



If Sen. Coats doesn't run, who does?

Delegation, Ballard, Holcomb could weigh bids in '16, '18

By **BRIAN A. HOWEY**
and **MATTHEW BUTLER**

INDIANAPOLIS – What if U.S. Sen. Dan Coats doesn't seek reelection in 2016?

In asking that question, the first qualifier is if we had to place a money bet on the question, it would come down firmly on the belief that Coats will seek one more term in the Senate. Last Friday, he told HPI's Matthew Butler, "I'm working through this and I think by spring, early spring, I'll make a decision. I'm weighing all kinds of things in the decision making process on this. I know I need to make a decision and I haven't made a decision yet. I know if I do run again, we have things in place where we can flip the switch, we're ready to go. We would be ready financially and organizationally."



U.S. Sen. Dan Coats (center) at a debate for the 2010 Republican Senate nomination where he faced four opponents. If Coats doesn't seek reelection in 2016, a similarly crowded field would be expected.

If Coats was having second thoughts about running in what would be his fourth Senate race (the first in 1990 for Vice President Dan Quayle's term against State

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Prevailing wage returns

By **MAUREEN HAYDEN**
CNHI State Reporter

INDIANAPOLIS – It may be "round two" for the Indiana labor movement if legislation to roll back the prevailing wage for workers on public projects gains traction.



On the heels of a court decision upholding the state's contentious right-to-work law, some Republican lawmakers are ready to take another step to dismantle labor union protections: They want to repeal the decades-old law requiring contractors to pay union-scale wages for building schools, roads, and other government infrastructure.

Critics say the law artificially inflates wages on publicly



"It's a citizen legislature and you're going to have conflicts, regardless. There's probably bigger conflicts in the legislature."

- State Rep. Robert Behning, on his plans for a new lobbying firm that will work education issues in other states



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funded projects by raising them to the highest union level, increasing costs and reducing money for road repairs and other services state and local government can provide.

But supporters argue the law boosts the economy by guaranteeing good-paying jobs in local communities and a skilled workforce that produces quality work that saves taxpayers in the long run.

"Without this kind of protection, you're going to see people in soup lines like in 1929," said Tim Strange, a union laborer in Sullivan, Ind., who's guaranteed just over \$20 an hour, plus benefits, when he works on public projects.

Similar legislation has been filed by Republican lawmakers in other states, including Ohio, Connecticut and West Virginia.

In Indiana, a House bill to repeal to the 1930s-era law has been filed by Rep. Jerry Torr, R-Indianapolis. He's one of the key authors of the 2012 right-to-work law that prompted litigation, mass protests and a session-stalling walkout by Democrats.

The law, upheld in November by the Indiana Supreme Court, bars employers from requiring workers to join unions or pay union dues as a condition of employment, a once common practice in the construction industry.

It was seen a victory for business groups but a crushing defeat for the state's labor unions.

A move to do away with the prevailing wage, also known as the common construction wage, could be even more contentious. The State of Indiana alone is spending almost \$1.5 billion on public construction projects between 2013 and 2015.

State Sen. Carlin Yoder, R-Middlebury, also has a bill to repeal the prevailing wage. But his effort has been blocked by a key legislative gatekeeper: Sen. Phil Boots, R-Crawfordsville, chairman of the Senate Pensions and Labor Committee, where Yoder's bill has been assigned.

Boots said he refuses to hear the bill until it follows the same path as the right-to-work legislation, which underwent more than 50 hours of testimony in front of a summer study committee before it was taken up for debate by the Legislature.

"This is more of an issue for workers than right-to-work was," Boots said. "This would have actual impact on their wallet."

Yoder thinks it's time to put the issue up for debate.

He questions the fairness of the law, which requires local communities to set union-level wages for a wide range of construction workers, from painters to elevator installers, for projects that involve public dollars.



State Rep. Jerry Torr has taken aim at prevailing wage.

Contractors who win the project bid must pay those wages.

"We've stalled this argument long enough," Yoder said.

Torr's House bill is still in limbo. State Rep. Doug Gutwein, R-Francesville, chair of the House Employment, Labor and Pensions Committee, said he hasn't decided if he'll schedule the bill for a hearing, a critical first step.

Gutwein may instead hear a related bill, one that would raise the threshold for public construction projects from the current \$350,000 to \$1 million. That bill, from Rep. Dave Ober, R-Albion, would mean small-scale public projects would no longer come under the prevailing wage law.

Torr scoffed at the idea that the issue needs more study.

"It's not that hard to understand: You have a group of people who get together to set an artificial wage rather than the free market. It's really that simple," Torr said.

But the impact of the current law is in dispute. In the fiscal analysis of the measure, done by the Legislative Services Agency, the non-partisan research arm of the General Assembly, analysts note that use of prevailing wages does increase the cost of public projects.

But it's unclear by how much. And LSA analysts also note other research that said paying union wages to skilled construction workers leads to greater efficiency, quality and safety by providing for a stable, well-trained workforce.

They also note the benefit to a local community's tax base due to higher incomes and consumption levels of those well-paid workers.

Indiana's law originally arose in 1935 as a Republican initiative, in response to contractors from the South undercutting Indiana operators with cheaper, less-skilled labor

For J.R. Gaylor, president of the Associated Builders and Contractors, an organization that represents many non-union contractors, the prevailing wage law is an archaic throwback to the past.

"This is about unions trying to protect a system that protects them," he said.

But labor leader Pete Rimsans, head of the State Building & Construction Trades Council, sees it another way. He says the law has created thousands of good-paying construction jobs.

"It's a path to the middle class," he said. "When people learn these trades, they can go anywhere in the world and make a good living and support their family." ❖

Senate, from page 1

Rep. Baron Hill, the second in 1992 for a full term against Secretary of State Joe Hogsett, and his reemergence in 2010 with a win over U.S. Rep. Brad Ellsworth), many observers on Capitol Hill and here in Indiana believe that his move to Senate Finance and his chairing of the Joint Economic Committee will be irresistible sweeteners for a public servant who doesn't really like some aspects of campaigning.

Coats decided not to seek reelection in 1998 and a possible race against then-Gov. Evan Bayh, citing the nearly constant need to fundraise. But one thing he made clear in 1997 when he announced that stunning decision was not the caliber of opponent. Coats left an HPI interview that year, only to return a few minutes later to emphasize one final point: "I could have beat Evan Bayh."

When he returned in 2010, it was to challenge Sen. Bayh, who responded with his own bombshell less than a fortnight later, announcing he would not seek a third term.

Coats appears in good shape politically. The Rothenberg/Gonzales Political Report rates the Indiana seat as "safe" Republican and Larry Sabato's Crystal Ball lists it as "likely" GOP. Rothenberg/Gonzales writes, "There are no serious rumblings against Coats in a primary. He had a moderate reputation during his first Senate tenure but successfully learned the Tea Party language and navi-



Sen. Coats with Rep. Young at the U.S. Capitol.

gated the Republican primary in 2010. Democrats aren't that interested in Indiana at this point."

Sabato wrote in December: "Sen. Coats probably can have another term if he wants it, assuming he doesn't face trouble from a GOP primary electorate that threw out longtime Sen. Richard Lugar (R) in 2012, a decision that allowed Sen. Joe Donnelly (D-IN) to grab the seat."

However, one thing is clear from the Butler interview (see pages 5-8), which is that Coats has not made a final decision. He had a mere \$752,000 in his war chest at the end of the third quarter 2014. At this writ-

ing, with less than 10 Republican Lincoln dinners announced thus far, Coats is speaking to four in Lake, Allen, Jackson and Johnson counties and several others are in the works (Gov. Mike Pence and Lt. Gov Sue Ellspermann are both set for two, and U.S. Rep. Larry Bucshon for one). But Coats has made moves that suggest reelection, chief among them the addition of former state Republican chairman Eric Holcomb as his state chief of staff. If there is one lesson from Sen. Lugar's primary defeat to Richard Mourdock in 2012, it is to keep your home front political organization vibrant. Holcomb is in the process of traveling to all 92 counties, compiling a photo catalogue of basketball shots in at least one local gym along the way as proof of his personal outreach to local GOP leaders.

There may be elements out of the public eye in play that could trump the obvious. So that brings us to the question raised in the lead: If Coats doesn't run, then who does?

The quick answer is there is no obvious heir apparent. Several informed and reliable Capitol Hill sources HPI talked to have acknowledged that discussions are occurring within the delegation on the Coats-doesn't-run scenario. These discussions appear to be "intra-office" with Members keeping such options very close to the vest.

But the Senate scenario that is being war-gamed by key players this month is actually coming in a pair of options: A potential open seat in 2016 if Coats doesn't run, and the 2018 challenge to U.S. Sen. Joe Donnelly. The two scenarios could bring about two very different processes.

The 2015 Howey Politics Indiana Power 50 list represents a pecking order within the current Congressional delegation that didn't appear to be disputed. It lists U.S. Rep. Luke Messer at No. 6, Todd Young at 14, Susan Brooks at 15, Todd Rokita at 18, Larry Bucshon at 26, Jackie Walorski at 27, and Marlin Stutzman at 31.

Messer moved up in dramatic fashion when he won the race for conference policy committee chair, which places him in House Republican leadership. Prior to this move, some observers saw Messer interested in a potential gubernatorial run. But with House Majority Whip Steve Scalise a potential Democratic target for a speech he gave to a David Duke white supremacist group, and the belief among many that Speaker John Boehner may give up the gavel in a cycle or two and retire, Messer could be looking at both short-term and long-term options to move up the House leadership ladder.

Rokita was just named vice chair of the House Budget Committee, suggesting career ladder options on Capitol Hill. A number of sources have also put Rokita and Stutzman in a potential gubernatorial orbit. With Rokita, his secretary of state tenure as an executive and family concerns seem to suggest an eventual return to home front politics.

In Republican circles, it has been Reps. Young and Brooks who are seen in close to universal perception as

Republican Primary results ^[26]			
Party	Candidate	Votes	%
Republican	Dan Coats	217,225	39.5%
Republican	Marlin Stutzman	160,981	29.2%
Republican	John Hostettler	124,494	22.6%
Republican	Don Bates, Jr.	24,664	4.5%
Republican	Richard Behney	23,005	4.2%
Totals		550,369	100%

the two emerging members with the most gravitas. Young is becoming an influential member of the powerful Ways & Means Committee and is close to U.S. Rep. Paul Ryan, giving him a launching pad for a series of innovative ideas on the 40-hour week with regards to Obamacare, potential tax reform and other policy options. Brooks serves on the Energy and Commerce Committee, chaired a Homeland Security sub-committee as a freshman, and is also on the Benghazi panel.

The Power 50, however, would not be an accurate gauge on one key element in a Senate race context, the ambition factor.

Stutzman unsuccessfully sought the Senate seat in 2010, finishing second to Coats. The resignation of U.S. Rep. Mark Souder weeks later created the opening for his emergence as a congressman. Stutzman was a key proponent of the 2013 government shutdown, ran unsuccessfully for whip, then voted against Speaker Boehner's reelection earlier this month. Sources say that he enjoys Capitol Hill and he and his wife have business interests there. He is, obviously, very ambitious.

A Coats bombshell that he would pass on a fourth Senate race would prompt what many expect to be a virtual "log jam" of House Members seeking to move up to the upper chamber with an open seat. Stutzman, several sources told HPI, would likely be the first to jump in.

At least two names outside of current Members could also come into play. Several sources tell HPI that Holcomb is receiving encouragement to run if Coats retires. Other sources say that Indianapolis Mayor Greg Ballard, while retiring from that office in 2015, has privately expressed interest in a possible Senate race. Holcomb has wide networks in the Daniels wing of the party, as well as within the party. Ballard has 100% name ID in the state's largest media market.

In the 2016 scenario, a competitive GOP primary would be a virtual certainty, and it would play out in hectic fashion, with Members seeking an early advantage. Some Members, facing the prospect of losing a primary and a congressional office, might back off. But such a race would almost certainly draw multiple candidacies. Rokita and Young both have war chests over or close to \$1 million that would give them a running start.

Without knowing the field, it would be hard to gauge who might have a long-term competitive advantage.

The 2018 race against Donnelly will likely be a more deliberative scenario. Some on Capitol Hill believe that a potential open seat 2016 nominee might be farther to the right than the 2018 process, which might be a better prospect for more moderate candidates such as Young and Brooks.

Another key element is who Indiana Democrats will nominate. Right now, conventional wisdom is that a likely scenario would have either 2012 gubernatorial nominee John Gregg or Baron Hill opting for the Senate race. On the face of it, Hill would seem to have the pedigree, having run a very competitive race in 1990 before serving

10 terms in Congress. He is resilient, losing a race in 2004 and reclaiming the seat in 2006. Hill has moved back to Indiana.

Gregg appears to be openly angling for a rematch with Gov. Mike Pence, and has passed on previous U.S. Senate and House bids.

A third name would be Hammond Mayor Thomas McDermott Jr., who has retreated from a potential gubernatorial race due to a primary challenge this May. If McDermott prevails there as expected, he can be expected to reevaluate both the gubernatorial and U.S. Senate options.



Coats talks reelection, new Senate leadership and the GOP agenda

By **MATTHEW BUTLER**

INDIANAPOLIS — U.S. Sen. Dan Coats' enthusiasm for the new 114th U.S. Congress was evident when he spoke about the possibilities of moving legislation through both Republican-controlled chambers in an

exclusive interview with HPI last week. Coats said he will decide in the spring whether to seek reelection in 2016.

"I'm very excited to be in the majority and want to see how this plays out," Coats said concerning the remaining two years of his term. Legislative progress on Capitol Hill, Coats said, was a factor in whether he'll pursue the fourth Senate campaign of his career.

"The election in November was a real energizer," he told HPI. "We're now able to get some things done and that's very, very encouraging. I'm well positioned on the right committees to be very engaged on the issues I think are important."

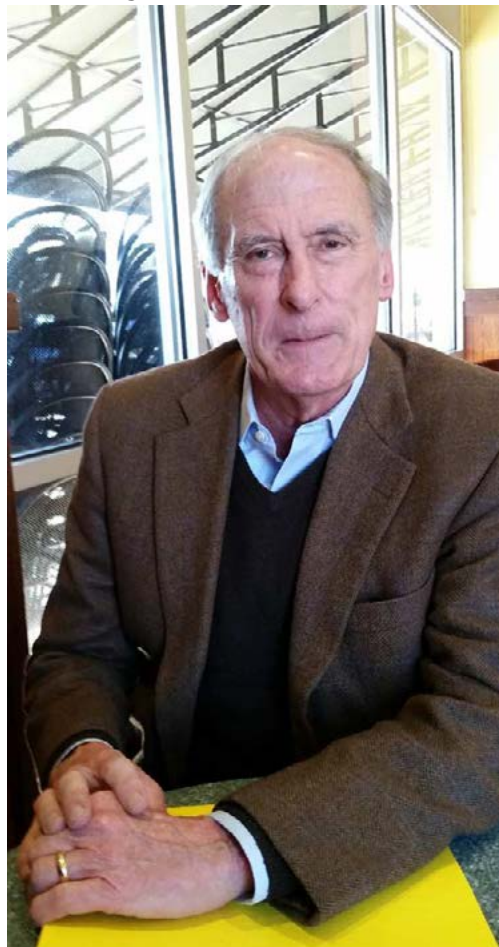
Because he is a member of the Senate Republicans' "whip team" and the fact Coats will chair the Joint Economic Committee as well as sit on the Finance and Intelligence committees, HPI wanted to sit down with the senator to discuss a wide range of domestic and foreign policy topics in depth. The following are the highlights of our conversation:

The Congressional GOP agenda

HPI: You said your reelection decision will hinge on how things play out in the next few months. How does the Republican strategy session in Hershey, Pa., factor into that?

Coats: We always have a retreat at the beginning of the year to map out what we're going to do. Usually with the Senate, it's one day at the Library of Congress. I think this was a wonderful idea to get together with the House Republicans. It was a really constructive time. We are both pretty much on a post-election high here in terms of expectations of what we can do by having both House and Senate being in Republican majority hands. The reality though that we have to deal with is the occupant of the White House; we're under new management but the executive branch isn't. We have to temper what we'd like to do. We know not everything will get through the president. But, we very much set the stage for 2016 and want to demonstrate to the American people that Republicans can govern efficiently and effectively. A lot of the election was very much a referendum on Barack Obama. 2016 could be a referendum on, well OK, "We like your ideas. We know what you've tried to do. The president is the only one who has blocked you." With a Republican president we could get those things done. That's our strategy and we're excited about it.

HPI: Besides the White House, there is also an impedi-



ment to your agenda in the Senate. The House can pass bills relatively quickly. In the Senate, you're going to need moderate and conservative Democrats to move legislation. As a member of the Whip Team, what is your strategy there?

Coats: A lot of people don't understand the byzantine procedures of the U.S. Senate, but the magic number is not a majority over 50, the magic number is 60. We have 54. So, obviously, without bipartisan support, or at least six votes, we're not going to pass anything. We hope the Democrats got the same message we got in the November election, that is: "We want you to work together to get things done." There are people out here hurting and while the economy is improving, there are still a lot of people struggling to make ends meet. Growing the economy and getting a more robust job market and getting this country moving again is a real challenge. We need to work together. That requires our putting forth good measures that hopefully Democrats will be willing to cross the aisle and support. I think we're off to a very good start from a congressional standpoint, because the House has already passed the Keystone pipeline. In the Senate, we've already passed a very critical first start to take up the bill with 10 Democrats supporting us. We'll have more than we need going forward. We're hopeful and optimistic that a whole number of issues like that, such as medical device tax reform and some regulatory reform on some of the excesses of the EPA and so forth are some of the issues we can succeed on and give the president pause before he automatically vetoes it.



HPI: You've mentioned Keystone XL, the medical device tax, and there is also the 40-hour workweek reform to the ACA. Your delegation colleague Sen. Joe Donnelly supports all of these. Will working with him be important in the coming months?

Coats: We're pleased to have his support on these Republican conservative measures. The extent to which he wants to work with us and cooperate, we're with open arms. Joe and I have a good personal and professional relationship. We're not on the same scale on some issues ideologically, but welcome his participation and engagement on things that are good for Indiana and good for the country.

The future of the ACA

HPI: The House will likely again vote to repeal the ACA as a political gesture before moving to targeted reforms of the law. Would such a bill pass the Senate knowing it will still be vetoed?

Coats: I don't think it will get past the Senate. That will be the real test for some Democrats. All Republicans will vote for repeal. No Democrat as of yet has come out publicly and said they would vote for a repeal. They

say it needs to be fixed.

HPI: The president has promised to veto revision to the ACA's 40-hour workweek provisions, what about the medical device tax?

Coats: He has not issued a formal veto [warning] on that. It's an issue we have to address.

HPI: Gov. Pence and Attorney General Zoeller have joined that legal challenge against subsidies for those who enroll via federally operated exchanges. Perhaps hundreds of thousands of Hoosiers could see their health insurance subsidies disappear. Do you think that could politically backfire for Republicans?

Coats: We've got a Supreme Court decision waiting for us in June. Many constitutional experts who have studied this say there is no way the Supreme Court is going to overturn the meaning of that wording that states who do not have exchanges the subsidies cannot be paid. That is potentially a big game changer, which means we're

going to have to be ready with an alternative to the issues, which are legitimate issues, of providing health care. We need a Plan B ready and vetted through the process to some extent and the American people understand what it is. There are several proposals out there and one of the agreements we came to at the retreat is that we need to pull all of that together and put a package together, an alternative to the ACA, if the Supreme Court rules that way, because that could bring the whole thing down.

HPI: Proposed over the summer, Gov. Pence's Medicaid expansion alternative, HIP 2.0, still awaits a response from CMS. HPI spoke with them last week and they gave the rather jaded answer that this process takes time. Is the delegation helping on this matter?

Coats: The answer is yes. I've had personal conversations with HHS Secretary Sylvia Burwell. Our delegation has sent letters to her indicating our support and the need for a decision. This has been ongoing, month-to-month. I've had several conversations with the governor. I'm doing everything that I can to promote the plan and get a decision.

Keystone XL

HPI: How soon do you think the Keystone XL pipeline will be on the President's desk?

Coats: I think probably in a two-week time period. Now, the president has said he is going to veto it even before we passed it. But, I think he is going to have to think twice when he sees the list of names of Democratic senators on there and then compares that with what happened to his senators in 2014, almost every one of which lost because they had stuck with the Obama program.

HPI: Critics of Keystone XL say the construction jobs figures are being oversold, the permanent jobs created will be quite small, the benefits to American oil consumption and energy independence will be negligible because the oil will be refined and exported from the Gulf, and Canadian domestic politics are preventing its own Pacific pipeline for the time being, the Enbridge Northern Gateway pipeline.

Coats: This is the narrative of those that oppose this are sort of scratching to come up with reasons why we should not go ahead. First off, the choice here is to continue to be dependent on Middle Eastern oil for our daily needs or reduce our dependence and have better control over our energy future. This is oil from a reliable friend and partner. We don't have to worry about turmoil in Canada and overturning the government and shutting down the Persian Gulf and that sort of thing.



On construction, every building and road that is built is a temporary job for the construction industry. If somebody comes in and says, "I want to build a 50-story building or hotel in downtown Indianapolis." We don't say, "Oh, those are only temporary jobs, so don't build it." This is a segment of our economy whose life is building and constructing and they move from project to project. That argument holds no weight whatsoever particularly at a time when the president says we have to get this economy back to work; 40,000 people put to work for a two-year period of time is no small thing. The refineries are in Louisiana. That crude oil has to go somewhere to be refined.

Oil is fungible. The pricing of oil is based on a worldwide basis; any increase in supply is a benefit of keeping down the cost of oil. There is no directive that this has to be shipped somewhere else, but the refineries are down in Louisiana. All of it is increasing supply. This oil is going to go somewhere. It can either go through us and be refined by us and hopefully used by us, or Canada is going to send to their west coast and ship it to China. They're not going to stop production simply because it's harder to get there. Another thing is the criticism this could have a negative impact on the environment. The president's own State Department came forward with its own lengthy, exhaustive analysis of this and concluded there is no negative impact here. The environmentalists never talk about whether it's safer to send it through a pipeline or send it on railcars. We've seen some of these disasters with railcars. Some of their arguments are becoming almost laughable because they're running out of excuses not to do this. The president says it needs to go through a process. It's been six years. The Nebraska

Supreme Court has ruled and said no problem.

Islamic terrorism

HPI: At the end of our interview, Sen. Coats noted that his priority when he returned to the Senate in 2011 was mainly fiscal. Has that changed?

Coats: It's interesting to me how my first three years since I've been back has almost totally been focused on debt, deficit, and domestic issues. Now, as it always does, foreign policy, in our troubled world, rears its ugly head.

HPI: This has been a disturbing last few weeks. Sitting on the Senate Intel Committee, what can you tell Hoosiers they can expect in terms of the terrorist threat to and within the West?

Coats: It's been a disturbing last few years. We need to take this matter very seriously. It is being called a cancer that has metastasized; it cannot be contained in Syria or the Middle East and is spreading in pockets in many, many different countries. There are unstable states like Libya, Syria, and potentially issues in Afghanistan and Iraq, obviously with ISIS, northern Africa, Somalia, and on and on and on. Nigeria and Yemen. This thing needs to be seen as a problem for the world.

"Lone wolf" is the wrong designation I think of what's happening. Many of these attacks might be carried out by one or a group of individuals, but clearly they are inspired through basically social media and some of them trained. Some of them make it to Syria or Yemen, train, make it back, and are embedded. Social media has inspired and encouraged those who believe in their cause or those who just want to wreak havoc. We know there have been conceived and plotted attacks, but we also know there has been license given that, "If you believe in our cause, do something."

ISIS puts a magazine out that shows you how to make a bomb. It shows you how to fire Kalashnikov. It shows you how to wreak havoc. We're dealing with a war on the values and beliefs that are held by many in the civilized world using methods of pure barbarism and social media to encourage, train, and radicalize others. This is not something that we can identify and draw a sharp line; it's not like the Cold War. There are pockets of this creeping up everywhere. I think we can potentially expect some of that here in the U.S. because people sitting at home at a computer can come to the conclusion they want to be a part of this or buy into this. Some of it I think is just pure evil. With a huge propaganda machine that knows how to tap into psychopaths or others who have bought into their narrative or just simply angry, dysfunctional, or mentally ill.

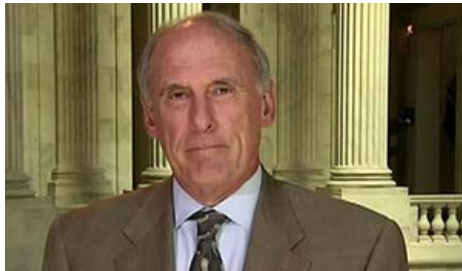
How do we deal with it? We need to recognize we're into something that is very serious and it's going to take some time to deal with it. The world's nations that are now all at risk need to recognize 'It's all in' with everybody engaged. Providing security has to be based on very intensive intelligence to thwart attacks, but recognizing that

we cannot find out about every potential radical in the U.S. We're going to have to assume more risk on this. The key to this is an awakening in Muslim countries that basically say, "This is not our culture. This is not how we want to raise our children. These are not our beliefs and we will stand up to this." Until they do that and join in that effort, I do not think we will succeed. We've seen a little bit of movement in countries like Egypt, Turkey, Saudi Arabia, some of the emirates, and Pakistan. They have to realize they're in the target sights. The flooding of the streets and locking of the arms in Paris is what has to happen in country after country. We cannot placate these people. You cannot debate them. You cannot use diplomacy. You have to take them on and use force. It is the major foreign policy challenge, that along with nuclear proliferation, for coming presidents and congressmen.

China and North Korea

HPI: How do you think China as a rising global power sees Islamic extremism? Do they see it as a threat as well or more as an opportunity for them that distracts the West?

Coats: I don't think they do see it as a threat. China is focused on its own economic growth and dealing with its own internal issues. This has not come to China yet. I don't see them as much as a participant. I think they see this an opportunity to build their economy and build their military to become more of a force in Asia. I think Russia is much more in an imperiled situation than China with all the Muslim influence along its southern borders.



HPI: Could you comment on China and North Korea in relation to cyber warfare?

Coats: There is an area where the Chinese can help us on this because they have such influence over North Korea and we've reached out to China to do that. They have to see the capabilities of what North Korea has been able to do as a potential threat. North Korea is also a nuclear threat. They're right there on China's doorstep and if there is any way we can influence China to take part in this effort of nuclear proliferation and the terrorism aspect of it, it's through addressing these issues with North Korea.

Iranian sanctions

HPI: On the subject of nuclear proliferation, senators on both sides of the aisle want to tighten sanctions on Iran.

Coats: I support that strongly. I have had input on that bill and I'll have more input after 10 years of involved engagement. I've coauthored the first three parts of a bipartisan task force on the Iranian nuclear threat

along with former senator Chuck Robb and then an all-star cast of people on the task force that I headed up, including Ashton Carter who will be the next secretary of defense. The best experts in the U.S. were issuing reports as far back as 10 years ago in terms of the threat and consequences of Iran achieving a nuclear weapon. Here we are all this time later while the centrifuges have been turning. Sanctions are the only way to go. I have no confidence in what the administration might come up with. They've already conceded and not gotten anything back on several of the initial goals, one of which was to basically halt the program. We are going to insist that any agreement that is entered into be approved by the Senate. Only an ever-ratcheting series of sanctions is going to force the Iranians to the table. There is no way Turkey, Saudi Arabia, and Egypt are going to sit back and let Iran determine their destiny because they hold nuclear weapons like North Korea does. It'll be a Middle Eastern arms race that could potentially lead to catastrophe.

HPI: And Israel is a complicating factor?

Coats: Prime Minister Netanyahu has been very, very clear in saying, "I will not preside over a second Holocaust of the Jewish people." They'll do anything even if we cannot support them.

Cuba and A-10 Warthogs

HPI: You have voiced opposition to normalizing relations with Cuba, on the grounds of human rights, but approve of trade, agreements with, and aid to nations with similar records, such as Pakistan and Saudi Arabia. Why?

Coats: There's a history with Cuba and a proximity to Cuba. Consecutive presidents, whether Republicans or Democrats, have basically said when the Castros step down that's the time to open up relations with Cuba. Frankly, I have a colleague [Sen. Marco Rubio] now, who is a good friend, whose family has lived through all of this. I rely on him to explain what are the consequences here. That community feels very, very strongly on that. If we're going to do something here, why cannot we extract something from the Castros in terms of human rights, releasing prisoners, and cooperation and coordination on issues? To open the door, why simply give away the store?

HPI: The Air Force wants to mothball the A-10, which is important to Fort Wayne and many say our close air support capabilities. Where do you see that?

Coats: It's clear we're in a transition period. The Air Force is under a lot of pressure from a financial standpoint. Interestingly enough, if anything happens it will be more of a consolidation than elimination. We are probably best positioned in Fort Wayne than any other National Guard base in the country because of its location, because of its training, because of its stellar performance, efficiency, and effectiveness, runway length, and so on. We're trying to transfer the F-16s and F-35s in. You've got to rely on the military to some extent on what it thinks it needs.



Pence will have \$5M money lead on Dems

By **BRIAN A. HOWEY**

NASHVILLE, Ind. – The Mike Pence for Indiana Campaign announced Friday over \$3.3 million raised for 2014, including nearly \$2.1 million for the second half of the year. It comes as polling by Americans For Prosperity shows his approval rating stands at 66%. The Pence finance report comes as Democrats John Gregg and Baron Hill told Howey Politics Indiana that they are still deciding whether to challenge Pence and that decisions won't likely come until spring.



By that point, Pence is likely to have more than a \$5 million money advantage.

Mike Pence for Indiana also reported raising over \$5.2 million for the first two years of the election cycle. These totals represent a fundraising record for Indiana gubernatorial campaigns during the same time frame. The Mike Pence for Indiana Campaign ended 2014 with over \$3.5 million cash on hand. "Our fundraising success will enable our campaign to continue to promote Gov. Pence's agenda for improving educational opportunities, creating jobs and growing the Indiana economy," said Marty Obst, executive director of Mike Pence for Indiana. Hoosiers were 85.3% of the contributors in 2014.

Pence campaign spokesman Robert Vane told HPI that a target money level has not been determined, but at this pace, the governor is on track for a \$20 million to \$25 million campaign.

Federal Election Commission reports show Pence is not raising money at the federal level. Longtime aide Bill Smith has said that where Pence is raising money is indicative of his political plans for 2016. There has been widespread speculation that Pence will consider a presidential run that year. The poll showing Pence approval at 66% was conducted by Public Opinion Strategies for Americans For Prosperity, a political organization linked to the Koch brothers. If Pence were to opt for a presidential race, with that decision likely coming in May after the conclusion of the Indiana General Assembly, the Koch brothers would play a key role.

"The governor and his team are humbled and grateful for the outpouring of support he continues to receive from all four corners of the Hoosier State," said Fred Klipsch, treasurer of Mike Pence for Indiana.

Big donors for Gov. Pence included John Rigsbee

and Jeffrey Gaither at \$30,000 each, Stuart Reed, Suzanne Reed and John D. Bryan at \$50,000 each. Former Democratic gubernatorial candidate Jim Schellenger gave \$10,000 and wife Laura Schellinger gave \$5,000. Other notable donors included Douglas Rose at \$12,000, Daniel Evans at \$10,000, Stephen Russell at \$9,500, former Indiana Chamber CEO Christopher LaMothe at \$2,500, James Schroder at \$12,500, James Risk at \$8,000, Willis Conner at \$11,000, Michael Smith at \$10,000. Donors at \$5,000 included long-time Pence political ally Van Smith, auto dealer Bob Rohrman and P.E. McAllister. Former Defense Sec. Donald Rumsfeld gave \$1,000.

The NWI Times reported that in the last months of 2014, 34 major donors gave \$687,000 to the governor's campaign. Those include \$50,000 donations from Oklahoma coal company Alliance Holdings, Florida venture capitalists Lawrence DeGeorge and Suzanne Niedland, and Fuzzy's Vodka co-owner Stuart Reed of Indianapolis. Concrete company executive and onetime GOP Congressional candidate Martin Ozinga, of Mokena, Ill. donated \$20,000, while NiSource Inc., parent of the NIPSCO utility company, gave \$10,000.

In a thank you message, the governor said he is grateful to his contributors "for everything that you have done for me. I can't tell you how much your generous support means to Karen and me, and how excited we are to start this year focused strong on jobs, the economy and a top-quality education for our kids. I'm so proud that

Indiana is 'the state that works,' and that we're going to continue working toward that promise in the days and months ahead."

As for the 2016 presidential race, campaign sources tell HPI that Pence will not attend a Koch brothers cattle call in Palm Springs this weekend. Wisconsin Gov. Scott Walker, and U.S. Sens. Marco Rubio and Ted Cruz are expected to attend. But he will address the Republican Jewish Coalition in April.

Meanwhile, Indiana Democrats are still sorting out who might challenge Pence in 2016. "I've been encouraged to run," Gregg said last week. "I've been in Southeast Indiana. I'm going to Washington. I've spoken to my old consultants and some new people. I'm doing things a candidate should do." In 2014, Gregg made between 15 and 20 campaign stops for local and legislative candidates and that continued last weekend when he was at the side of State Rep. Gail Riecken when she kicked off her Evansville mayoral campaign.



Gov. Mike Pence at his 2012 campaign kickoff in Columbus. (HPI Photo by Brian A. Howey)

Former congressman Baron Hill told HPI last week that he is still gathering information and is receiving encouragement on the governor's race. Hill said he would make a decision within the next quarter or so and possibly sooner. Hill is the former congressman who lost his seat in 2010 to Rep. Todd Young. He has run credibly statewide, but that was a U.S. Senate race in 1990 when he lost by Sen. Dan Coats by 5%.

With neither Democrat preparing to launch a campaign until spring, the party's nominee is starting with a significant deficit. Gregg's state finance report filed last July showed a balance of \$21,000.

Indy mayoral: GOP settles on Brewer

Indianapolis Republicans would appear, on the surface, to be taking a page from the 2007 campaign playbook: Nominate a war veteran and businessman. On Monday, Iraq War veteran and businessman Chuck Brewer emerged as the party source, though he will face Olgen Williams, Terry Michael and Jocelyn-Tandy Adande in the primary.

A similar script happened in 2007 when Republicans nominated Greg Ballard, an unknown former Marine lieutenant colonel, who would go on to forge one of the most stunning upsets in modern Hoosier political history, defeating Mayor Bart Peterson by 5,000 votes. Peterson



had a 10-to-1 money advantage.

The difference between 2007 and 2015 is that Mayor Peterson found himself in a tax revolt. He pushed through an income tax hike on a sultry July evening in 2007. Members of his administration had packed the City Council chambers, and angry citizens milled around in front of the City-County Building in 90-degree heat. Fred Yang, Peterson's pollster, told HPI years later that he warned Peterson that the tax hike could be his political death knell. Yang said Peterson acknowledged the danger, but said that without the tax hike, he didn't want to be mayor.

So the 2015 dynamic is completely different. There will be no incumbent enmeshed in controversy.

Brewer, 43, owns Potbelly Sandwich Shop franchise on Monument Circle and the Soupremacyp Soup Shop, just around the corner on Market Street. "I'm not a politician. I'm a business guy, an entrepreneur, I've never run for mayor," Brewer told WTHR-TV. "When I realized they

didn't have a candidate I was comfortable with I walked over and told them I was the person for the job and made my case. I realize I'm an underdog, but I'm OK with that."

Brewer is a native New Yorker who worked for Sears Holding Corp. in Chicago before moving to Indianapolis four years ago to open Potbelly. "I love this city. I could have chosen any city to move to when I opened this restaurant and I chose to call Indy home," he said. "I've got a very rich and deep education from some of the best schools this country has to offer. I've spent time working in organizations from the Marine Corps for 23 years to Fortune 500 companies for more than 10 years."

It will not be an open road to the Republican nomination. Olgen Williams, a former deputy mayor and director of Christamore House, is also preparing to wage a spirited campaign.

"You know, I'm not the smartest guy in the room but I know I try to be the most committed to serving, giving people back, people have been so good to me," Williams told Fox59. "It don't matter about where you live and the house you live in and the car that you drive. It's about the service you give."

Williams is called the "mayor of Haughville" and was instrumental in black pastors and churches rallying behind Mayor Ballard in both 2007 and 2011. He is a Vietnam veteran who served time in federal prison for petty theft as a U.S. Postal Service employee. "I'm still trying to make up ground I guess for mistakes I made when I was 23, to give back in a way and then teaching my children and grandchildren and great grandchildren to do it," Williams told Fox59.

Democrat Joe Hogsett officially filed his candidacy on Wednesday afternoon after kicking off his campaign last November at the Kennedy-King Memorial, a move that was not only questioned by Republicans, but by Democrats and those in

the black community.

The potential of a three-way race in November still exists, particularly if Brewer defeats Williams in the primary, though at this point Hogsett is a clear favorite.

Rev. Charles Harrison, senior pastor at Barnes United Methodist Church and a founding member of the Ten Point Coalition, told Howey Politics Indiana on Wednesday that if Williams does not emerge in the primary, he will run as either an independent or a Libertarian. Harrison formed an exploratory committee late last year.

"Olgen and I have been friends for years," Harrison said. "I've worked very closely with him on the issues of crime and violence."

Harrison said that Hogsett has not personally reached out to him, though he described "backdoor" ef-



Republicans Chuck Brewer (left) and Olgen Williams will face each other in the primary, with Rev. Charles Harrison waiting on the results and a possible independent bid.

forts to engage by the Democrat's allies. Harrison said that since forming his exploratory committee, "I am surprised at the number of black leaders supporting either Olgen or myself. There seems to be some disenchantment in the Democratic Party. If I were a Democrat, I'd be worried."

Harrison said that Hogsett and Democrats "have not healed the wounds in the black community from the last time. That's why I am running or supporting Olgen Williams. They have not figured that out."

Harrison said that he has had talks with U.S. Rep. Andre Carson, but told HPI that the congressman doesn't have the sway that his grandmother, the late U.S. Rep. Julia Carson, had. "Julia's machine was the black churches. That's now been fragmented," he said.

Anderson: Mayor Smith has \$75K

Incumbent Anderson Mayor Kevin Smith has a decided advantage in terms of cash on hand for the 2015 mayoral campaign (de la Bastide, Anderson Herald-Bulletin). Campaign finance reports filed with the Madison County Clerk's office shows that Smith, a Republican, enters the year with a cash balance of \$75,484.

Campaign finance reports were due by noon Wednesday. His Democratic Party opponent in the past two mayoral elections, Kris Ockomon, enters the year with a balance of \$251. In the previous two mayoral elections in Anderson, the candidate raising the most money didn't win the November election. In 2007, incumbent Smith raised



Anderson Mayor Kevin Smith on the night he returned to the office.

\$253,326 in his reelection bid, but was defeated by Ockomon, who raised \$148,900 for the year. Four years later, Ockomon raised \$93,400 for his re-election campaign, but lost to Smith, who raised \$63,303. Smith entered 2015 with cash on hand of \$45,293 and raised \$44,194 during the year. The Ockomon campaign reported starting the year with \$1,230 and contributions of \$11,310. The committee spent \$12,289, leaving the \$251 balance. The largest contribution was \$10,000 from K.T. Properties.

Kokomo: Goodnight campaign kickoff

Kokomo Mayor Greg Goodnight will announce his reelection bid at 5 p.m. Monday at Carpenter's Union Local 615 (Kokomo Tribune). "On nearly every measure of progress, Kokomo is outperforming our peer cities," Goodnight said. "There are record new private investments and strategic public investments happening all over our city." Goodnight, who will be running for a third term, will speak about the city's past accomplishments and upcoming goals, he said. "We cannot afford to rest or to slow

down our community's transformation," Goodnight said. "I look forward to sharing our plans for the upcoming campaign and to discussing the progress that we have made." Goodnight will be the third person to announce candidacy for mayor. Two Republicans, Howard County Auditor Martha Lake and Jack Dodd, have declared their intentions.

Marion: Seybold won't run, Lawson will

Sources are telling HPI that Republican Marion Mayor Wayne Seybold will not seek a fourth term. Grant County Commissioner John Lawson, a former two-term sheriff, will seek the GOP nomination, WBAT reported.

Bloomington: Kruzan backs Neher

Bloomington Mayor Mark Kruzan is endorsing Bloomington City Council President Darryl Neher for the next mayor (Frazee and Hren, Indiana Public Media). Neher officially announced his candidacy for mayor Thursday evening. "When Darryl Neher looks at Bloomington, he doesn't see a city. He sees a community," Kruzan said in a statement. "He'll bring people together to keep Bloomington a special place using new ideas and new energy." State Rep. Matt Pierce, D-Bloomington, is also endorsing Neher. Neher says he is focusing on bringing Bloomington together as a community. "This community is at its best when it's collaborating and when government is engaged and what we're going to do in this campaign is let people know exactly what that looks like within policy," he says. Neher has been a faculty and staff member at the Kelley School of Business since 1996 and also has served as a radio host covering public affairs for WGCL and WFHB. He is also the host of The Weekly Special on WTIU. John Hamilton, a Democratic candidate for mayor, announced Wednesday that he won't accept campaign contributions from any corporations or business organizations (Bloomington Herald-Times). "Five years ago today, the Supreme Court in Citizens United struck down federal limits on corporate campaign contributions on the flawed theory that corporations are 'persons' with the right to flood our political process with business money," Hamilton said in a news release. "This decision was wrong on the law, wrong for our country and especially wrong for our liberal, progressive Bloomington."

South Bend: Buttigieg announces

South Bend Mayor Pete Buttigieg has announced he will run for a second term (WNDU-TV). On Tuesday, the 32-year-old mayor told campaign supporters, "Now it's time to make sure our neighborhoods, our economy and our administration keep heading in the right direction. "I'm ready for a second term, to build on the great work we've done since you brought me into office to deliver a fresh start for South Bend." He also shared his administration's progress since taking office in 2012. Jobs: "We've announced almost 2,000 jobs created in our city and tens of millions of dollars in new business investment." Neigh-

borhoods: "We are more than halfway toward our goal of fixing or removing 1,000 vacant houses to strengthen our neighborhoods." Service: "Public Safety has continued to improve, and our finances remain among the strongest in the state."

Elkhart: A Nazi announces

A National Socialist who believes in the separation of races is petitioning to run for mayor of Elkhart (Vandennack, Elkhart Truth). Dale Duncan said Thursday, Jan. 15, that he'll be seeking sufficient signatures to get on the November ballot as a representative of the National Socialist Movement. "I'm fighting for the white race, yes, but I'm not against other races," said Duncan.

Primary spectator sports in The Region

By RICH JAMES

MERRILLVILLE – There was a time when Lake County Democratic mayoral primaries were as good as it gets when it comes to spectator sports. There were vicious battles across the county. The intensity largely was because the victor had an easy road ahead in the fall. And, of course, there was something special about having the word mayor in front of one's name.



Few can forget the campaigns pitting East Chicago Mayor Robert Pastrick and challenger Stephen Stiglich. Stiglich once served as Pastrick's police chief and later won two full terms as sheriff after filling a vacancy. So competitive were the Pastrick/Stiglich mayoral primaries, that political consultant Chris Sautter filmed a documentary on the 1999 primary. The film, which won several awards, was named "The King of Steel

Town." Pastrick is retired and Stiglich died during heart surgery several years ago.

That doesn't mean there no longer is mayoral interest in East Chicago. George Pabey, who ousted Pastrick, ended up in prison. He was replaced by Anthony Copeland, a firefighter and the city's first black mayor.

Longtime City Clerk Mary Morris Leonard, who also is black, is challenging Copeland. There will be others, including at least one Hispanic. Interestingly, there is a contingent in East Chicago that would like to see the former mayor's son, David Pastrick, move to East Chicago and run for mayor. David is a former county coroner and a

Lake Station: Soderquist files for reelection

Lake Station Mayor Keith Soderquist will face the voters this spring as he defends himself against federal corruption charges (NWI Times). The mayor filed his reelection papers Wednesday afternoon. He said earlier this month he believes city voters will judge him on his entire record. He is pleading not guilty to charges of conspiracy, wire fraud, accessory to theft and tax evasion counts arising from allegations that he gambled at a Michigan casino with money diverted from his campaign treasury and a local food pantry. Soderquist currently is opposed in the May 5 Democratic primary by Robert Gutzmer, a retired Lake Station teacher making his second run for public office. ❖

Hammond resident. It's not likely that David will respond to the call.

In Gary, where mayoral primaries were legendary, particularly during the era of Mayor Richard Hatcher, things have changed drastically. Mayor Karen Freeman-Wilson topped Hatcher's daughter, Ragen, four years ago.

It doesn't appear that Freeman-Wilson will draw much of a challenge, largely because the city is financially strapped and no longer is the county's largest municipality. Hammond took that honor following the 2010 Census.

Speaking of Hammond, Mayor Thomas McDermott Jr. is seeking a fourth term and should easily win the nomination based on a stellar record in city hall and his popularity with the electorate. City Councilman Homero "Chico" Hinojosa is an announced mayor candidate. A victory by McDermott in the primary and again in the fall would set him up for a possible run for statewide office in 2016.

In the other northern Lake County city, Whiting Mayor Joe Stahura has gained the respect of city planners far and wide because of his lakefront development, for which some of the moneycame from the NWI Regional Development Authority.

Crown Point Mayor David Uran and Hobart Mayor Brian Snedecor aren't expected to face much opposition largely because each has an exemplary record. Unlike earlier years, it doesn't appear that Uran or Snedecor will face a real threat from a Republican in the fall.

Things could be different for Lake Station Mayor Keith Soderquist, who is seeking reelection even though he is under federal indictment. He is accused of using campaign finance money for unauthorized purposes as well as "borrowing" money from the city's food pantry. Soderquist would have been a lock for nomination because he has moved the city forward.

When it comes to Lake County mayoral primaries, it appears that performance in most cases has replaced politics. ❖

Rich James has been writing about state and local government and politics for more than 30 years. He is a columnist for The Times of Northwest Indiana.

3 State of the States, 3 national messages

By JACK COLWELL

SOUTH BEND – The governors of Indiana, New Jersey and Wisconsin delivered their state of the state addresses on Tuesday.

Here are some of the things they said.

Indiana Gov. Mike Pence: "I call on this General Assembly to begin the process of adding a balanced budget amendment to the Indiana Constitution in this session and send this historic reform to the people of Indiana."

New Jersey Gov. Chris Christie: "America's leadership in the world is called into question because of a pattern of indecision and inconsistency."



Wisconsin Gov. Scott Walker: "Instead of fighting with states like Wisconsin, the federal government should work with us to find reasonable alternatives."

What they said, especially those remarks, drew national attention. Not attention from the multitudes from coast to

coast. But from political analysts in the national news media and from the big money contributors, power brokers and opinion leaders in the Republican Party.

The reason for the attention is that these governors are being evaluated as prospects for the 2016 Republican presidential nomination. All three seek attention and support as they evaluate their own chances and decide whether formally to announce candidacy. All three were speaking not just to the state legislators in the chambers where they delivered their state of the state addresses but also to an audience beyond the chamber and beyond their state boundaries.

The proposal by Gov. Pence for a state balanced budget amendment in the Indiana Constitution came as a surprise. He had outlined in advance most of his other speech themes. The balanced budget proposal was saved as a surprise sure to get attention and burnish his conservative credentials for a presidential bid.

There had been no resounding call - no call at all - from Hoosiers anywhere in Indiana for a state balanced

budget amendment. The Indiana Constitution already prohibits taking on debt except in highly restricted situations such as "to repel invasion." And Indiana governors of both parties have been fiscally conservative for decades. Even back when there were charges that "smoke and mirrors" and delayed payments brought balance in some budget sessions, there was none of the red ink and long-term debt building of the federal variety.

But the amendment proposal by Pence wasn't aimed at an Indiana problem. It was aimed at enhancing his appeal to conservatives outside Indiana - the national conservative opinion leaders, the big GOP fund raisers such as the Koch brothers, who already admire Pence, and the key conservative voters in the Iowa caucuses and New Hampshire primary and elsewhere.

Proposing the amendment, which even Republican legislative leaders described as not really a state priority, enabled Pence to move quickly to denounce federal budgeting and a federal deficit that will "bury our children and grandchildren under mountains of debt."

In New Jersey, Gov. Christie's lament about American leadership in the world suffering from "indecision and inconsistencies" wasn't aimed at some state problem. New Jersey legislators and residents weren't anxiously waiting to hear what Christie would say in his state of the state address about the state of foreign affairs. Christie also was speaking to an audience beyond New Jersey.

In Wisconsin, Gov. Walker's remarks about the federal government "fighting with states like Wisconsin" instead of seeking "reasonable alternatives" was aimed at his constituents but beyond as well. Walker, showing ability to use humor effectively to make points in his address, took a shot at Christie that brought loud laughter from his audience in the legislative chambers and captured national news coverage.



Gov. Pence with Gvs. Scott Walker and Chris Christie.

"I had plenty of fun hugging owners in the stands at Lambeau Field," Walker quipped. He referred to the field where the Green Bay Packers defeated the Dallas Cowboys and the fact that the Packers are a publicly owned team. And the contrast was clear with Christie's much ridiculed hugging of the owner of the Cowboys in the owner's box after a prior Dallas win.

State of the states? All three governors praised how their states are doing and

sought credit in their respective states and way beyond. ❖

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

‘Deflategate’ is dangerous territory for the NFL

By **BRIAN A. HOWEY**

INDIANAPOLIS – With “Deflategate” now proliferating the ether, the National Football League is facing a dangerously defining moment in an unfortunate year.

As an Indianapolis Colt fan, I am not prone to sour grapes. Don’t blame this particular loss on the fact that the New England Patriots, once again, may have cheated. My team played in embarrassing fashion on Sunday, and you



hope the coaches and players mark it up as a learning experience, a teachable moment.

Deflategate, with the NFL announcing this morning that the Patriots had manipulated 11 of 12 game balls by 2 pounds PSI, is dangerous because of this breach of protocols. When it comes to the Patriots, a fan can no longer be assured that this team will conduct itself with integrity and follow the rules.

Former NFL ref Gerry Austin walked through the protocols on ESPN’s “Mike & Mike” this morning. The refs check the PSI in all 24 balls provided by both teams about two and a half hours before the game. Just prior to the game, they are turned over to the ball boys.

In this scenario, the PSI of the Patriot balls appear to have been changed somewhere after these two moments. It is difficult to conclude that there wasn’t a blatant effort to manipulate the balls for a game that was wet and windy. Would a rogue ball boy do this on his own?

Here’s why this is a dangerous moment for the NFL. In 1994 my Chicago White Sox were in first place, Frank Thomas was on track to break the single season home run record (while not using steroids), and San Diego’s Tony Gwynn was aiming to become the first .400 hitter since Ted Williams. It all ended with the players’ strike and an unfinished season, and this fan responded by not watching an MLB game, or attending one for about a half decade afterward. The game had lost its focus and

integrity, and I voted my disapproval with my feet and my wallet.

The NFL is approaching a similar dynamic. This year it’s been the Ray Rice and Adrian Peterson family abuse issues. There have been an array of PED cases that continue to sideline players. There is the growing awareness of the lifelong impacts of concussions and head injuries. We’ve watched as people ranging from President Obama to Hall of Fame quarterback Terry Bradshaw say they wouldn’t let their son play football. “If I had a son today, and I would say this to all our audience and our viewers out there, I would not let him play football,” Bradshaw said recently. “There will be a time in the next decade where we will not see football as it is, I believe.”

All of these controversies come as World Cup soccer captures the hearts and minds of a growing number of Americans. This became evident in downtown Indianapolis last summer when a city street was closed off, and thousands of Hoosiers assembled to watch the U.S. play Germany in the World Cup. A different kind of football has moved into the picture here. I’m not much of a soccer fan (not enough scoring), but my millennial sons love it.

So when the conduct of those who play the game, and coaches who oversee teams, behave the way they do these days, the fan must make a values determination. I view player conduct as I do the rest of society. About 10% of any demographic subgroup will act in a criminal, deviant or unethical manner, be they pro football players, cops, doctors or lawyers.

But when leaders of teams sanction cheating, that leaves in my mind whether the game has proper integrity. This is a fan who attends several NFL games each year and watches most of the Colts and some of the Chicago

Bear games. I am a patron of some of the advertisers. I wear an NFL-sanctioned Colts jacket and hat.

The NFL needs to treat “Deflategate” just as seriously as it did with the Ray Rice situation, and as it did with the New Orleans Saints bounty scandal. Messing with the condition of the game ball is as egregious as corked bats or dead baseballs, and players with enhancing drugs pumping through their hearts and muscles.

If the Patriots cheated, then Coach Bill Belichick, who has a history of bending rules for competitive advantage, needs to take a chair on the sidelines for a year, just as Sean Payton, Paul Hornung and Alex Karras did over the years. ❖

Howey is publisher of Howey Politics Indiana.



Patriot head coach Bill Belichick said at this morning’s press conference he had no knowledge of the “deflategate” controversy.

❖

‘Success’ defined for leaders of Congress

By **LEE HAMILTON**

BLOOMINGTON – The leadership of the new Congress is under pressure to show Americans that they can be successful. Let’s hope they consider “success” to include avoiding the bad habits of the past.

With the 114th Congress just underway, the political world is focused intently on the road ahead. Taxes, trade, immigration, climate change, job creation, the Affordable Care Act: There’s a long list of issues and one burning question, whether a Republican Congress and a Democratic President can find common ground.



Yet before we get worked up about what’s to come, we need to take a hard look at the Congress that just ended and ask a different question: Why was it such an abject failure?

Let’s start with a basic number. According to the Library of Congress, 296 bills were passed by the 113th Congress and signed by the President. Just for comparison’s sake, the “do-nothing Congress” of 1947-48 got 906 bills through. The Financial Times called this most recent version “the least productive Congress in modern U.S. history.” The only silver lining was that the cost of running Congress was down 11 percent.

Congress failed most spectacularly on the basics. Not one of the dozen annual appropriations bills passed, while the budget resolution, which is supposed to set overall fiscal policy, never even got to a vote. In both houses, the leaders did what they could to make the legislative body of the world’s greatest democracy as undemocratic as possible. Senate Democratic Majority Leader Harry Reid used legislative maneuvers to block amendments more often during his time as majority leader than any of his five predecessors. In the House, Republican leaders used so-called “closed rules,” which prohibit amendments, a record number of times. Both approaches denied by legislative device the opportunity for Congress to work its will.

When Congress did legislate, it did so in the worst possible way, by using an “omnibus” spending bill into which it crammed everything it could manage. The bill

was put together in a single week, guaranteeing minimal study by the members of Congress who voted on it. Ostensibly meant to fund the government through September, it contained a host of provisions that deserved a full airing.

Instead, with virtually no public debate, Congress multiplied the amount of money that wealthy donors can give to the political parties; loosened regulations on Wall Street; cut funding for the Environmental Protection Agency, forcing it to its lowest staffing level in over two decades; and hacked funding for the IRS. This last measure, a gift to tax cheats, was an especially egregious assault on ordinary taxpayers, who will now be asked to foot a bill that robust enforcement of the tax laws would have spared them.

Congress’s reliance on omnibus bills, which are written in secret, has had a variety of pernicious effects. The procedure violates every rule of good legislative process, denying transparency and accountability. It allows Capitol Hill to curry favor with all sorts of special interests but no public reckoning. It forces, or allows, members to vote for provisions that would have had little chance of surviving on their own. And it puts enormous power in the hands of the leadership of both parties, not least because lobbyists have come to understand that they need to have a representative in the room where the omnibus is crafted, and therefore they focus money and attention on leaders.

The last Congress maintained one other lamentable trend: It took “oversight” to mean injecting its investigations with excessive partisanship – Benghazi, the IRS’s examination of conservative groups, the VA’s mishandling of health care for veterans – while forgetting the crucial, ongoing oversight of government. It allowed itself to be co-opted by the intelligence community, which persuaded Congress to neglect a public debate on massive surveillance, hacked the Senate’s computers, misled Congress about the nature and extent of torture, and leaked classified details to the media.



The congressional leadership is now under pressure to show Americans that they can be successful. Let’s hope they consider “success” to include avoiding the bad habits of the past by paying more attention to their constituents than to special interests, enforcing their own ethics rules more vigorously, and most of all, following the “regular order” based on 200 years of legislative experience, which would allow the full debate and votes Congress needs to serve as a true coequal branch of government. ❖

Lee Hamilton is director of the Center on Congress at Indiana University. He was a member of the U.S. House of Representatives for 34 years.

Rockport bill is a net jobs killer

By **MICHAEL HICKS**

MUNCIE - Though it may create jobs locally, this plan likely would increase tax costs and decrease jobs statewide.

A decade ago, I was part of a Department of Energy team that studied the feasibility and economic impact of an electric power plant. This plant was designed to process coal into synthetic natural gas while capturing and storing much of the carbon emissions into the closed mines that littered West Virginia.



We studied a variety of options for the plant, from the production of hydrogen for a new network of vehicles, to the use of by-products to make brick-like building materials to an array of products such as fertilizer additives. What we ultimately discovered was that under the very best scenario, with the government subsidizing 90 percent of the

construction cost and with natural gas prices almost three times their current level, the plant would still need a subsidy of a few million dollars each year to stay open. Other studies in other places found the same thing.

However, the local benefits of this plant in West Virginia were large. Several hundred jobs would be created, so it is plain to understand why local officials and residents would like to see the plant built. Still, West Virginia, which was not a paragon of fiscal prudence, chose not to invest in the plant. Many other states also toyed with, but ultimately rejected funding this type of power plant. In Indiana, this idea became the Rockport coal gasification plant.

My study was prepared a decade ago. In the years since, large-scale natural gas discoveries in North America now guarantee low natural gas prices for a generation. Today you can purchase natural gas futures at less than half the 2005 prices for delivery more than a decade from now. This is an important development because the revenues to the Rockport plant depend upon selling electricity. Lower natural gas prices means that the profitability of a coal gasification plant will be less feasible than it was in 2005.

Sadly, Rockport was not a privately feasible operation in 2005, so the state offered a number of energy purchase agreements to support its construction. There isn't space to go through the unpleasant details of the Rockport power plant. Suffice it to say that what was a marginally bad idea in 2005 is a profoundly bad idea in 2015. A recent and very fine study by Indiana University explains

why in detail.

This is in part why the General Assembly wisely stopped subsidizing the Rockport facility in 2013 by preventing a long-term energy purchase agreement by state government. This would have left taxpayers and energy customers across Indiana stuck with much higher costs for the next 30 years. Sadly, bad ideas have a way of returning and another effort to subsidize Rockport has just been introduced in the state senate.

No doubt this bill would be great for Rockport investors and two or three counties in Indiana, so it is natural that local legislators would support it. Sadly though, this bill (SB 360) is a big net job killer. All the local job gains would be erased by job losses across Indiana. It is time to end this bad idea once and for all. ❖

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Gambling and guns are good for business

By **MORTON MARCUS**

INDIANAPOLIS – Today's sermon, members of the choir, will be upon the twin topics of gambling and guns. Now, I know that people don't like to be told how to conduct their lives, but it needs to be done.



Both gambling and guns destroy lives. Yes, there are times gambling can lead to great fortune and make life better. And, yes, there are times that guns can save lives. Yet, most of the time, gambling does little to improve a life and can easily ruin it for an entire family. Guns are created to take lives. And unless you intend to skin, butcher and eat your victim, a gun is a danger to your family and neighbors.

Now, State Rep. Todd Huston, R-Fishers, has introduced a bill with the potential to allow casinos to be built anywhere in Indiana. This is exactly the kind of legislation Gov. Pence and his party in the legislature should be supporting. It brings free enterprise and more competition to the gaming industry.

If gaming is good, a desirable enterprise in our society, it should be subject to very limited regulation. Portland and Sullivan should have the opportunity to have

casinos, just as they may have donut shops and tanning salons.

In fact, from Hammond to Hanover, every bank machine could easily be a slot machine operated by your debit card. The bank could increase earnings by taking a small fee off each gaming transaction and returning 100 percent of the accumulated bets to players. It's just another banking transaction; making impersonal transfers of funds between indeterminate players.

Existing casinos will huff and puff-up their lobbying efforts to protect the weakening monopolies they were granted by Indiana. But why should the state interfere with acceptable businesses in this fashion? If gaming is, as some insist, just recreation, then it should not be treated differently from bowling lanes. Government does not limit how many bowling lanes can exist in our state or your community.

Rep. Huston is on the right track. If gaming is acceptable in Evansville, outside New Albany, farther east

along the Ohio River and on or near Lake Michigan, then why not on the Maumee, the St. Joseph, the Wabash, the White, the Eel and the Tippecanoe rivers?

Currently, the Legislature is concerned about shoring up existing casinos as they face more interstate competition. One proposed solution is to allow land-based casinos and additional gaming options at racinos (race tracks with limited gaming). Why not go further? Open the gates; let the freedom to destroy your life ring throughout the Hoosier Holyland.

Shouldn't visitors to Bloomington have the chance to find reward and excitement when they visit IU for a football game? A Bean Blossom Creek Casino just makes sense.

Next week we'll get around to the topic of guns. I just couldn't stop once I got on a lucky roll. ❖

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Dermody sponsors Sunday alcohol bill

INDIANAPOLIS – A Northwest Indiana lawmaker is leading the effort to end the state's Prohibition-era ban on Sunday retail alcohol sales (Carden, NWI Times). State Rep. Tom Dermody, R-LaPorte, is lead sponsor of House Bill 1624 authorizing liquor, grocery, drug and convenience stores to sell alcohol for home consumption between 10 a.m. and 6 p.m. on Sundays. Currently, Hoosiers only can



get a drink on Sundays at bars, restaurants, sports events, microbreweries or wineries.

Indiana is the sole remaining state with a total ban on all Sunday retail alcohol sales. His measure has a better than average chance of advancing to a

vote by the Republican-controlled House this year because House Speaker Brian Bosma, R-Indianapolis, assigned it for review to the Public Policy Committee. Dermody still is cautious about what might be accomplished. He said Wednesday he is working on improving the legislation, including possibly changing the proposed limited hours for Sunday sales. "The format that you see today is not the format that it will be presented in," Dermody said.

BEHNING FORMS LOBBYING FIRM: The leader of the Indiana House Education Committee has formed a lobbying company to represent clients in the education field and is seeking approval for a contract with a testing company that does business with the state (Associated

Press). The Indiana House speaker said Wednesday that he discouraged Rep. Robert Behning from trying to sign up education-related businesses as clients. Behning formed Berkshire Education Strategies last June and has sought approval from the House Ethics Committee for a contract under which he would represent student-testing company Questar in Oklahoma, The Indianapolis Star reported. Questar is being paid \$6.4 million this year to create and run Indiana's tests that high school students must pass in order to graduate. Behning said he intended to only represent clients outside of Indiana. "We're trying to put together a contract that's very clear nothing would be done in Indiana. Even in the potential (ethics) changes, I don't think I would fall under any," Behning told the newspaper. "It's a citizen legislature and you're going to have conflicts, regardless. There's probably bigger conflicts in the Legislature."

SEX TRAFFICKING BILL: Parents of missing children could receive additional help if a bill passed unanimously Wednesday by the House Family, Children, and Human Affairs Committee becomes law (Brown, Statehouse File). House Bill 1216, authored by Rep. Randy Truitt, R- West Lafayette, would require the Indiana State Police superintendent to create a pamphlet to be distributed by law enforcement when encountering a missing child report

KENLEY PUSHES FOR STANDARDIZED TESTS: A bill sponsored by three Republican senators calls for the State Board of Education to revise Indiana's K-12 academic standards and select a nationally recognized set of exams for testing students by July 2016. Bill sponsor Sen. Luke Kenley said Tuesday he believes the state would be better off using such an "off the shelf" set of tests. ❖

Peter Rusthoven, IBJ: In his State of the State Address, Gov. Mike Pence proposed that Indiana join the 43 other states with constitutional balanced budget requirements. This “will assure Hoosiers that, today and tomorrow, Indiana will spend wisely, protect our state from an economic downturn and, unlike Washington, D.C., we won’t bury our children and grandchildren under mountains of debt.” Pence is right. Democratic opposition was reflexive and unfounded. Inaccurate media coverage, suggesting that Indiana already has such a constitutional requirement, was more surprising. Let’s clear up the record. House Minority Leader Scott Pelath was typical, labeling the amendment a “parlor trick” because we “already have a requirement in Indiana’s constitution that we incur no debt for operating expenses.” This was echoed in news accounts, as in this Associated Press sentence: “But the constitution already prohibits the state from taking on debt except in limited circumstances.” The notion that the amendment is superfluous is wrong. Since 1851, our constitution has, indeed, with limited exceptions, prohibited the state from incurring debt. But this is not the same as requiring balanced budgets, under which expenditures may not exceed revenue. Without a balanced budget amendment, legislators remain free to spend more than the state takes in, so long as reserves can make up the difference. The constitution’s debt prohibition wouldn’t come into play till the last dollar of general fund reserves—currently over \$1 billion—is gone. That’ll fund quite a spending spree. Declining reserves are not hypothetical. As Ball State University economics professor Cecil Bohanon detailed last June in *Indiana Policy Review*, in 1998 we had over \$1.3 billion in general surplus funds—57 days of state spending—and overall reserves of over \$2 billion. By mid-2004, the general account surplus was only \$200,000—10 minutes of spending—and the \$500 million book balance of overall surplus was due to artificially deferring payments to schools and universities to the next fiscal year. Without that accounting trick, Bohanon notes, Indiana was “bankrupt to the tune of nearly \$180 million.” If legislators in fact support balanced budgets, why oppose requiring that budgets be balanced? ❖



Seth Mandel, Commentary: In the spring of 2012, the GOP’s foreign-policy elder statesman, Dick Lugar, was soundly defeated in a Republican Senate primary by Richard Mourdock, bringing an end to a six-term senatorial career. It was oddly appropriate as a send-off not only to Lugar, but also for U.S.-Russian Cold War-era cooperation since relegated to the scrap heap along with those missiles. Lugar’s legacy rested on the joint efforts he spearheaded at the collapse of the USSR to secure nuclear material across the empire. The program, whose mantlepiece featured the Nunn-Lugar Cooperative Threat Reduction at its center, was successful but unfinished. And now it is finished. Not completed, mind you. On the contrary,

the regime of Vladimir Putin has consistently chipped away at elements of the weapons-reduction program as relations between the two countries deteriorated. There is still plenty more work to be done, but the Russians officially put the Obama administration on notice that the remaining work, if it’s done at all, will be done by Russia. ❖

Michael Rosenberg, Sports Illustrated: Did the Patriots really illegally deflate footballs in the AFC Championship Game, as the NFL is investigating? Well, put it this way: There have been a lot of unbelievable NFL stories this season. This is not one of them. This? This is totally believable. Around the NFL, people wait for stories like this to come out of New England. They wonder when Bill Belichick’s team will get nailed again. This is not as simple as saying, “Hey, they got caught for SpyGate!” It runs deeper than that. The Patriots are suspected of cutting so many corners, their home field should be an oval. It starts in the parking lot, extends to the locker room, goes right to the field of play, and makes opponents look all over Gillette Stadium, wondering what Belichick will pull next. The point is, this is a big deal, and while it didn’t decide Sunday’s game, there are real reasons a coach might try this. ❖

Dave Bangert, Lafayette Journal & Courier: Sen. Jeff Raatz says he doesn’t have a problem if teachers who don’t see eye to eye with the science curriculum in their classrooms decide to turn the tables on what he considers any sort of “science with controversy.” The ethics of human cloning. Climate change. Evolution. In fact, the Richmond Republican said, those teachers should have the right to discuss and teach competing theories, while being defended against reprisal from the state or their districts. Call it a back-door approach to failed attempts to chip away at state standards on teaching evolution and to bring creationism into the public school classroom, if you want, Raatz said. The bulk of the science world probably will, he figured. He considers it a call to action on critical thinking. “As long as they do it respectfully,” Raatz asked Tuesday, “why should we be afraid of that?” This week, Raatz and Sen. Dennis Kruse — who has made a cottage industry out of taking swipes at evolution being taught in Indiana classrooms — filed a bill crafted from model legislation built by one of the leading anti-evolution think tanks in the United States. Senate Bill 562 wouldn’t demand that alternatives to evolution or climate change be taught. But it would protect a teacher who explored elements that are, as Raatz puts it, “open to debate” and not necessarily approved in the science curriculum. To which the science community shook its head. “Here they go again,” groaned Glenn Branch, deputy director of the National Center for Science Education. “Sen. Kruse said he’d be back, and he wasn’t lying. I suppose that I have to admit to a degree of exasperation.” ❖

Clinton leads Romney, Bush

WASHINGTON — Hillary Rodham Clinton holds double-digit leads over potential Republican challengers Jeb Bush and Mitt Romney as the likely Democratic presidential candidate moves closer to entering the race, a new Washington Post-ABC News poll finds. Clinton approaches the nominating season in a dominant position, leading Bush by 54 percent to 41 percent among registered voters and Romney by 55 percent to 40 percent. Beyond Bush and Romney — the two Republicans who have made the firmest moves toward a 2016 run — Clinton holds equally large leads over other potential Republican hopefuls. She tops Rand Paul and Chris Christie by 13 percentage points each, and leads Mike Huckabee by 17 points.



Boehner invites Netanyahu

WASHINGTON — Defying President Barack Obama, House Speaker John Boehner announced on Wednesday that he's invited Israel's prime minister to stand before Congress and push for new sanctions against its archenemy Iran (Associated Press). Boehner's decision to bring Benjamin Netanyahu before a joint meeting of Congress on Feb. 11 seemed to catch the White House by surprise.

Toll bridge vendors to be chosen

LOUISVILLE — The bi-state board overseeing the Ohio River Bridges Project plans to select a preferred toll systems provider in late February after restarting the process three months ago due to a previously undisclosed conflict of interest (Louisville Courier-Journal). Negotiations with the preferred contractor are

expected to be completed in March, with the board tentatively scheduled to approve a finalized contract on May 1. The company will be responsible for collecting tolls, as well purchasing and maintaining toll equipment. The four bidders, who were previously deemed responsive to the initial request for proposals, are the ones allowed to submit proposals to the largely similar second request. They include Kapsch TrafficCom IVHS Inc., Sanef Operations America Inc., TransCore LP and Xerox State & Local Solutions Inc.

Death penalty in school shootings

INDIANAPOLIS — Legislation that would allow prosecutors to seek the death penalty for murders committed on school grounds could make its way to the Senate floor during the 2015 Indiana General Assembly (Lafayette Journal 7 Courier). State Sen. Brandt Hershman, R-Buck Creek, announced the proposal in a statement released on the one-year anniversary of Andrew Boldt's death at Purdue University, saying the tragedy was a major influence on the bill. Cody Cousins, 24, pleaded guilty in August to killing Boldt, 21, on Jan. 21, 2014, in the basement of the Electrical Engineering Building. Throughout the judicial process, Cousins failed show remorse for the brutal and gruesome shooting and stabbing before the court handed down a 65-year sentence in September.

IEA backs HB1320

INDIANAPOLIS — The Indiana Energy Association supports Indiana House Bill 1320 ("Generation of electricity by distributed generation") as a common sense approach that will correct inequities for customers, ensure the viability and growth of clean energy options — including new options in Indiana for consumer leasing of solar and wind systems — protect the reliability of the electric

grid, and require important disclosures to potential customers from suppliers of wind and solar systems. "It's important for everyone that customer-generated electricity be sustainable for the long term, and leased systems will make it easier for more Hoosiers to add their own wind and solar options," said spokesman Dave Arland. IEA and its 14 member utility members welcome renewable energy, but we also want to make sure that the grid that delivers and distributes that power is reliable whether or not the sun is shining and the wind is blowing. The proposed legislation will level the playing field to ensure that all of those who use the electric grid — whether consuming or generating power — are paying for its upkeep.

Hillary sidesteps Keystone question

WINNIPEG — Former U.S. Secretary of State Hillary Clinton sidestepped a question on the Keystone XL pipeline Wednesday while speaking at an event in Winnipeg, Canada. "You won't get me to talk about Keystone because I have steadily made clear that I'm not going to express an opinion. It is in our process and that's where it belongs," Clinton said.

Walorski critical of Obama

ELKHART — U.S. Rep. Jackie Walorski plans to put her focus on military veterans, a measure to halt the release of Guantanamo detainees and reform of the federal food stamps program (Vandenack, Elkhart Truth). But she thinks things could get bumpy as lawmakers attempt to move forward with legislation. A day after President Barack Obama's State of the Union address, the northern Indiana lawmaker, a Republican, said she sees the chief executive as an inhibiting factor to congressional action. "I think his tone is going to be, it's going to be his way or the highway and he's going to veto what he doesn't like," Walorski said.