRG is in big (\$16,472) direct and in-kind), as is Hoosiers for Economic Growth (\$11,000). Horse Race Status: Leans Houchin.

SD48: Open seat: Sen. Lindel Hume retiring. Republicans State Rep. Mark Messmer, Ted Metzger. **Race Overview:** We expect Rep. Messmer to win this primary race. Metzger, Boonville, is a local self-employed small business owner. Rep. Messmer, R-Jasper, is currently serving his third term in HD63. Messmer has authored pro-life legislation and chairs the House Commerce Committee. **Horse Race Status:** Likely Messmer.

Indiana House

HD11: Open seat, Rep. Rick Niemeyer running for Senate. Democrats Lowell City Councilman Phillip

Kuiper, James Metro; Republicans Michael J. Aylesworth, Michael Mears. **Race Overview:** Kuiper is a Lowell councilman. Metro is from Cedar Lake. Michael Aylesworth is a Hebron farmer, a state employee who has served on Porter County Council and has run for state rep before. **Horse Race Status:** Leans Kuiper; Leans Mears.

HD19: Republicans Julie Olthoff, Chris N. Retson; Democrat State Rep. Shelli VanDenburgh. **Race Overview:** Olthoff is chair of the Crossroads Regional Chamber of Commerce in Merrillville. Retson is an operational/programmer consultant at Wockhardt USA. He specializes in process design/improvement and data utilization. **Horse Race Status:** Tossup.

HD22: Republican State Rep. Rebecca Kubacki, Curt Nisly. **Race Overview:** The House Republican Campaign Committee infused \$13,000 into the Kubacki





Curt Nisly and State Rep. Rebecca Kubacki and embroiled in a nasty primary battle in HD22.

campaign on Tuesday and Lt. Gov. Sue Ellspermmann added \$1,000 on Wednesday. Kubacki is being targeted on WOWO and WFRN radio by ads from the Indiana Family Action PAC. Kubacki has responded with ads on WFRN, but the station is attaching a public service announcement at the end of each of her ads supporting Nisly. The ads are taking Kubacki and Reps. Casey Cox and Kathy Heuer to task over their votes on the constitutional marriage amendment.

This past week, Kubacki appears to be taking her gloves off, pushing back on Nisly campaign material that took aim at her daughter, and then assailing the challenger for not debating. "I am very disappointed that Mr. Nisly has refused to debate," Kubacki said in a letter to the editor on StaceyPage.com. "On paper he has been very vocal about wanting me to defend my qualifications, and insisting that I explain my votes. I welcomed the challenge on April 16. He chose to run away from it. Every comment Mr. Nisly has made has been carefully crafted by his campaign chairman, Ms. Galloway, including the refusal to debate statement. Her reason was the venue. Really?



That his schedule may not allow for something as important as a debate is code for she doesn't want him debating because she can't control what he is saying."

Kubacki pressed Nisly on four points: 1.) Why did you take \$15,000 from the unions? Right to Work is the most significant piece of legislation that has passed in Indiana. I co-sponsored that legislation and was there for the walkout by the Democrats because of it. Unions don't want a candidate that will stand up to them and fight back, they want Mr. Nisly. 2) Why, Mr. Nisly, do you attack me for my support of children's safety? Describing these efforts as 'snack and nap police' trivializes the deaths of 33 children in daycare facilities. 3) What were you thinking when your tweet said, 'Peacefully grant the state of Indiana to withdraw from the United States of America and create its own New government?' 4) Why have you not denounced the endorsement of the Gun Owners of America, who support the ugliness of bigotry? Even the NRA has distanced themselves from them. You are judged by the positions you have taken and the company you keep. You have the opportunity to answer all of these questions if vour handlers would let vou."

Where does this race stand? Just about everybody we've talked to believe it's in the "Tossup" zone with some suggesting that Nisly has a small lead. A local observer told HPI, "I think toss-up is fair. I was leaning to Nisly after Kubacki complained about the tenor of the campaign. Then the anti-Nisly Indiana Chamber mailings went out. Now there's Nisly not wanting to take part in a Warsaw Times-Union debate. Nisly's speaking doesn't seem as polished and fluid as Kubacki's, based on my dealings with them. On the other hand, there is a pretty adamant/vocal element vociferously opposed to Kubacki, and, if you're of a certain political stripe, they bring up some legitimate complaints, on HJR-3, SB 229 amendment. Question is, how big is the anti-Kubacki element?" As far as supplemental funding, Kubacki loaned herself \$10,000 and Judge Rob Bowen gave her \$1,000. Nisly reported no late money. Kubacki is a moderate representing one of the most evangelical districts in the state. This one is definitely on our upset watch. Horse Race Status: Tossup.

HD25: Republican State Rep. Donald J. Lehe,

Franklyn Voorhies. **Race Overview:** This is a rematch from the 2012
Republican primary where Lehe defeated Voorhies by 2,200 votes. We don't detect that this race is on anyone's radar at this point. **Horse Race Status:** Likely Lehe.

HD32: Republican State Rep. Eric Turner, Parvin Gillim; Democrat Bob Ashley. **Race Overview:**

Little could be found about Gillim, and Turner should easily win this primary despite his recent brush with House ethics rules and the investigation that followed which cleared him on Wednesday (See page 20). **Horse Race Status:** Safe Turner.

HD39: Republican State Rep. Jerry Torr, Don Meier. Race Overview: A group called "BelieveInIndiana. org" has sent an expensive direct mail piece using the mass transit issue against Rep. Torr. "Believe in Indiana" is financed by union construction workers who provide an example that all is fair, not just in love and war, but also in politics. The mail pieces, three of them so far, accuse Republican Torr of wasteful spending on mass transit. "It's kind of ironic," Torr told WISH-TV, "that the trade unions supported transit but yet they're using that issue to try to drive up my negatives in Carmel." Reached by phone in Washington union leader Pete Rimsans told WISH-TV "We are 100% in favor of mass transit. We're also 100% against Jerry Torr. We're trying to look at the big picture." Torr added, "Clearly it's just retribution against me personally because I championed Right to Work in Indiana." Meier has been affiliated with several Hamilton County Tea Party groups. He dropped out of the Tea Party of Hamilton County and formed another unit, which is no longer active. He has since become affiliated with the Constitutional Patriots of Carmel, and that group could be responsible for pushing the challenge against Torr over the issues of HJR-3 and mass transit. We don't sense that Torr is in any trouble in this race. **Horse Race Status:** Likely Torr.

HD48: Open seat, Rep. Tim Neese running for mayor of Elkhart. Republicans Jesse Bohannon, Adam M. Bujalski, Doug Miller. **Race Overview:** Looking at money, Miller, who is a construction contractor, has the edge. Bujalski has support from some of the name, establishment Republicans in Elkhart County. Bohannon touts himself as the most conservative, so theoretically, moderates could split among Miller and Bujalski and Bohannon could edge through. But Bohannon has fewer donors. The three met at a forum on Wednesday (Vandenack, Elkhart Truth). Bohannon, instructor at an alternative school, zeroed in on his conservatism. "We don't just need another Republican down there, we need a true conservative," he said. The

nation, he said, is in an "ideological battle" for its future against the "darkness of liberalism." Bujalski, manager of a bank branch, said he doesn't want to open the state's school voucher program to each and every student. If that happened, he worries private schools would potentially face increased federal government scrutiny and control as they



Adam Bujalski (from left) Doug Miller and Jesse Bohannon attended a forum in Elkhart on Wednesday. (Elkhart Truth Photo)



receive more and more government funds. He expressed support for the limited system, as is. Bohannon said he's a "huge fan" of vouchers. He called for "true school choice," expansion of the system so that state education funds would even follow children who are home-schooled. As is, the program allows diversion of state education funding to eligible children who attend certain private schools. **Horse Race Status:** Tossup.

HD59: Republican State Rep. Milo Smith,
Bartholomew County Council President Ryan Lauer. Race
Overview: Lauer has mounted a challenge to Smith, but
several local sources tell HPI he has not gained much traction. Campaign sources tell HPI that Smith's voter ID "look
good." Gov. Mike Pence has endorsed Smith and that will
carry a great deal of weight in this Columbus area district.
The two candidates agree on a number of issues, so other
than the new vs. old guard argument, there is little issue
contrast here. Horse Race Status: Leans Smith.

HD66: Republicans Ronald Harsin, Lisa Seng Shadday, Joe Van Wye, Sr.; Democrat State Rep. Terry Goodin. **Race Overview:** Harsin is the owner of Precision Laser Graphics and was a department manager at Republic Bank. He is a Purdue graduate. Shadday has been campaigning hard in Clark, Jefferson and Scott counties, GOP officials tell HPI. **Horse Race Status:** Tossup.

HD83: Republican State Rep. Kathy Heuer, Steve J. Hively, Christopher N. Judy. Race Overview: While our state and local sources say that Heuer will prevail, there has been a slew of late supplemental money for her flowing in, including \$1,000 from the Dave Long for State Senate Committee, \$1,000 each from NiSource, Tuscany LLC, Zimmer Inc. AEP PAC, Robert Bowen, Indiana Merit Construction PAC, Advamed, Friends of Indiana Hospitals, and Daryle Doden, as well as \$1,500 from Bruce Leetz, \$5,000 from Indiana Realtors and \$2,500 from Catalyst Public Affairs Group and R. Bruce Dye. The Chamber's IBRG pumped in \$10,000 in February. This is the second race where the Indiana Family Action PAC is running radio ads on WOWO in Fort Wayne and WFRN-FM in Elkhart, taking Heuer to task over her HJR-3 vote. The WOWO buy is reported to be in the \$12,000 range. But polling by the Indiana Chamber shows Heuer's numbers are actually improving. Republican sources say that Heuer is expected to run strongly in Whitley County where she served on the Columbia City Council and the fact that her husband is a highly esteemed judge. Judy has sent out direct mail. Horse Race Status: Leans Heuer.

HD84: Republican State Rep. Bob Morris, Michael Barranda. **Race Overview:** Local Republican sources tell HPI that Morris is in a "dogfight." Morris received supplemental money, including \$6,000 from R. Bruce Dye; \$10,000 from Indiana Multi-Family Housing PAC; \$5,000 from Indiana Merit Construction PAC; and \$10,000 from Hoosiers for Economic Growth. Barranda received \$1,000 from Andrew Brooks. Morris received notoriety in 2013 when he made controversial comments about the Girl

Scouts. Barranda doesn't use the word as some have, to say that Morris is an extremist, the right-wing equivalent of "radical." Instead, he means that Morris "reacts" too quickly. "Bob is still prone to reactionary actions," Barranda said (Fort Wayne News-Sentinel). Barranda says legislators clearly made the right choice in stripping the second sentence from HJR-3. The second sentence of the amendment, widely interpreted as banning civil unions and perhaps making it illegal for companies to provide insurance for the partners of gay or lesbian employees, "was unconstitutional," Barranda said. Barranda is running an energetic campaign, having walked most of his district. He has been courting younger, urban voters and appears to be getting some traction. **Horse Race Status:** Tossup.

HD85: Republican State Rep. Casey Cox, Ken Knoblauch, Denny Worman. **Race Overview:** Rep. Cox has been targeted by the Indiana Family Action PAC over his votes on HJR-3, but local Republican observers tell HPI they believe that Cox will prevail. Cox defeated Knoblauch in caucus following the death of State Rep. Phyllis Pond. Knoblauch is a well-respected East Allen Schools teacher. He is well-known in the Pond voter base between New Haven and Woodburn. Cox voted HJR-3 to the House floor, then voted against the second sentence before voting for the amendment on the way to House passage. **Horse Race Status:** Leans Cox.

HD91: Republican State Rep. Robert Behning, Michael S. Scott. **Race Overview:** House Education Chairman Robert Behning has begun running ads on WISH-TV, evidence that his Republican primary race against Michael Scott (pictured left) is going to be close. HPI initially rated



this race "Safe Behning" but much has changed in the last two months. The ad ties Scott to union funding sources and to those who have contributed to President Obama and convicted former Illinois Gov. Rob Blagojevich. The ad says that Scott is being funded by unions, and it says that the challenger would not make commitments to Indiana Right to Life. The ads are expected to run

on WTHR-TV and WRTV with as much as \$40,000 going into late TV for Behning. Scott drew only 37% of the vote against Behning in 2012. Supplemental money has begun to flow into this race. Behning received \$10,000 from Christel DeHaan; \$1,500 from Indiana Merit Construction PAC; \$1,250 from NiSource; and \$1,000 each from the Indiana Cable PAC and the REMCs. Chamber (IBRG) has given Behning \$11,550 in direct and in-kind funding. Scott's late money was from labor: \$2,500 from IBEW; \$1,000 from Laborers Union; and \$10,000 from Lunchpail Republicans. It appears that part of the apparatus used in the Glenda Ritz upset of Supt. Tony Bennett is now taking aim at Behning, using social media to organize primary turnout. **Horse Race Status:** Tossup. ❖



Sentencing reform presents funding Q's

By MAUREEN HAYDEN CNHI Statehouse Bureau

INDIANAPOLIS – After 40 years in law enforcement, Franklin County Sheriff Ken Murphy knows what doesn't work when it comes to reducing crime: Locking up non-violent offenders whose petty crimes are driven by addiction.

In his jail in rural southeastern Indiana, Murphy sees the same people showing up, collecting a string of offenses, from shoplifting to probation violation, tied to drugs and alcohol. In Murphy's estimation, 95 percent



of the jail's inmates are there because of chronic problems with substance abuse.

So when the Indiana General Assembly passed a sweeping sentencing reform bill aimed at diverting those low-level offenders

out of state prisons and into community-based programs, Murphy endorsed the concept.

But as questions continue over who will pay for the new law, Murphy opposes its implementation. He fears it could result in cost-shifting from state to local government, and that without adequate resources, low-level offenders will end back where they started, in prison.

"I know we don't have what we need in Franklin County to make this work," Murphy said.

Big changes

Indiana's new sentencing laws, contained in House Enrolled Act 1006, are set to bring dramatic changes to the way punishment is doled out for crime.

For the worst offenders, guilty of violent and sex crimes, it increases prison sentences and reduces the early-release credits earned for good behavior.

But it also reduces the penalties for non-violent, low-level crimes. It does away with mandatory prison terms for some repeat offenders and it gives judges more discretion to put people on probation, order them into treatment, or send them into existing community-based correction programs. It forces another major change: When the new laws go into effect July 1, offenders sentenced to 90 days or less of incarceration will be banned from the state prisons. On July 1, 2015, that jumps to a sentence of one year or less.

Lawmakers who backed the bill are convinced it will reverse a rising prison population, which has jumped 40 percent since 2000. The state Department of Correction now spends about \$618 million a year to house about

30,000 prisoners.

"I think the DOC will be able to close a prison within a decade if enough people really buy into this concept," said State Rep. Jud McMillin, a Franklin County Republican legislator who carried the legislation in the House.

Across Indiana, local law enforcement officials fear the legislation will end up as a cost-shifting measure, doomed to fail.

Why? Because when the legislation was passed, it came with minimal funding. It authorizes up to \$11 million to pay counties to provide "evidence-based" services that reduce recidivism. But the money is available only if the state prison numbers go down.

That assumption is in dispute. Last year, as details of the legislation were being debated, officials with the Indiana Department of Correction warned the Legislature that longer sentences for the worst offenders will drive up the prison population.

"No one believes we'll see any new money from the state," Murphy said. "That's just not going to happen."

Questions on numbers

It's unclear how many offenders will be diverted out of state prisons when the new sentencing legislation goes into effect. But a January study, done for the Legislature by the American Institutes for Research, predicts the impact on local communities will be significant.

The study estimates more than 14,000 offenders



could be diverted out of state prisons and back into local communities every year if judges take full advantage of the new sentencing rules.

The study authors also found many communities aren't ready. Many, especially in rural counties, lack access to treatment programs for addicts. Others have community corrections programs already operating at or near capacity. The study found less than 25 percent of Indiana's county jails have the capacity to "fully absorb" the impact of the new sentencing laws.

Franklin County is among least prepared. It's one of seven Indiana counties without a state-funded commu-



nity corrections program. Currently, the only local addiction treatment program offered to offenders are weekly Alcohol Anonymous and Narcotics Anonymous meetings. And by state standards, its jail is understaffed, which puts the county at risk for being sued.

Murphy would like options to keep more local offenders out of the state prisons. But because of a \$1.5 million shortfall in the county's budget, Murphy has been ordered to cut costs 19 percent by the year's end.

"This is a like a mathematic equation," Murphy said. "There has to be all the elements in place to make it work. And right now, we have almost nothing."

Fears statewide

Across Indiana, local officials who embrace the concept of sentencing reform express similar fears about the legislation's implementation.

Bill Watson runs the community corrections program in Vigo County, where the crowded jail is under a court order to cap its numbers. One of the oldest community corrections programs in the state, it's served thousands of low-level, non-violent offenders by keeping them out of prison and under local supervision. A critical goal of the program is to rehabilitate offenders to reduce recidivism. They do that by providing a range of services to help offenders turn their lives around.

But Watson, who's also president of the Indiana Association of Community Corrections Act Counties, worries that goal will be harder to achieve. Most low-level offenders now in prison have a history of previous convictions and failed attempts at rehabilitation. According to DOC numbers, about 86 percent of Class D felons now in prison – offenders most likely to be diverted back into local communities under the new sentencing laws – are repeat offenders.

"We've seen the difference our program can make," said Watson. "But without the money to serve the people who come to us, we're worried they'll just violate the terms of their release or get re-arrested and the courts will send them back to jail or prison."

Legislators who pushed for the sentencing reform, including McMillin, also pushed for new funding from the state. But they were met with resistance from Statehouse fiscal leaders reluctant to re-open the state's two-year budget plan. They're hoping for more success next year, when lawmakers meet to craft the next biennial budget.

Those legislators also say it will take months before local communities start to feel the impact of the new sentencing laws.

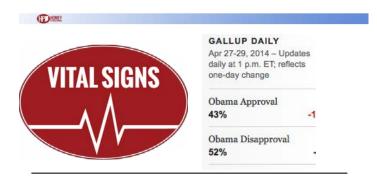
Local officials counter that they're already strapped. Linda Brady, president of the Probation Officers' Professional Association of Indiana, known as POPAI, said local probation departments are critically understaffed as it is, with individual probation officers carrying caseloads of 200 to 300 offenders. "We're already drowning now," Brady said.

Among her worries: The new sentencing laws

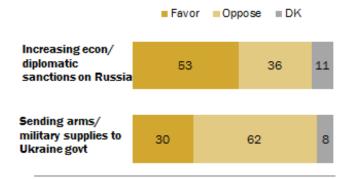
forbid judges from sending low-level offenders into state prisons for violating the "technical" terms of their probation, such as failing a drug-test or missing a counseling appointment.

But in her community, the county jail isn't an option. Routinely full, it's under court order to cap its numbers. Brady said that leaves her local judges with few options.

"It will be a train wreck if the state doesn't appropriately fund this," Brady said. "It will be a public safety nightmare across the state." .*

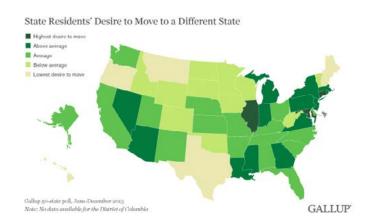


Roughly Half Back Tougher Russia Sanctions; Just 30% Would Arm Ukraine



Survey conducted April 23-27, 2014. Figures may not add to 100% because of rounding.

PEW RESEARCH CENTER/USA TODAY





College attainment goes up, but ranks low

By MAUREEN HAYDEN CNHI Statehouse Bureau

INDIANAPOLIS – The percentage of Hoosiers with a college diploma has gone up over the last five years, but Indiana still remains among the least-degreed states in the nation.

According to a degree-tracking study recently released, just over 34 percent of Indiana's 3.4 million working-age adults hold a two- or four-year college degree, significantly below the national average of more than 39 percent.

The good news, according to report authors, is that Indiana, along with other states, is undergoing a cultural shift that places increased value on a college degree.

The bad news: The state has a long way to go toward increasing the number of at-risk students, including those first in their family to go to college, who complete a degree program before dropping out.

"There is a dramatic increase in the number of

Indiana has been aggressive in its efforts to up its numbers. Among other initiatives, the General Assembly has tied a portion of state funding for public colleges and universities to those institutions' graduation rates. That performance-based funding mechanism came after studies showed the number of Indiana students admitted to college was going up, but graduation rates weren't keeping pace.

In turn, the percentage of Indiana adults between the ages of 25 and 34 with a degree has risen to 38 percent. That's up from years past, but still below the national rate of almost 41 percent.

"The trends are positive but the speed in which we're achieving them is not adequate," said Indiana Commissioner for Higher Education Teresa Lubbers.

Of particular concern to Lubbers are the numbers that show Indiana's minority populations are lagging behind. Less than 19 percent of Hispanics and just 25 of blacks have a degree, compared to 35 percent of whites. "We need to continue to focus on that," said Lubbers.

The Commission on Higher Education also has been pushing the state's universities to reach out to Hoosiers who have some college courses but no degree. Lubbers said there are more 730,000 Indiana residents who fall in that category.



Americans who are saying that success, in some form of post-secondary education, has become essential, not just to individuals, but to the nation," said DeWayne Matthews, vice president of strategy development for the Lumina Foundation, which issued the report.

The Lumina report, "A Stronger Nation Through Higher Education," is the organization's fifth annual survey to show national and state-by-state figures on college attainment.

Thirty-eight states, including Indiana, have signed on to Lumina's big goal of increasing the percentage of Americans with post-secondary degrees and credentials to 60 percent by 2025.

Progress is slow: While Indiana has increased its college grads every year since 2008, it remains in the bottom 10 states for college attainment.

Massachusetts has the highest percent of degreed citizens, at just over 50 percent. West Virginia ranks at the bottom, with just shy of 28 percent.

"At one point, they had the aspiration, but life got in the way," she said. "We've got to get them back."

The report also shows a significant geographic disparity in college attainment in Indiana. In two of Indiana's wealthiest suburban counties – Boone and Hamilton – more than 50 percent of workingage adults have college degrees. Meanwhile, it's less than

20 percent in the state's most rural and poor counties.

There are myriad state efforts to accelerate college attainment, including changes in the popular 21st Century Scholars program that's paying for thousands of low-income students to go to college in Indiana. Those students are now being tracked more closely, and have increased access to mentoring and tutoring services designed to keep them on pace for graduation.

But both Lubbers and Matthews say local communities can also play a critical role in increasing the collegeattainment numbers, especially among those who are first in their family to go to college.

Beyond the traditional scholarships that come from community-based groups, those students also often need encouragement and emotional support to stay in school, they said.

"It helps," Matthews said, "when communities let their young people know: We're invested in you for the long-term." •



Pacers are worth \$160 million deal

By MATTHEW BUTLER

INDIANAPOLIS – Born and reared in Indianapolis, I've grown up with the Indiana Pacers as a constant fixture. I've enjoyed their facilities through the decades in addition to the one or two games I can make a year. From countless Big Ten Tournament games, concerts, and other



events, I came to the widely shared, if not inescapable, appreciation that Banker's Life (née Conseco) Fieldhouse has become an integral component to the wider health and vibrancy of downtown Indianapolis.

For these reasons I was taken aback to read last weekend in the Indianapolis Star a friend since high school, who had been a constant, passionate Pacers fan, decry the recent tenyear, \$160 million deal by the

Capital Improvement Board (CIB) to keep the team in Indianapolis. "The underlying reality is this: Indianapolis can't afford its infrastructure, its schools, its parks or its public services. In truth, it definitely can't afford the Pacers," wrote Gabe Rosenberg a Hoosier native and professor now at Duke University. His column was widely shared through social media and drew plenty of commentary. Local sports radio WNDE had him as a guest on the topic Tuesday.

Rosenberg and others argue the subsidy is starving the city's public priorities. "The Pacers are a bad attachment for Indianapolis. We love them, but they are harming us," he writes. "Worse, they are harming our parents, children, friends and neighbors. The latest handout is a craven abdication of responsibility by the city's leaders. The Simons squeeze the life from the city. But the mayor and the council fear the immediate political wrath of fans. Why pay a grievous political price now when the human cost can be amortized by decades of crumbling infrastructure, winnowing public services, violent crimes and shuttered schools? I love the Pacers, but I love Indianapolis more ... I have to hope against hope that the people of Indianapolis can walk away from this bad attachment."

It's important to address these arguments. The city has definite problems and scarce resources; the public should always be evaluating and debating its spending and policy priorities. However, to argue that \$16 million per year through the CIB's various funding mechanisms is "squeezing the life from the city" is not simply hyperbole, it's incorrect.

The Pacers (and the Colts) provide systemic and intangible benefits year-round that produce a whole host

of economic linkage effects to the wider city. Those that can be quantified, at the very least, exceed the \$16 million per year subsidy and those that are intangible are arguably worth several tens of millions of dollars per year. Moreover, letting the Pacers go would inflict actual economic harm to Indianapolis and Central Indiana. It would be an immediate blow to the Indy brand which revolves around hospitality, sports, and an active downtown.

It's important to establish what the Pacers mean to downtown Indianapolis. The team draws 600,000 attendees, most of whom come from outside Marion County. If the Pacers were to leave, a report by Hunden Strategic Partners found the net loss in economic activity for Indianapolis would exceed \$55 million per year. Local government would have \$17.8 million less to work with. Some 900 full-time jobs would be lost. Consider, for example, that \$25 million in national television rights is funneled toward the salaries of the Pacers' coaches and players. This payroll is net positive impact to the city and state. As for area businesses, an estimated \$18.8 million in personal income would be lost. Those people pay taxes.

Supporters argue the Pacers deal will provide a \$208 million economic impact. An NYU Professor who studies sports management told the Indianapolis Star that the \$160 million expense over 10 years was "not a larger number. In fact, that's a fairly modest number if you think about what the arena means to the city of Indianapolis."

Opponents believe revenues captured for the CIB would otherwise go toward the city's general revenue pool and thus support budgetary priorities. I'm told, as their argument goes, that all tax revenues are fungible and thus transferable; by focusing subsidies and tax breaks on the downtown region one is not making money, but relocating it.

The CIB draws upon taxes levied on the hospitality and tourism industry. These include the county's restaurant tax, hotel tax, car rental tax, and admissions (ticket) tax, which is a user tax that makes sense. There is also a Regional Food and Beverage Surtax in which the six donut counties contribute toward the CIB; it's a clear indication that Central Indiana values the CIB's work.

The CIB also captures tax revenue through TIF districts surrounding the actual sport venues. TIFs should always be targeted and have a clear purpose. Together, these Professional Sports Development Areas can capture up to a maximum of \$16 million per year. These venues are already built and have upkeep costs; they attract taxable economic activity within and especially nearby.

Opponents of the deal erroneously assume that without the Pacers all taxable activity within Marion County would remain the same. They assume an equivalent amount of entertainment dollars would be spent. This idea fails to consider the influx of paying fans from the donut counties and from out-of-state fans, teams, and sports media. Also, this kind of thinking adheres to classical economics to a fault. Economic Geography has long studied



and proven that a region, like a downtown, enjoys unique synergies once there is a critical mass of interrelated activities, like hospitality, sports, and tourism. This economic clustering develops institutional memory, attracts outside talent, leads to knowledge spillovers between the related sectors, and manifests itself through innovation. Clusters are incubators for competitiveness and expertise.

This economic clustering, of which the Pacers are

an integral component, is what prepared and empowered Indianapolis to host a Super Bowl in 2012 to such fanfare. "From an economic and fiscal standpoint, hosting Super Bowl XLVI was a huge success for Indianapolis," reads a study by Rockport Analytics. "Having executed many studies of this kind over the years, rarely has Rockport Analytics seen an event generate \$384 million in spending, \$324

million in GDP, and \$46 million in state and local taxes in the span of 10 days. Only the Olympic Games come to mind. These figures represent a conservative estimate... Moreover, many of the softer benefits to the community, though very real, were not considered at all."

This speaks to how Indianapolis' sports and hospitality resources have become so exceptional, innovative, and intertwined. The report concluded, "Indianapolis had the right combination of infrastructure, logistics, hospitality expertise, organizational skills, and implementation talent to make these outsized benefits possible." Compared to other cities, Indianapolis gets higher returns from sporting events. The city's comparative advantage is in hosting such events. The cluster is more than the sum of its parts; to lose a major component, like the Pacers, could only hurt its overall vitality and competitiveness.

In addition to the Super Bowl, there is other corroborating evidence. A recent USA TODAY Reader's Choice poll ranked Indianapolis the nation's top convention city. Explaining Indy's top position, the survey mentioned professional sports: "If you're a football fan, it's pretty thrilling to be across the street from Andrew Luck and the Colts come fall." That venue, Lucas Oil Stadium, was also recently named the best NFL stadium experience.

The Pacers and Colts help maintain year-round venues and nearby businesses that make downtown so attractive to meeting planners and tourists. It's become so amenable to sports tourists that fans who are not even attending the game flock to bars, restaurants, and tailgates simply to be a part of the larger experience. The same can be said for the Big Ten men's and women's basketball tournaments, the Big Ten football championship game, and the regular schedule of NCAA regionals and final fours. In March gobs of ticketless Kentucky fans drove up simply to be near the action.

The Pacers were crucial to the creation of this downtown landscape and atmosphere. And, they remain necessary to help maintain the viability of these businesses year round, especially on weekday nights. With Indianapo-

> lis tourism valued at \$4.4 billion in 2012, it's imperative that we keep a good thing going.

Synergies aside, Indianapolis' sports teams and venues contribute to a higher quality of life for nearly all residents. The city identity, cohesion, and makes use of these grand stages. Also consider the Pacer's sister team, the

city gets free publicity from NBA games. Having a team to rally behind benefits our pride. High school athletics WNBA Fever, provide Hoosier girls and young women a

Citizens should remain vigilant and scrutinize agreements like those between the CIB and Pacers, but to think we can have these economic assets and quality-oflife amenities without public-private partnerships is unrealistic. Yes, very rich people will benefit from these deals, but that's the nature of the world at the moment. Indianapolis' citizenry must realize they compete with other cities for lots of things, including sports teams. Kansas City and Seattle are chomping at the bit for a NBA team.

valuable source of inspiration and role models. Far from

crowding out entertainment dollars, the Colts and Pacers

a go of it, like the Indy Eleven (soccer) and The Fuel (ice

hockey). Young professionals consider all of these attrac-

help foster a city culture whereby smaller teams can make

Hopefully the heightened scrutiny on the Pacers deal will impress upon our professional athletes, coaches, and management their need to make a more compelling case as to why they're an asset to the city. Great work is already done, but more philanthropy, volunteering, public service, and other activities would be welcome. It's time for a Pacer to put his name on a hospital wing.

Having state-of-the-art facilities in the heart of a walkable, vibrant downtown is our bread-and-butter. Lose the Pacers and everything downtown will suffer and by extension so will the wider economy and tax revenues. Opponents of the Pacers staying are identifying worthy priorities that most everyone agrees need more funding, but it is a mistake to think that the Pacers are the cause of any misappropriation. <



The Turner case and conflict of interest

By CRAIG DUNN

KOKOMO – I've watched in wonder and amazement at the spectacle of the ethics debate about the conduct of State Rep. Eric Turner. In a General Assembly that is the very definition of conflict of interest, I find it amusing that any one representative could be plucked out of the lot for extra scrutiny. That strikes me as somewhat akin to searching for fly excrement in a jar of pepper.

Now don't get me wrong. I value ethics highly. It's just that ethical conflicts are the inevitable outcome when you have a citizen legislature. I say "citizen" legislature because our legislative lights are on part time



status. The General Assembly convenes for 90 days every two years to hash out a budget and for 60 days in the off year. This means that unless you are retired, independently wealthy or extremely good at cutting store coupons, you have some other means of financial support. This is the greatest strength of the Indiana General Assembly. Legislators cannot hunker down in their offices in Indianapolis,

hiding from their constituents while they pile up massive amounts of debt. That's what you get in Illinois.

Our legislators are, by and large, real people, living in a real world for most of the year. Our senators and representatives must go home and live and work under the laws they quickly passed during the short time in session. My mother used to call this stewing in your own broth.

However, this part-time status of our legislature also is its greatest weakness. I don't care what ethics and conflict of interest rules may be passed, you will never be able to deal with the two biggest ethics problems that stalk the halls of the Statehouse. The first ethics challenge is that every legislator will view each law through the prism of their own experience and occupation. The second challenge is the innate inability of legislators to not serve the interests of their key contributors.

For example: Rep. Ferncastle is a farmer. House Bill 666 is introduced that would restrict tractor and combine use to the hours between 7 a.m. and 9 p.m. so that the sleep of the neighbors won't be disturbed. Rep. Ferncastle enjoys eating dinner with his family, watching the news, checking out Netflix for a couple of hours and after the kids go to bed, he heads for the combine. He pops in his favorite Merle Haggard CD and picks corn or beans until the cows come home. I can guarantee you that Rep. Ferncastle is going to do everything in his power

to kill HB 666. He will not be able to help himself.

Or take the situation of Sen. Betty Buzzkill: Sen. Buzzkill is a teacher. Her parents were teachers. Her daughter is a teacher. In fact, almost all of her friends are teachers. She introduces legislation to direct 20% of casino tax revenues to the underfunded teachers' retirement fund. Is this a conflict? I'm pretty sure that Sen. Buzzkill will vote against allowing guns on school property. Is this an ethics problem?

It is an impossible task to eradicate conflicts of interest and ethics problems when it comes to the employment of our state legislators. I'm afraid that there is no black or white here, there are only shades of gray.

The other perplexing and uncontrollable ethics problem involves the conflicts arising from legislators acting in the interest of their financial supporters. You can have all of the disclosure and campaign finance rules that you want but you will never know if Rep. Barknawler's vote on expansion of table games at Indiana's casinos is for sound economic reasons or because he receives 62.5% of his campaign contributions from gaming interests. Just try and prove that conflict with a jury of his peers.

I suppose that one way to police the ethics of the Indiana General Assembly might be to have alleged violations of ethics heard at Runcible's Spoon Café, in Beanblossom, Indiana. The good patrons of this coffee shop might be far enough removed from the conflict crucible of downtown Indianapolis and level headed enough to know a good old ethics breach when they see one. However, to have an alleged ethics violator brought before a bi-partisan committee of six of his equally conflicted peers is like asking six Hollywood starlets to evaluate bad breast implants.

My solution to this whole situation is to require all senators and representatives to wear white suits while in session. Upon those white suits each member would be required to affix decals representing any significant contributors or personal financial conflicts. Rep. Lester Schnauzer who receives \$10,000 in contributions each year from the Genetically Engineered Swine Association would be required to wear their logo. In addition, because his sister is a lobbyist for the Peace Thru Nuclear Energy organization, he would also be required to wear their logo.

Finally, because Rep. Schnauzer owns the largest vending machine business in the state that places machines in schools, he would have to have a larger decal sewed on his suit reflecting that relationship. Think of it as NASCAR meets the General Assembly. Just picture little Brian Turnbuckle visiting the legislature for the first time with his father. "Look Daddy, our representative is sponsored by NORML. Is that why he's carrying a bag of Doritos to the hearing he chairs on the decriminalization of marijuana?"

I'm sorry if I don't buy the concept that Rep. Eric Turner's fate is being decided by a jury of vestal virgins. Perhaps he is being judged by a jury of his peers. As in all matters governmental, transparency and disclosure will solve more problems than the ethics committee. Given the



appropriate amount of information, voters can pass the ultimate judgment on any alleged ethics violator. •

Dunn is chairman of the Howard County Republicans.



Have our taxes really gone up?

By LARRY DeBOER

WEST LAFAYETTE – The headline said "Hoosiers' taxes rise as income goes down." The story told of the Tax Foundation's finding that Indiana taxes had increased from 8.4 percent of income in 2001 to 9.5 percent of income in 2011. Like many, I thought, "You've got to be kidding!"



Our Legislature has passed big tax reforms, we've voted for constitutional amendments, we've seen property tax cuts, income tax cuts, corporate tax cuts. And our tax burden has gone up? How?

The Tax Foundation crunched a lot of numbers to come up with their result (look for their 2011 Tax Burden Ranking at www.taxfoundation. org). Their numbers can't be un-crunched exactly to figure

them out, but let's look at some of the data they used. In particular, let's look at the Census Bureau's State and Local Government Finance numbers (at www.census.gov/govs/local).

If tax collections rise faster than income, the tax burden as a percentage of income also will rise. According to the Tax Foundation, from 2001 to 2009 Indiana's tax burden percentage rose from 8.4 percent to 10.0 percent. From 2009 to 2011 it fell back to 9.5 percent. The census data are available for 2002, 2009 and 2011, so let's look at those years.

From 2002 to 2009 Indiana personal income rose by 22 percent. During those years both property taxes and state income taxes also increased 22 percent. Those two taxes did not contribute to an increase in the tax burden percentage.

But sales taxes increased 63 percent. Indiana's sales tax rate rose from 5 percent to 7 percent from 2002 to 2009. That's a 40 percent rate increase. Add a 22 percent rise in taxable purchases out of that income increase and you've got the sales tax increase. Most extra sales taxes reduced property taxes, but part of the 2002 tax hike added to state revenues to offset the 2001 recession.

While state income tax growth matched income growth between 2002 and 2009, local income taxes in-

creased 59 percent. In 2002, 85 counties had local income taxes with an average rate of 1 percent. By 2009, 91 counties had the taxes, with an average rate of 1.4 percent. Many of these new taxes were used to reduce property taxes, but some increased tax revenue.

With all this property tax reduction, why did property taxes rise even as fast as income from 2002 to 2009? It might be borrowing for new construction. Property taxes for debt service are outside the tax controls. Those taxes rose 75 percent during the seven years, which offset a good bit of property tax relief. Debt service tax increases slowed a lot after 2008 with the new referendum requirement.

Part of the reason for the rise in the tax burden percentage was the drop in income during the recession. Total income fell 3.2 percent in 2009, the very year that the tax percentage was highest. The property tax has a delayed response to recession. The state sets a maximum property tax levy for each local government. The annual increase in this maximum is based on a six-year average of income growth, with a two-year lag. So maximum levy growth in 2009 was based on average income growth from 2002 to 2007. Property taxes kept growing in 2009, even as income fell. But the 2009 income drop started to cut property tax growth in 2011.

The Tax Foundation says that Indiana's tax burden, measured in dollars, began to drop in 2009, and the tax burden percentage decreased in 2010 and 2011. Property taxes fell as the tax caps took effect. Corporate taxes fell, too. In 2011 the corporate tax rate cuts hadn't started yet, so the reduction probably is due to the fall in corporate profits with the recession. Motor fuel taxes fell, too, as cars became more fuel-efficient and high gasoline prices discouraged purchases.

The income drop in 2009 will restrain maximum property tax levy growth through 2016. Taxable sales probably won't rise as fast as income as people replenish their savings and pay down debt. Corporate tax cuts began in 2012 and will continue through 2021. The state income tax is due to be cut between 2015 and 2017.

The Tax Foundation found a decline in Indiana's tax burden percentage in 2010 and 2011.

They'll probably find more declines in years to come. .*

DeBoer is a professor of agricultural economics at Purdue University.



The FDA impacts our beef and beer

By BOB KRAFT

CARMEL – As Americans we have morphed our right to free speech into a national inclination to grumble about our government and the ineptitude of bureaucrats who are charged with regulating industries that they know nothing about. Rarely do we agree, at least out loud, with

any government action that affects us directly.



But that is exactly what consumers should be doing in the wake of a recent Food and Drug Administration decision to change a proposed rule that addressed the packaging, processing and handling requirements for any human food by-products consumed by animals. Significantly, the proposed rule would have placed severe restrictions on the use of leftover grain by brewers and

distillers as animal feed.

The practice of feeding spent brewers grain to livestock dates back hundreds of years, perhaps to the invention of beer itself. Beer manufacturers ranging from the largest national breweries to smallest craft breweries, as well as distillers, all have to deal with the disposal of spent grain. The spent grain retains significant nutritional value, which makes a partnership between the alcohol producer and the dairy or livestock farmer a natural. In some cases, the farmer pays for the spent grain, in some cases the brewer is happy to get rid of it and provides it at little or no cost. In either case, the mutually beneficial relationship reduces the cost of your steak and your ale as well as the cream in your coffee.

How the FDA got to the point of proposing the rule is an interesting study of an agency reacting to a Congressional response to a large-scale public demand to do something about a particular situation.

In 2007, hundreds of cats and dogs were killed in the United States as a result of pet food imported from China that was contaminated with melamine resin. Melamine appeared to increase the protein value of the pet food but in combination with cyanuric acid, which the pet food also contained, eventually caused kidney failure in the animals to which it was fed. The public outcry about pet food led Congress to give FDA jurisdiction over all animal food, livestock as well as pets, in the Food Safety and Modernization Act of 2011, a comprehensive rewrite of the FDA's food safety laws, most of which dated back to the 1930s.

Following the bill's enactment, FDA set about revising and updating its rules and regulations in accordance

with the law. Following customary administrative procedures, it published its proposed rule on food for animals in October, 2013.

The proposed rule drew immediate fire from the brewing industry, livestock producers, and the sustainability community which was concerned about the impact spent grain would have on landfills. The comment period on FDA's proposed animal feed rule ended in late March and to the agency's credit it only took about three weeks for the announcement that were going back to the drawing board and that a new proposal would be published sometime this summer. The proposed rule as it pertained to spent brewers grain was also criticized by many of those on Capitol Hill who voted for the 2011 Act

In an interesting blog entitled Getting It Right on Spent Grains, Michael R. Taylor, FDA's Deputy Commissioner for Foods and Veterinary Medicine, explains that "We've heard from trade groups and members of Congress, as well as individual breweries raising concerns that FDA might disrupt or even eliminate this practice by making brewers, distillers, and food manufacturers comply not only with human food safety requirements but also additional, redundant animal feed standards that would impose costs without adding value for food or feed safety. That, of course, would not make sense, and we're not going to do it."

Commissioner Taylor also goes on to credit food manufacturers with having the common sense "to minimize the possibility of glass, motor oil or similar hazards from being inadvertently introduced" into animal feed. He maintains that it was never the intent of FDA to proscribe the use of spent grain as animal feed but acknowledges that the proposed rule could have been interpreted that way. He pledges that the revised proposal will address these concerns.

This is the way the rulemaking process is supposed to work. FDA deserves credit for listening to valid concerns raised by the industries and individuals that will be affected by the final rule and for indicating a willingness to address those concerns. Commissioner Taylor also deserves credit for being a regulator who recognizes that the individual members of community he regulates may exercise common sense.

And, without question, those of us who regularly consume the products of America's breweries, distilleries, dairies and feedlots have to applaud and approve any decision that will help control the costs of those dietary essentials. •

Kraft recently retired as head of public affairs for the Indiana Farm Bureau.



GOP works to close foreign policy gap

By PETE SEAT

INDIANAPOLIS – On the foreign policy front, Hillary Clinton has no equal, at least on paper.

Despite her questionable handling of the raid on our American consulate in Benghazi, Libya, her international relations chops are above and beyond those of any potential Republican candidate for president by virtue of her service as secretary of state.

But the fluid and precarious situation in Ukraine, rising tensions in the Middle East and the importance of



economic development each provide opportunities for would-be Republican candidates to move towards parity with the presumed Democratic frontrunner.

A president is not only chief of state, leader of a political party and driver of domestic reform, but also chief diplomat. Therefore, with Clinton in the race or not, it's important for candidates to brush up on their knowledge of international issues and show that they have the ability to mix it up on the worldwide stage with leaders

considering no one ever knows what's lurking around the corner.

The two most recent presidents, George W. Bush and Barack Obama, came to office with varying degrees of exposure to international issues, but were nonetheless quickly thrust into the thick of foreign policy. Bush, who had visited a handful of European, Asian and Middle Eastern countries prior to his election, was tested in the aftermath of the Sept. 11, 2001, attacks in New York, Washington and Pennsylvania. He had to accelerate relationship building in order to form a coalition to respond.

Obama's experience consisted of a well-publicized trip to Afghanistan, Iraq, Germany, Great Britain, and other countries, during his 2008 campaign and his child-hood years spent in Indonesia. His first-year tests came in the form of increased belligerence on the part of rogue regimes in North Korea and Iran.

To prove they are up to the challenge, Republicans aren't waiting for an international calamity to weigh in on international topics.

U.S. Sen. Marco Rubio, who as the son of Cuban immigrants already has a little international flair to him, has eagerly flexed his foreign policy muscle in recent weeks. He used the turmoil in Ukraine to decry the "flawed foreign policy of the last few years" and lay out a vision for our role in the world during a speech to the Conservative Political Action Conference.

A few weeks later, the annual gathering of the Republican Jewish Coalition in Las Vegas gave others, including Wisconsin Gov. Scott Walker and New Jersey Gov. Chris Christie, a chance to wade into the rhetorical battlefield of international issues themselves. It was a rare occurrence for Walker to divert from his domestic portfolio, but he sounded an alarm regarding the vacuum created by diminished respect for America. "If people around the world, not only our adversaries, don't believe we are strong they will take action," he said.

Likewise, Christie acknowledged his concern about muddled American priorities telling attendees at the same meeting, "We cannot have a world where our friends are unsure if we are with them and our enemies are unsure if we're against them."

Other plausible candidates, like Indiana Gov. Mike Pence, have honed in on the economic impact of overseas dialogue. Pence recently returned from a week-long trip to Germany where he locked in three deals to bring over 100 jobs to the Hoosier State. He previously pressed the flesh in Japan, a trip that had him meeting with executives from Toyota, Subaru and other companies with an Indiana presence. Just weeks after Pence returned from that trade mission, one Japanese company announced plans to create over 200 jobs in Indiana.

While each has taken different public steps to bolster their resumes, many potential candidates are reaching out to former White House, State Department and presidential campaign advisors for tutoring. A Washington Post story listed Henry Kissinger and Condoleezza Rice among the most sought after for their thoughts and wisdom.

Whatever path to parity they take, the success of Republicans vying for the Oval Office in 2016 will rest in how they can set themselves apart on foreign policy. If a crisis emerges, they need to be ready to answer the call.

Pete Seat is senior project manager at the Indianapolis-based Hathaway Strategies. He was previously a spokesman for President George W. Bush, U.S. Sen. Dan Coats and the Indiana Republican Party. He joins Howey Politics Indiana as a regular columnist.



Of bullets and conscience

By JACK COLWELL

SOUTH BEND – Bullets don't have a conscience. Once fired, they don't turn back or turn aside.

The bullet that killed 2-year-old John Swoveland Jr. flew across N. Eddy Street, one of the busiest streets in South Bend, around 6 p.m. on April 9 as members of the "Eastside/Evilside" gang shot at a fleeing member of another gang about a block east of Eddy.

The bullet could have hit a car, a truck, a tree, a house. Or nothing. But it hit and killed the little boy in



a yard on Campeau Street about the length of three football fields west of where it was fired.

Another bullet in the gang gunfire flew farther, going through a window of the Northeast Neighborhood Center, an old fire station site, on Notre Dame Avenue.

None of those bullets cared if they hit somebody in a car, in a house, in the neighborhood center or a tod-

dler playing in a yard with his older sister on a nice spring evening.

The shooters didn't care either. Just like the bullets, they weren't contemplating consequences.

South Bend Police have done a remarkable job in piecing together what happened after what was supposed

to be a fistfight between rival gang members at Coquillard Park, just east of Eddy. They identified eight suspects, all already apprehended, and recovered the gun shown through ballistics tests to have fired the fatal shot.

Some officers worked nearly around the clock for days on this one. Added incentive because a 2-year-old was the victim? Of course.

But arrests are made as well in Family members of 2-year-old John Swoveland Jr., at a vigil other less publicized shootings. outside of his house. (South Bend Tribune Photo)

Don't blame the police for all the shooting.

They didn't turn so many streets in America into shooting galleries. Not just some streets in South Bend. Guns are everywhere in the land, easily obtainable by any punk, nut or criminal who wants one.

Do gun industry lobbyists who oppose stronger

background checks and the closing of loopholes that let "straw" buyers obtain arsenals at gun shows have more of a conscience than the bullets?

Police have to deal with what's dealt.

Part of that is risking their own lives as they intervene in the shooting galleries into which they drive. They don't get much help from politicians concerned with pleasing lobbyists.

But police aren't helpless, as shown by the effective work after the fatal barrage over Eddy Street. Quick apprehension of the suspects lessened chances of continued gang warfare, with retaliation back and forth.

Let them shoot it out, some say. Who cares if gang members kill each other?

Really? When shooting victims can include anyone from a senior citizen sitting on the porch to a 2-year-old playing in the yard.

South Bend Police Chief Ron Teachman and the other top commanders on the force also are turning to some high tech stuff in dealing with the bullets. They are listening to the bullets. And the bullets tell a story, helping police to find shooting sites, victims and evidence and the shooters.

ShotSpotter is the brand name of the technology. Acoustic sensors strategically placed in one area of the city where statistics show the most gun violence detect a gunshot and through triangulation pinpoint the exact location.

Instead of police driving around a wide area after some anonymous call about possible gunshots, they can within minutes go directly, totally prepared, to the exact site.

Teachman calls it a game changer, and not just because it can lead to a seedy apprehension. He says the quick arrival of police has resulted in residents of the area, now knowing police are serious about responding, being more willing to call and cooperate with information.

Cooperation is vital.

Witnesses cooperating helped solve that fatal barrage over Eddy Street. Now if only more people would report that some kid has a gun, that some group displaying finger signs and weapons is heading for a confrontation or that shots have been fired to intimidate.

Bullets don't have a conscience. People do. Or should.

They could do more to help police, not just to solve shootings, but sometimes to keep those unthinking bullets from ever tak-

ing flight. ❖

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



Bernie Quigley, The Hill: I've long thought that President Thomas Jefferson's creative vision was for an America which hasn't been born yet. That we had repudiated Jefferson in favor of Alexander Hamilton's view of one world economy and centralized government. But Indiana Gov. Mike Pence's (R) comments last week suggest a historic sea change. The conflict in the beginning may be seen between former Secretary of the Treasury Hamilton and Jefferson, a classic town/country divide like we experience today nationally between the Eastern Establishment and the Heartland. "The one [Hamilton] was extreme centralization," wrote historian Frank Owsley, "the other [Jefferson] was extreme decentralization; the one was nationalistic and the other provincial; the first was called Federalism, the other States['] Rights, but in truth the first should have been called Unitarianism and the second Federalism." Then what Pence described at the NRA conference last week in Indianapolis might rightly be called Federalism. What we had before was perhaps right for the times when America consisted of three cities and

a forest, but now that the forest is full, it is Jefferson's time: Jefferson's American centuries lie ahead. Pence's view might be called "American realism" as it models the demographics of populations and economy which have moved west since the end of World War II and before, building a new, a different,

American cultural, political and economic paradigm and one which is just now awakening and rising to prominence. He told the NRA crowd: "Washington, D.C. is not only broke, it's broken. The longer I serve as Governor of this great state, the more convinced I am that the cure for what ails this country will come more from our nation's state capitals than it ever will from our nation's capital." Conservatives frequently talk of "small government" but only to thin spending on projects they don't like to shift funds to their own projects. They ignore the states entirely and even further advance centralization and Washington dominance. But it is there in the states, as Pence says, where the future of America awakens. This was America's first Jeffersonian vision. Maybe it was not possible until today, prevented by time and historic circumstances and the accumulation of wealth since the Industrial Revolution in the northeastern quadrant of the United States. Now it is time. Pence was part of a fledgling political initiative, a new Jeffersonian movement to shift control of America's fate from Washington to the states, where it was intended to be. It is today a movement still seeking form and an archetypal leader. That could well be Mike Pence. .

Neil King Jr., Wall Street Journal: Former governor of the largest swing state. Scion of a famous political family. Darling of the Republican donor class. Should he decide to enter the 2016 presidential fray, Jeb Bush will bring a pedigree few Republicans can match. But does he excite? Our new Wall Street Journal/NBC News poll casts

some light on these questions, and isn't great news for the many Republican elites pining for another Bush presidential campaign. For one, Mr. Bush enjoys little of the goodwill his older brother, George, did in the lead up to his 2000 presidential campaign. Among Republicans—and particularly motivated ones—the former Florida governor lags likely competitors such as Sen. Rand Paul of Kentucky. In September 1997—seven months more distant from the 2000 election than Jeb Bush is now from the next one—nearly 30% of Americans viewed George W. Bush positively, compared to a sliver—just 15%-who saw him negatively. By the end of 1998, George Bush's numbers were downright stellar: 53% positive, just 9% negative. Today—in part because the Bush name overall has taken a beating—Jeb Bush is in a position quite the opposite of that. Nearly a third of Americans hold a negative view of him, while just 21% have a positive view. .

David Brooks, New York Times: All around, the fabric of peace and order is fraying. The leaders of Russia

COLUMNISTS

INDIANA

and Ukraine escalate their apocalyptic rhetoric. The Sunni-Shiite split worsens as Syria and Iraq slide into chaos. China pushes its weight around in the Pacific. I help teach a grand strategy course at Yale, and I asked my colleagues to make sense of what's going on. Charles Hill, who was a legendary State Department officer before going to

Yale, wrote back: "The 'category error' of our experts is to tell us that our system is doing just fine and proceeding on its eternal course toward ever-greater progress and global goodness. This is whistling past the graveyard. "The lesson-category within grand strategic history is that when an established international system enters its phase of deterioration, many leaders nonetheless respond with insouciance, obliviousness, and self-congratulation. When the wolves of the world sense this, they, of course, will begin to make their moves to probe the ambiguities of the aging system and pick off choice pieces to devour at their leisure. "This is what Putin is doing; this is what China has been moving toward doing in the maritime waters of Asia; this is what in the largest sense the upheavals of the Middle East are all about: i.e., who and what politico-ideological force will emerge as hegemon over the region in the new order to come. The old order, once known as 'the American Century' has been situated within 'the modern era,' an era which appears to be stalling out after some 300-plus years. The replacement era will not be modern and will not be a nice one." The U.S. faces a death by a thousand cuts dilemma. No individual problem is worth devoting giant resources to. It's not worth it to spend huge amounts of treasure to establish stability in Syria or defend a Western-oriented Ukraine. But, collectively, all the little problems can undermine the modern system. No individual ailment is worth the expense of treating it, but, collectively, they can kill you. .



Ethics panel clears Turner

INDIANAPOLIS —An ethics panel cleared House Speaker Pro Tem Eric Turner of wrongdoing Wednesday for fighting a measure that would have cost him millions of dollars in profits, but it urged lawmakers to strengthen the disclosure

TICKER TAPE

rules for public officials (Associated Press). Turner lobbied behind closed doors against a proposed five-year construction ban that would have stalled

development of multiple projects he is invested in through Mainstreet Property Group. Mainstreet Property documents obtained by The Associated Press show Turner had more than \$4 million in profits on the line through his ownership stake in the company.

In a letter to Speaker Brian Bosma, R-Indianapolis, the House Ethics Committee said Turner's actions exposed a weakness in the system. "While the committee does not find that a technical violation has occurred, we are concerned that Representative Turner's actions have not achieved the highest spirit of transparency. Remaining questions about his conduct, while he is in compliance with our rules, give us concern that our rules do not require enough disclosure," the committee wrote.

Turner did not attend Wednesday's meeting or the first ethics meeting on the issue last week. His lawyer, Toby McClamroch, who sat through both meetings, said the panel's decision "exonerates" Turner and that the lawmaker would likely participate in any change in the ethics rules. "If the Legislature would like to look at the code of ethics and recommend changes to the legislative body, I mean Rep Turner will help in that process. I think we're aware from this of some of the changes they may want to look at and he's more than happy to help," McClamroch said. Turner thanked the ethics panel in a

statement for "clearing" him and said he was clearly offering his perspective on the nursing home industry, not pressuring lawmakers. "I offered my expertise on the nursing home moratorium in caucus because I have been involved in the industry as a passive investor in senior care real estate for many years," he said in the statement.

> The panel's top Democrat, Rep. Clyde Kersey, of Terre Haute, said Turner has exposed holes in an ethics code that has not been changed in roughly 20 years. "I think this whole thing brought out the fact that we need

to make some changes, make things more transparent and call for full disclosure," he said.

SCOTUS blow to coal industry

WASHINGTON - The Obama administration is winning the "War on Coal." Tuesday's 6-2 Supreme Court decision upholding a complex air pollution rule is the latest victory for an anti-pollution strategy that is really still in its early stages (Politico). The next move may be even bigger: In June, the EPA is due to release its most ambitious attempt yet to throttle greenhouse gas pollution from the nation's thousands of power plants, an effort that has spawned alarm in coal country. It remains to be seen how this will all play out politically, especially if Republicans take the Senate in November. But Tuesday's decision was yet another body blow for the coal industry, and some legal experts called it a further sign that the EPA can have confidence in its mastery of the Clean Air Act. The court's decision Tuesday concerns a more modest rule than the upcoming climate regulation for power plants. The justices upheld the Cross-State Air Pollution Rule, which is aimed at reducing noxious power plant pollution from 28 states — primarily coal-dependent states in the Midwest and South — whose emissions drift into states downwind. The rule had the support of states such as New York, North Carolina and Illinois, while states like Texas, Virginia and Ohio opposed it. By itself, the decision may not prove a huge burden to the affected states, many of which already face the closure of their dirtiest coalfired plants, and the justices sent the rule back to a lower court to consider several relatively minor matters. In addition, Chief Justice John Roberts and Justice Anthony Kennedy both joined the court's four liberal members in upholding the law Tuesday.

Daniels attended think tank session

WEST LAFAYETTE - Purdue University President Mitch Daniels' attendance at a March think tank meeting featuring political heavyweights, business leaders, scholars and policy wonks could renew questions about his pledge to stay out of politics (Lafayette Journal & Courier). But Daniels staunchly defends his decision to attend the American Enterprise Institute event, saying it was a chance to promote Purdue and to learn something. "I went to this thing, as I have for three years, to learn," Daniels said Wednesday night. Also, he said, "One of the biggest donors — and potential donors — to Purdue were down there." Daniels, a former two-term Indiana governor, and Florida Gov. Rick Scott and Michigan Gov. Rick Snyder, led a breakfast discussion titled "How to Fix the States." Daniels recalled only Snyder being on the panel and said the discussion focused on fiscal issues facing states, such as pensions and other budgetary challenges.