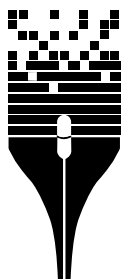

The Howey Political Report



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“QUOTE” OF THE WEEK

“To ask committee members to vote with only two hours notice is wrong, if not irresponsible....”

- State Rep. Jeff Espich, seeking 24 hours to read 316 pages of amendments to HB 1004

Top 50 List shifts to Indiana Statehouse

Bauer, Borst key political atmosphere

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

The weird scenes inside the Indiana Statehouse have shoved aside the Washington power centers in the 2002 *Howey Political Report 50 Most Influential List*.

The guiding light in coming up with our first three lists have been this: Who will create the biggest impact in Indiana's political atmosphere? Traditionally, the governor and U.S. senators have dominated the top rungs. But our fourth *HPR 50 Most Influential List* finds the clout shifting to the state legislature. It will be chambers and fiscal leaders who will create the political atmosphere when Hoosiers go to the polls in May and November.

Controversial? Of course it is! And it's one of our favorite issues to compile (next to election eve and post-election editions) The *HPR 50 Most Influential List* is a hybrid of opinion from *HPR* subscribers, readers, officials and staff. It's our version of the wintertime Hot Stove League. Let the tongue-wagging begin!

1. (tie) State Rep. B. Patrick Bauer and State Sen. Larry Borst: The biggest issues of the year - tax restructuring and the deficit - can only be resolved if these two old war horses agree on a solution. The multi-billion dollar question is whether either of them thinks a current solution to these problems is in their short term political interest. Recent history suggests not (consider, for example, the unwillingness to deal with property tax reassessment in the '97, '99, and '01 sessions). Will they show their true colors as statesmen acting in the best interests of Indiana, or will they emerge as petty partisans whose vision extends no further than the next election? The answer to that question will determine, in large part, whether Indiana becomes a national success story or becomes the Mississippi of the Midwest.

3. Gov. Frank O'Bannon: The likelihood of achieving substantive tax restructuring and fiscal resurgence this year depends on his ability to leverage his political goodwill to convince the average Joe Hoosier to buy into his program. In TV terms, "Everybody Loves Frank," but if he can't get his message out convincingly, he'll end up being the Democratic Party's "Weakest Link" come the next election. The big question for FOB: can he get past the nice guy image long enough to knock a few heads in the House

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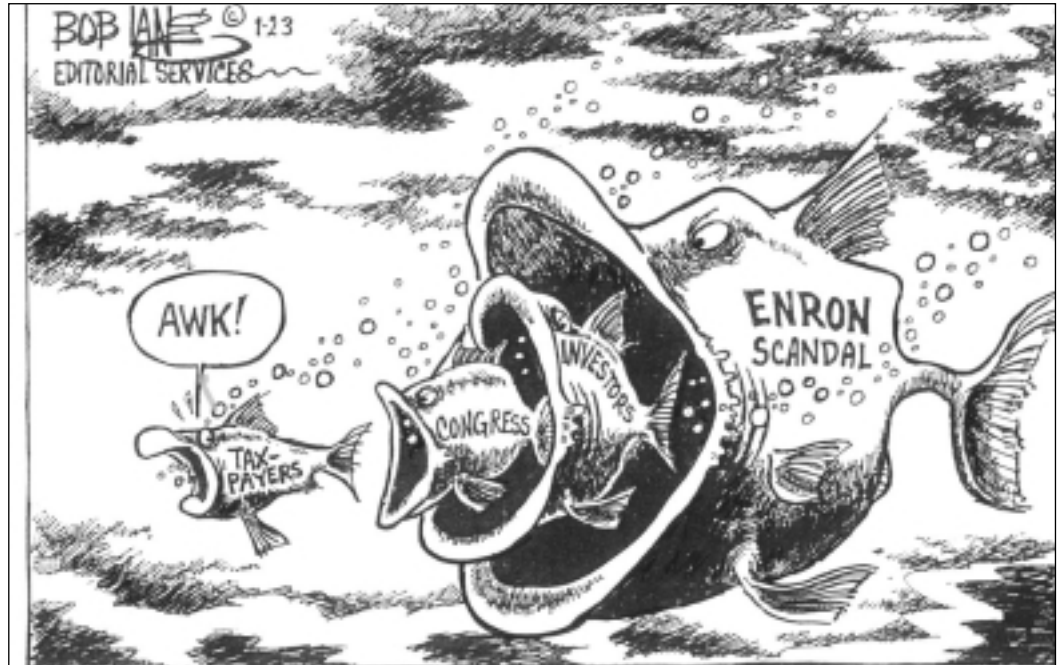
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BUSH APPROVAL RATING AT 82 PERCENT: CBS reported on Tuesday that President Bush is basking in a sky-high 82 percent approval rating one year after taking office. The new CBS News poll also found his support among African Americans is at 54 percent, despite receiving less than 10 percent of the black vote."

DUMEZICH WON'T SEEK SECOND TERM: State Rep. Dan Dumezich, R-Schererville, will not seek a second term. "Although I enjoyed every minute of my time being a state representative, I have made the decision to leave the General Assembly to pay closer attention to my family needs, as well as my profession responsibilities," Dumezich said (Terry Burns, Times of Northwest Indiana).

TOUGH YEAR FOR DANIELS: The Wall Street Journal (1/22, Rogers) reports, "Like a new sheriff in town, White House budget director Mitchell Daniels Jr. rode in last January, vowing to save billions by cracking down on 'one-time' spending for lawmakers' home-state projects. A year later, his guns are still holstered, and the number of such congressional 'earmarks,' to Mr. Daniels's chagrin, is higher than ever. By

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and Senate Democratic caucuses to get them on board his plans? He'll be a non-starter with the Senate Republicans if he can't deliver a majority of the House Democrats by the time it's third reading on the tax plans.

4. Lt. Gov. Joe Kernan: Joe and his task force changed the property tax dynamic in ways that no other group has been able to do in 30 years. How else do you explain a Democratic tax restructuring plan that's embraced by the state Chamber of Commerce and demonized by the AFL-CIO? Despite all the current political rhetoric, Kernan's plan effectively co-opted any real Republican opposition by embracing most of their ideas from the past several years. How can the Republican party expect to keep business money flowing into their campaigns if they vote against a plan that eliminates the inventory tax, the corporate gross receipts tax, and a big chunk of property taxes? Kernan is in the political cat-bird seat: if his plan passes, he's the next Doc Bowen; if the Republicans kill his plan, he runs an "I told you so" campaign in '04 and he's the next governor.

5. Senate President Robert Garton: No matter what Sen. Borst

comes up with, it will still have to go through Garton and his Senate Rules Committee before it becomes law. Many people think Garton and his caucus leadership are increasingly out of touch with the proper direction that the state should follow. He has to balance the views of his own septuagenarian power base with those of an increasingly impatient group of younger members of his caucus, including a few potential gubernatorial and lieutenant governor candidates. Garton's barely concealed contempt for Indiana University and Purdue University could complicate any deficit reduction plan that attempts to protect funding for those two institutions.

6. Speaker John Gregg: John Gregg stood next to O'Bannon and Kernan when they announced the tax restructuring plan; now he has to drag his members along to stand with them if that plan has any hope of survival. Gregg has grown into the Speaker's role over the past couple of years, although heavy-handed and unnecessary power plays like the recent assignment of all Republican bills to the Rules Committee demonstrate that he hasn't mastered the position entirely. Like O'Bannon, Gregg has to prove that he can

overcome his general affability to put the hammer down on his caucus when he has to in order to protect Kernan's plan. If he's unwilling to play that role, then his chances of being elected lieutenant governor in 2004 will fall dramatically.

7. U.S. Sen. Richard Lugar: In the aftermath of the Sept. 11 terrorist attacks, Lugar is looking prescient for his warnings about the new threats emerging in the aftermath of the Cold War. Why wasn't anyone listening in 1991 or 1996? As national security and homeland defense become top priorities, Lugar has an opportunity to fortify his role as the top Republican internationalist. On the domestic side, he will put up a fierce fight to modernize farm programs. Control of the Senate might not matter much for his agenda. In the past, he's been effective in the minority. If the Republicans gain control of the Senate in the 2002 election, Lugar could ascend to chairman of the Senate Foreign Relations Committee -- and add to his statesman's luster.

8. Sen. Evan Bayh: Arriving in Washington after eight years as governor, Bayh has deftly put himself in the center of national security issues following the Sept. 11 attacks. His work on terrorism financing, state and local preparedness for biological attacks, and focusing a national service program on homeland defense show that he's able to mold his agenda to fit the times. He's carving a niche in the Senate's former-governor club and draws praise from leadership aides for his thorough preparation and insightful questions at caucus meetings. President Bush will need moderates like Bayh to pass legislation in the Senate. Bayh is setting himself up as a vice presidential candidate if the Democrats look outside the Senate for their standard bearer.

9. Mitch Daniels: Daniels faces a daunting challenge now that the federal budget surplus as far as the eye can see has transformed to a budget deficit that will last at least until fiscal year 2005. He

will have to maintain discipline in Congress as the government funds homeland defense and Pentagon priorities. If Washington returns to "business as usual," the red ink might gush more than it has for nearly a generation. Bush will need Daniels' rhetorical skill -- minus his glib dismissiveness -- if he is going to convince Americans that his tax cuts did not contribute to the deficits. Daniels has to shore up relations with Congress. He's usually the smartest person in the room. He doesn't need to rub it in. He seems sincere in disavowing interest in running for governor in 2004, but if he decided to enter, he'd be an immediate front-runner unless one of the others shows an ability to dominate.

10. Indianapolis Mayor Bart Peterson: Has become very comfortable in the role of mayor of Indianapolis and seems to have gotten the City-County Council Republicans to back all of his major initiatives. As metropolitan Indianapolis continues to be about the only economic bright spot in the Hoosier State, and several economic development initiatives bear fruit, Peterson's state profile will continue to grow. 2002 election will be true test of his popularity and the length of his coattails when he's not on the ballot. His willingness to use that popularity in the predominantly white suburban areas of Marion County will go a long way toward helping re-elect Julia Carson, who runs in a much tougher district this time, and electing Frank Anderson as the first African-American sheriff in Marion County. If Carson and Anderson win, Peterson probably won't even have a credible challenger in 2003.

11. U.S. Rep. Mike Pence: The green lights are so bright around Pence that you have to squint. He is viewed as a golden boy by the House Republican leadership and should continue to ascend if the Republicans maintain control of the chamber. He has received kudos from Washington insiders for his mastery of the legislative process -- especially the budget

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the time his boss President Bush signed the last of the 13 fiscal-year 2002 appropriations bills earlier this month, the tally had exceeded 7,800 -- a 20% increase from last year and more than double the level of just two years ago. 'He was kind of naive,' says New York Rep. James Walsh, recalling the first meeting last spring where the House Appropriations Committee's senior Republicans sized up Mr. Daniels." The Journal adds, "Naive? Mr. Daniels doesn't entirely disagree. 'When you come around and do your "Mitch's greatest flops" story, we'll start with earmarks,' he told a reporter recently. As for his future tack toward Congress's spenders: 'Polite remonstrance.'"

O'BANNON LAUDS WAYS AND MEANS ACTION: Gov. Frank O'Bannon released this statement following Tuesday's 16-0 House Ways & Means Committee vote to combine the tax bills HB 1003 and 1004: "I am heartened to learn that the House Ways and Means Committee has approved House Bill 1004, which now contains both the Balanced Budget Plan and the 21st Century Tax Plan. As I've said all along, I am willing to work with lawmakers to craft the strongest package possible for the state of Indiana, as long as that package reach-

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es the same goals that I set out in our two plans: Protect education. Balance the budget. Protect homeowners. And create a modern business environment that will help grow jobs. HB 1004 meets those goals. I am grateful to Chairman Bauer for all of his hard work in crafting amendments that keep the bill moving, and I thank him and the members of the Ways and Means Committee for voting to approve this measure. This is how the process is supposed to work."

SPECIAL INTERESTS REACT TO WAYS AND MEANS VOTE: Reaction to the 16-0 House Ways and Means Committee vote on the deficit reduction and tax restructuring plans were widely mixed (see Brian A. Howey's coverage of the event at www.howeypolitics.com and click on Howey's Daily Take). Jerry Payne, secretary-treasurer of the Indiana AFL-CIO, was eyeing the bill more favorably after the changes, though he still was hoping for a lot more. Last week, he had argued against it as shifting too much of the tax burden from business to homeowners. Given a choice between doing nothing and enacting this plan, he said, "I'll take this plan, because something has to be done" (Mary Beth Schneider, Indianapolis Star). That's exactly what

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and appropriations. A former radio talk show host, he knows how to massage the media. He has deeply held conservative religious beliefs but doesn't let them dominate his public persona. He doesn't scare the moderates and, at least rhetorically, pays homage to bipartisanship. He could emerge as the strongest GOP candidate for governor in 2004, if he can eschew House leadership ambitions.

12. State Rep. Brian Bosma: The House Minority Leader shoots up from an Honorable Mention last year. He is attempting to enunciate a long term vision for Indiana that includes more than just rhetoric and stale tax policy. He's doing a good job so far balancing the moderate and conservative wings of his caucus; the real work comes when they try to figure out what to do on the tax restructuring bill.

13. U.S. Rep. Steve Buyer: The five-term Republican doesn't produce warm fuzzies or sentimental feelings. But he is effective -- whether it's in using his Commerce Committee seat to increase his fundraising power, claiming a leadership position on military and veterans issues, or helping carry President Bush's water during the Florida recount. An aggressive campaigner, he seems to have put some distance between himself and Rep. Brian Kerns in the new 4th CD primary. In typical Buyer fashion he defied pressure from the House leadership to abandon the new 4th. He decisively settled on a rationale -- that he actually lives in the new 4th -- that seems to have put him a step ahead of the political debate.

14. Republican Chairman Jim Kittle: His ability to sweet-talk or elbow twist in the recent race for chair was a convincing show of power. Add the conspicuous positioning to the now disappearing Phoenix along with his deep pockets and the stage is set for a GOP resurgence ... if he can end the factionalism, centralize the party operations, and execute his "*Blueprint for 2002.*"

15. U.S. Rep. Pete Visclosky: No

one brings home the bacon better than Visclosky. His advocacy for the U.S. steel industry has put him in the forefront of the labor dimension of the economics and trade debates. He's one of the few Hoosier Democrats who cannot be described as a New Democrat. As an unabashed liberal in a safe district, he offers diversity to the Indiana congressional delegation.

16. Democratic Chairman Peter Manous: He's got a tough job ahead of him in the fact that his two predecessors - Joe Andrew and Robin Winston - were so successful. Manous stepped up in a controversial power play, but appears to have limited any collateral damage and divisiveness. His biggest enemies will be high expectations and a potential revival of the Indiana Republican Party. And some of his biggest allies are hoping he steps up his pace a notch or two in the coming months.

17. Marty Morris: The advent of the Phoenix Group notwithstanding, Sen. Lugar remains the foundation of the Indiana GOP. Morris is the craftsman who makes sure that foundation remains strong. He has put together a political network and a fundraising apparatus that is nearly impervious to the whims of the political winds or the attacks of political opponents.

18. David McIntosh: The recent Wilson polling showing the 2000 gubernatorial nominee with 44 percent of likely GOP primary voters, compared to 3 percent for the next guy (Randy Tobias) on the list makes him the early front-runner for the 2004 race. McIntosh is too young, too bright and has picked apart his own failed race to learn how to do it better. In most other industrial states, it takes more than one run to become governor. This may be McIntosh's biggest obstacle - changing the Republican establishment's rule that you get only one shot, even if it's against a popular incumbent. Watch for McIntosh to re-emerge in the coming weeks and his fund raising juggernaut to re-engage.

19. Tom Sugar: Serving as Bayh's gatekeeper, he probably will be at the center of the VP speculation that will begin in 2003. Bayh, like any good senator, does not lean on his staff as a crutch but uses it to augment his efforts. He benefits from a group of bright aides who have been brought together and are managed by Sugar, who also keeps Bayh's prodigious fundraising machine up to speed.

20. U.S. Rep. Dan Burton: As long as he's chairman of the House Government Reform Committee, he'll be a thorn in the side of any president. He's indicated he'll be just as tenacious in going after disclosure of administration documents in the Bush era as he was under Clinton. His real test may come in how he handles the Enron controversy.

21. U.S. Rep. Mark Souder: A sincere and articulate conservative, Souder and his approximately 60 colleagues on the Conservative Action Team could cause fits for President Bush in 2002. One of Souder's strengths, however, is knowing when to mute divisive conservative rhetoric. But as a true believer, he is able to keep his troops fired up at home. One of the best vote counters and strategists in the Hoosier political firmament, Souder has moved beyond being a back bencher. He effectively used his subcommittee chairmanship to shape the debate on stem cell research. Although his fundraising is anemic and he now has another media market, his district has become more Republican after being redrawn.

22. Mary Downes: She's running Joe Kernan's 2004 campaign, which socked away \$1.9 million in 2001. As the center of Democratic gravity shifts from O'Bannon to Kernan, Downes becomes a bigger player.

23. State Rep. Jeff Espich: Since Bauer said he needs Republicans to pass the tax bills, he'll have to go through Espich to get most of them. This week's rush on the tax bills shows Bauer playing hardball. It will be interesting to see how

Espich plays the game of statesmanship in the midst of a hockey brawl.

24. Supt. Suellen Reed: Now that the accountability standards are in place, she'll continue to work more behind the scenes on education issues. As long as education is one of the top issues for voters, she'll be high up on the list.

25. U.S. Rep. Tim Roemer: Although he's a lame duck, he's having as much impact during this Congress as he's ever had in his tenure. Roemer was an important figure in the passage of the bipartisan education reform bill and has become a House leader on antiterrorism issues. As a member of the House Intelligence Committee, he will remain at the forefront of homeland defense and national security issues. If nothing else, it will be interesting to see what he chooses to do with his life after Congress. How will it affect his ability to run for the Senate -- or become a Cabinet member, perhaps Education Secretary, in the next Democratic administration.

26. Dan Coats: As ambassador to Germany, he is at one of the diplomatic front lines of the war against terrorism. If the euro begins to unify Europe economically and politically, the transatlantic relationship could undergo a sea change. No U.S. outpost will be more important than the one in Berlin, as Europe begins to transform. And ponder this thought: Dan Coats comes back and runs for governor. A former aide floated the idea in front of the ambassador recently and observed, "I wasn't thrown out of the room."

27. Lee Hamilton: The former congressman is an increasingly important figure in the Washington think tank world, giving strong momentum to the Woodrow Wilson International Center for Scholars. A former chairman of the House Foreign Affairs Committee, he's been so much in demand that he's cutting back on his speaking engagements. He is a Democratic stalwart on the talk show circuit and is frequently sought as a source by journalists trying to sort out the new

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Indiana Chamber of Commerce President Kevin Brinegar said -- before Bauer's changes. Now, he said, "it's been watered down to the point where it's really a question of whether this is better, or nothing." Indiana Manufacturers Association President Pat Kiely said the changes made by House Democrats supplied the answer. "What happens if nothing happens? I can now say it's better than this," Kiely said. Brinegar called the measure "very much a stick-it-to-business-and-utilities kind of proposal." He and Kiely said the bill is out of balance, not doing enough to help keep and build businesses.

KEY LEGISLATORS REACT TO BAUER TAX CHANGES: Senate Finance Committee Chairman Lawrence M. Borst, R-Greenwood, was dismissive of the Bauer changes. "It's really not a restructuring of taxes. It's rearranging and moving Band-Aids around," he said (Schneider, Indianapolis Star). Sen. Vi Simpson, D-Bloomington, said the goal is just to keep the issue alive, so that lawmakers have a chance to hammer out a compromise in the final days. "This is a good second step," she said, with a lot more steps to come. "Until we address the spending side, we can't address the problem in

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Indiana," said Rep. Eric Turner, R-Gas City. "To ask our members to vote on that specific language with only a few hours to look at it is a disservice to the taxpayer," said House Minority Leader Brian Bosma, R-Indianapolis (Mike Smith, Associated Press).

REP. CHARLIE BROWN PREDICTS SPECIAL SESSION: State Rep. Charlie Brown, D-Gary, said at a "Third House" meeting in Chesterton on Saturday that it is "almost certain" the legislature will need a special session to complete the work on the deficit and the taxes after the session ends March 14 (Phil Wieland, Times of Northwest Indiana).

SOUDER ANNOUNCES RE-ELECTION BID: Rep. Mark Souder, R-4th, said Monday he is asking northeast Indiana voters to give him a fifth two-year term in Congress (Sylvia Smith, Fort Wayne Journal Gazette). Although his candidacy was never in doubt, Souder said he decided to make a formal announcement because the borders of the northeast Indiana congressional district have changed. Nick Metel, a Lincoln National Corp. annuities consultant, has announced he will challenge Souder for the Republican nomination in the May 7 primary.

foreign policy and security environment. He remains plugged into the state though his Indiana University center on the study of Congress.

28. Bloomington Mayor John Fernandez: He's cleared the field for the Democratic secretary of state nomination and raised more than \$200,000. He's got a good shot at recapturing that office for his party and will definitely be a big part of the Democratic future.

29. State Rep. Peggy Welch: She was chagrined when we put her on our list as a freshman. But as a sophomore legislator, she accomplished something that Sen. Tom Wyss couldn't do in a decade - get the .08 BAC bill through. She sits on Ways and Means, is smart, savvy, is a moderate and would fit many criteria when Joe Kernan looks for a running mate in two years.

30. Kevin Brinegar: The new head of the Indiana Chamber is very well respected at the statehouse on finance and tax matters, especially with Sen. Borst. As the new chamber president, he'll be intimately involved in the nuts and bolts of any tax restructuring compromise.

31. Mel and Herb Simon: They are the big generators when it comes to Democratic finance and become even more important in counter-balancing the Kittle money onslaught. Plus, in a year when many rich Hoosiers found their portfolios and/or companies reeling due to the Dot.Bomb, the Simons are steady, steady, steady. Now if they could only bring that other O'Neal to the Pacers....

32. Attorney General Steve Carter: He accomplished his major campaign theme last year - getting the popular no-call list into law.

33. U.S. Rep. Julia Carson: She may be in the toughest race of her life, running in a more suburban district and against Brose McVey, who was the architect of Dan Coats's textbook 1992 Senate race. She can be subtly conservative, perhaps enough to assuage the fears of suburban Indianapolis Republicans. The

Congressional Black Caucus can wield political power, especially on campaign finance reform.

34. U.S. Rep. Baron Hill: Hill has been courageous in supporting free trade, coming out early in favor of Permanent Trade Relations for China and casting a vote for fast track in December's House cliff-hanger. He also has been at the rhetorical forefront in stressing adherence to debt reduction -- warning about unforeseen threats to the surplus long before Sept. 11. Hill has not, however, written a signature piece of legislation, nor has he clearly defined what it means to be a Blue Dog or New Democrat. For example, he's often on the opposing side of tax cuts that fellow New Democrat Roemer supports. It will be interesting to see whether Bayh or Hill becomes the model for New Democrat politics.

35. Ken Zeller: The tough question is whether the AFL-CIO chief can rein in Jerry Payne on the tax restructuring plan, or whether their position on this issue will marginalize this wing of organized labor in the 2004 election.

36. Pat Kiely: The president of the Indiana Manufacturers Association has Borst's ear on tax matters, and so far is not willing to play with the other business groups in endorsing the tax restructuring plan. There are grumblings by some of his bigger members about that position.

37. State Sen. Murray Clark: He's got some Early backing as a gubernatorial candidate, but finds himself between a rock (Garton) and a hard place (tax issues) when it comes to standing out in this session. Clark was viewed as McIntosh's chief challenger in the leaked Hallowell memo and has enhanced stature as the party's LG nominee in 2004. Plus, he's a heck of a nice guy.

38. Tim Joyce: The governor's gatekeeper. Joyce is O'Bannon's third chief in as many years and it remains to be seen whether he'll fare better.

39. Eric Miller: Forget the name for a minute and then think of how you

would perceive someone who raised \$268,000 for a gubernatorial campaign three years out, with daily radio commentary on 40 stations, an information network of 1,400 businesses, 3,700 churches and 25,000 families, and he's got Doc Bowen as campaign chairman who's making appearances on your behalf. Well, that's Eric Miller and he needs to be taken seriously.

40. Ed Treacy: He pulled off a power play and unseated a successful chairman of what is becoming the state's largest Democratic county (Marion). He'll play a huge role in attempting to get Carson re-elected and Frank Anderson in as sheriff.

41. Steve Ferguson: Talk about a confluence of power - he has the ear of Sen. Vi Simpson, is close friends with Gov. O'Bannon, has Bill Cook's money behind him, he's an IU trustee, and on the executive committee of the state Chamber and the Central Indiana Corporate Partnership. If only he could have kept Sean May from slipping away to the Tar Heels.

42. David Gogol: As head of Sagamore Associates, he is the Washington conduit for several Hoosier higher educational institutions and local governments. He's plugged into Republican fundraising in the capital and knows how to navigate the intricacies of Capitol Hill.

43. Evansville Mayor Russell Lloyd Jr.: Lloyd has had a tough learning curve, but he's had some successes, including a campaign finance report of more than \$100,000.

44. State Rep. Chet Dobis: He's sponsoring the governor's tax bills in the House. And he brought religion to the warring Lake County factions wishing to cling to denial as the county implodes.

45. U.S. Rep. John Hostettler: Although he remains aloof from the press until the election approaches, he has built a phenomenal grass-roots organization that has now made him nearly invincible -- by Bloody 8th standards. Hostettler's

strident brand of conservatism may make him an obstacle for Bush's agenda, even in a Republican House. If he had been present at the Dec. 6 fast track vote, for instance, he would have opposed the trade measure, which passed 215- 214. but if you want to know what the true-believer conservatives think, listen to Hostettler on the few occasions when he's quoted in the news.

46. Betty Cockrum: By virtue of her budget director role, she has to be in the middle of the budget deficit, although it's unclear to what extent she has any clout on these issues; pretty invisible on tax restructuring.

47. Butch Morgan: Still the dominant Democratic party chairman, helping Jill Long Thompson in her Congressional comeback.

48. Steve Shine: Morgan's Republican counterpart in Allen County. Kittle could learn some things by studying Shine's organization.

49. Jeff Smulyan: The Emmis CEO has had an up and down year on the markets, but he's a go-to guy in Democratic politics, as was show-cased when the Democratic Leadership Council came to Indianapolis last summer.

50. Fort Wayne Mayor Graham Richard: He's in for a tough re-election battle in 2003, but he's raised more than \$100,000 and is elevating his profile. As mayor of the state's second largest city, he commands significant media attention in his market.

HONORABLE MENTIONS

Robin Winston: Former Democratic chairman is still a major player with the governor's ear.

State Sen. Luke Kenley: He's bright, articulate and could greatly elevate his standing by displaying shrewder political instincts in the troubled waters of the Indiana Senate.

Martin Jischke: The Purdue University president has raised a ton of money for his school and is transforming

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McINTOSH HAS HUGE LEAD IN WILSON POLL: 2000 Republican gubernatorial nominee David McIntosh has a huge lead in a WRS Poll conducted on behalf of the Indiana Family Institute. While a poll on statewide issues contacted 500 likely voters, a 234-person Republican subset (+/- 6 percent) polled on potential 2004 gubernatorial GOP primary matchups. McIntosh came in at 44 percent, compared to 3 percent for Randy Tobias, 2.6 percent for Mitch Daniels, and 1 percent each for Sen. Luke Kenley, Pat Kiely, and Eric Miller. State Sen. Murray Clark did not register. In a matchup of Republicans with Lt. Gov. Joe Kernan, the Democrat trailed McIntosh 45-27 percent, Tobias 31-29 percent, and led Clark 29-28 percent. WRS's president Chris Wilson, who worked on McIntosh's breakthrough 1994 congressional campaign, observed, "Any of these other Republicans would have to spend \$5 million to \$7 million just to bring their name ID up to David's level." Wilson said McIntosh's favorable/unfavorable rating was 42/14. McIntosh told HPR he plans to re-emerge politically in the coming weeks and will be weighing in on the O'Bannon/Kernan tax packages. "I do plan to be involved. I'll be taking some cues from our legislators. I

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will be showing up and asking "What can I do to help get the message out," McIntosh told HPR.

MCCLOSKEY EYES POTENTIAL 8TH CD CANDIDACY: State, local and national Democrats are making overtures to a familiar name in hopes of winning back Indiana's 8th Congressional District: Frank McCloskey, the last of their kind to hold the seat (Tim Starks, Evansville Courier & Press). McCloskey, who served in Congress for 12 years before being defeated by Republican John Hostettler, said he's considering a bid to run against his former opponent. He said he has a lot of things to sort out, however, before he gives into the re-cruiting pitch. One of those is his residency. McCloskey, who lives in Monroe County, is no longer in the 8th District. When Indiana House Democrats redrew maps in the 2001 General Assembly, they sliced Bloomington out and ran the 8th up the western border of the state. McCloskey said moving would be difficult: "I'm very happy in Bloomington," he said. But he downplayed the downside of not living in the district. "I represented more than half the district for 12 years, and Monroe County is in the 8th right now," he said. "It's not like I'd be an alien being coming in."

LUGAR CALLS FOR NATO MISSION RESTRUCTURING: U.S. Sen. Richard Lugar

Purdue into an economic development engine for various parts of the state as they translate cutting edge research into high-tech commercial opportunities.

Myles Brand: Still not the most popular man at IU basketball games, but the school is scoring well on recent national surveys.

State Sen. Vi Simpson: She'd be a cinch for the Top 50 if the Democrats were more of a factor in the Senate. She's been a lone and vigilant voice for tax restructuring for years. Would make a great LG candidate for Kernan.

Judy O'Bannon: Indiana's favorite First Lady, who drops out of the Top 50 for the first time as O'Bannon baton gradually is passed to the Kernan team.

State Treasurer Tim Berry: We're keeping an eye on him with regard to 2004 as a ticket possibility.

Chris Sautter: He is again involved in a key Hoosier race -- as media consultant for Democrat Jill Long Thompson in the new 2nd CD. He is an aspiring auteur, having produced "*King of Steeltown*" about Mayor Bob Pastrick.

State Rep. Win Moses: A behind-the-scenes operative for Speaker John Gregg. When we look at Moses, we see a future Speaker.

Karl Berron: Top lobbyist for the Realtors who has had a voice in tax restructuring and a handle on the masses.

Paul Helmke: A bright public servant with a great track record, yet no obvious track for him as of yet. But he's worth keeping an eye on.

State Rep. Ed Mahern: He'll run the House Democratic campaigns and wields influence in his caucus. Just not a major player on major issues this year.

David Johnson: Tight with governor.

Kip Tew: He's close to Kernan, is representing John Fernandez and Bloomington at the statehouse, and is helping out with political analysis on the tax restructuring plan.

State Rep. Sue Crosby: Another potential LG mate for Kernan, but she may have hurt herself by pushing a gas

tax in 2001.

Dan Clark: ISTA's top lobbyist was instrumental in the compromise between ISTA and the state chamber on education standards in the Education Roundtable, and has been one of the initial organizers of the Alliance For Indiana's Future.

Bob Grand: With Kittle in as Republican chair, his considerable influence will expand.

State Rep. Mark Lytle: The Madison Democrat has increased his stature within the caucus. Gregg trusts him implicitly. He's a cunning legislator with a mastery of the procedural rules.

John Hammond III: One of the most influential lobbyists.

Bill Stuart: Kernan's man in the halls of the Statehouse.

John Coldren: Meet "Mr. Germane." He can make or break your amendments to Senate bills.

John Taylor: Looks like the speaker and thinks like the speaker, just without the need for ritalin. And there ain't a lobbyist who can outdrink him (many have tried and failed miserably).

Jerry Williams: As John Gregg's chief of staff, he keeps speaker organized and showed his clout when he assigned all the GOP House bills to the Rules.

Christel DeHaan: She is a major player on the education scene, especially with Republicans, and a continuing proponent of charter schools.

Jeff Viohl: He's head of the Indiana state office in Washington. He makes sure that Gov. O'Bannon remains on the radar of the congressional delegation.

Phil Bainbridge: He has the ear of both Bauer and Borst.

Jim Purucker: Big clout on gaming issues, which could make or break the tax issues this session.

Bob Kraft: Farm Bureau's top guy who can move people on issues.

Shaw Friedman: As assistant Democratic chair and legal counsel, his duties will continue to expand.

Jay Potesta: Sheetmetals boss will be involved in legislative strategy. ❖

Jones & Kerns: Tough years, different reasons

Two names conspicuous in their absence in the *2002 HPR Top 50 List* include Escient CEO Scott Jones and U.S. Rep. Brian Kerns, for very different reasons and, in our scope, very different futures.

Scott Jones: Depending on who you talk to, Jones is either a prophet before his time or the Dot-Bomb of Hoosier high-tech politicians. Jones' style as he promoted the high technology agenda ruffled the feathers of several key legislators and administration officials, and his avid push for daylight savings time won him friends and enemies. Problems closer to home (the demise of TechNet, falling interest in the Indiana Technology Partnership, and tight economic times at Escient) have forced him to lower his profile in recent months. Yet he remains one of the most articulate and energetic

advocates for moving the state forward into the New Economy. If he polishes his political skills and starts following the advice of some of the people around him, Jones will move back up on the list. If there isn't a place for Scott Jones in Indiana public policy, then God help us.

U.S. Rep. Brian Kerns: He is the most perplexing figure in Hoosier politics. He refuses to communicate, essentially going out of his way to create ill will when his two mentors - U.S. Reps. John Myers and Ed Pease were quite accommodating. And it isn't just with the news media. Other congressional staffers tell us similar stories.

But the biggest blunder of Kerns was his Sept. 11 fabrication of witnessing the Pentagon attack when he was really in his office. Shame. ❖

2001 HPR 50 Most Influential List

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|--------------------------------------|--|-----------------------------------|
| 1. Gov. Frank O'Bannon: | 24. Scott Jones | 47. Attorney General Steve Carter |
| 2. OMB Director Mitch Daniels | 25. Mel and Herb Simon | 48. Mary Downes |
| 3. U.S. Sen. Evan Bayh | 26. State Rep. Susan Crosby | 49. Steve Shine |
| 4. U.S. Sen. Richard Lugar | 27. U.S. Rep. Julia Carson | 50. U.S. Rep. Brian Kerns |
| 5. State Rep. Edmund Mahern | 28. Bloomington Mayor John Fernandez | HONORABLE MENTIONS: |
| 6. Speaker John Gregg | 29. Mike McDaniel | State Rep. Brian Bosma |
| 7. Sen. Robert Garton | 30. Ken Zeller | Ed Treacy, Stephen Stiglich, |
| 8. U.S. Rep. Tim Roemer | 31. Pat Kiely | State Sen. Murray Clark, |
| 9. Lee Hamilton | 32. Stephen Goldsmith | Phil Bainbridge, Secretary of |
| 10. State Rep. B. Patrick Bauer | 33. U.S. Rep. Baron Hill | State Sue Anne Gilroy, Jim |
| 11. U.S. Rep. Steve Buyer | 34. U.S. Rep. Dan Burton | Purucker, Auditor Connie |
| 12. State Sen. Larry Borst | 35. U.S. Rep. Pete Visclosky | Nass, Bob Grand, Chris |
| 13. Lt. Gov. Joe Kernan | 36. Dan Coats | Sautter, Fort Wayne Mayor |
| 14. Budget Director Betty Cockrum | 37. Gary Mayor Scott King | Graham Richard, George |
| 15. Robin Winston | 38. David Johnson | Van Til, Shaw Friedman, |
| 16. Supt. Suellen Reed | 39. Jeff Smulyan | State Rep. Win Moses, |
| 17. Indianapolis Mayor Bart Peterson | 40. Butch Morgan | State Rep. Chet Dobis, Scott |
| 18. U.S. Rep. Mark Souder | 41. Judy O'Bannon | Newman, State Sen. Luke |
| 19. Marty Morris | 42. David Gogol | Kenley, State Rep. Bill |
| 20. Joe Andrew | 43. U.S. Rep. Mike Pence | Crawford, Michael K. |
| 21. James Maguire | 44. Myles Brand | Phillips, State Sen. Steve |
| 22. Tom Sugar | 45. U.S. Rep. John Hostettler | Johnson, Jerry Williams |
| 23. David McIntosh | 46. Evansville Mayor Russell Lloyd Jr. | State Rep. Jeff Espich |
| | | Bill Cook, Steve Ferguson |
| | | Clay Robbins. ❖ |

TICKER T A P E

called for a restructuring of NATO in a speech last week in Brussels, saying, "The reality is that we can launch the next round of NATO enlargement as well as a new NATO-Russia relationship at Prague and the alliance can still be seen as failing -- that's right, failing -- unless it starts to transform itself into an important new force in the war on terrorism."

LINE FORMING FOR KRUZAN'S SEAT: State Rep. Mark Kruzan, D-Bloomington, announced Monday that he will not seek re-election when his current term ends and two names are being mentioned as possible successors (Kurt Van der Dussen, Bloomington Herald-Times). They are Matt Pierce, former Bloomington City Council member, and Tim Tilton, former Monroe County commissioner. Pierce is community projects director for U.S. Rep. Baron Hill. Tilton is an IU political science professor.

McCLAIN RUNNING AGAIN: State Rep. Rich McClain, R-Logansport, has announced he will run for a fifth term in District 24, which has been altered in redistricting (Logansport Pharos-Tribune). He defeated former State Rep. Bob
continued on page 10

TICKER

T A P E

Sabatini in 2000 in a race that drew statewide attention and financing.

PATRICK PLANNING TO SEEK RE-ELECTION IN 2003: Informed and reliable sources tell HPR that East Chicago Mayor Robert Pastrick is planning to seek re-election in 2003. Prior to the 1999 and 2003 elections, Pastrick originally said his current term would be his last, a fact noted at the end of Chris Sautter's movie "The King of Steeltown."

HILBERT SELLING OFF THOROUGHBREDS: Just weeks before he must make a \$6 million payment on a massive loan he took out to buy Conseco Inc. stock, former Chairman Stephen Hilbert last week put up for auction a multimillion-dollar herd of 25 thoroughbred horses, including 1999 Kentucky Derby entrant Stephen Got Even (Greg Andrews, Indianapolis Business Journal). A sale would have been one of the first public signs that Hilbert, 55, who resigned under pressure as chairman and CEO of Conseco in April 2000, was reining in his ostentatious lifestyle amid mounting debts. Browning said the highest-profile horse among the 25 was Stephen Got Even, which ran in all three Triple Crown races in 1999, finishing fourth in the Preakness and fifth in the Belmont. The horse, which had career winnings of \$1.02 million, now is at stud, with a \$20,000 fee. Also slated for sale was the broodmare Tomisue's Delight.

2000 HPR 50 Most Influential List

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|----------------------------|------------------------------|---|
| 1.) U.S. Sen. Dick Lugar | 21.) Mitch Daniels | 42.) Chris Jones |
| 2.) U.S. Sen. Evan Bayh | 22.) Sen. Teresa Lubbers | 43.) Butch Morgan |
| 3.) Gov. Frank O'Bannon | 23.) Jeff Smulyan | 44.) Mayor John Fernandez |
| 4.) Rep. David McIntosh | 24.) U.S. Rep. Baron Hill | 45.) Auditor Connie Nass |
| 5.) State Sen. Larry Borst | 25.) Tom Sugar | 46.) Steve Hilbert |
| 6.) Chair Robin Winston | 26.) Mel & Herb Simon | 47.) Mayor Steve Leucke |
| 7.) DNC Chair Joe Andrew | 27.) Stephen Goldsmith | 48.) Supt. Suellen Reed |
| 8.) Speaker John Gregg | 28.) U.S. Rep. Dan Burton | 49.) Betty Cockrum |
| 9.) Mayor Bart Peterson | 29.) U.S. Rep. Steve Buyer | 50.) Mayor Scott King |
| 10.) U.S. Rep. Tim Roemer | 30.) Sen. Bob Garton | Honorable Mention: Karl Berron, Norm Cox, Dick Freeland, John Hammond, Al Hubbard, David Johnson, Kevin Kellems, Bob Knight, Jeff Modisett, Win Moses, Mike Pence, Jim Purucker, Scott Newman, Chris Sautter, Steve Shine, Stephen Stiglich, Becky Skillman, George Van Til and Harrison J. Ullmann. |
| 11.) U.S. Rep. Mark Souder | 31.) Pat Kiely | |
| 12.) U.S. Rep. Ed Pease | 32.) Ken Zeller | |
| 13.) Lt. Gov. Joe Kernan | 33.) U.S.Rep. Pete Visclosky | |
| 14.) Rep. Patrick Bauer | 34.) U.S. Rep. Julia Carson | |
| 15.) Rep. Jeff Espich | 35.) David Gogol | |
| 16.) Mayor Graham Richard | 36.) Margaret Burlingame | |
| 17.) Mayor Russell Lloyd | 37.) John R. Price | |
| 18.) Marty Morris | 38.) Rep. Paul Mannweiler | |
| 19.) Chair Mike McDaniel | 39.) Mayor Bob Pastrick | |
| 20.) Judy O'Bannon | 40.) Tom New | |
| | 41.) Lee Hamilton | |

1999 HPR 50 Most Influential List

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|-------------------------------|---|--|
| 1.) U.S. Sen. Dick Lugar | Souder | 40.) Gordon Durnil |
| 2.) Gov. Frank O'Bannon | 21.) Chair Robin Winston | 41.) Mayor John Fernandez |
| 3.) U.S. Sen. Evan Bayh | 22.) Pros. Scott Newman | 42.) AG Jeff Modisett |
| 4.) State Sen. Larry Borst | 23.) Ken Zeller | 43.) Lee Hamilton |
| 5.) Chairman Joe Andrew | 24.) U.S. Rep. Julia Carson | 44.) Bart Peterson |
| 6.) Dan Quayle | 25.) U.S Rep. Steve Buyer | 45.) Supt. Suellen Reed |
| 7.) Mel & Herb Simon | 26.) State Sen. Bob Garton | 46.) Nancy Pappas |
| 8.) Steve Hilbert | 27.) Tom New | 47.) Dick Freeland |
| 9.) Speaker John Gregg | 28.) Rep. Paul Mannweiler | 48.) Teresa & Mark Lubbers |
| 10.) Marty Morris | 29.) Secretary of State Sue Anne Gilroy | 49.) Ed & Ann DeLaney |
| 11.) U.S. Rep. David McIntosh | 30.) Tom Sugar | 50.) Jeff Smulyan |
| 12.) U.S. Rep. Tim Roemer | 31.) U.S. Rep. Dan Burton | Honorable Mention: Vi Simpson, Jack Cottey, Rex Early, Peter Rusthoven, John Hammond, Jeff Espich, Eric Miller, Karl Berron, Mike Smith, Jim Purucker, and Peggy Welch. |
| 13.) U.S. Rep. Ed Pease | 32.) David Gogol | |
| 14.) State Rep. Patrick Bauer | 33.) Bernie Toon | |
| 15.) Mitch Daniels | 34.) Stephen Stiglich | |
| 16.) Chair Mike McDaniel | 35.) Steve Shine | |
| 17.) Pat Kiely | 36.) Butch Morgan | |
| 18.) Judy O'Bannon | 37.) Mayor Stephen Goldsmith | |
| 19.) Lt. Gov. Joe Kernan | 38.) Mayor Paul Helmke | |
| 20.) U.S. Rep. Mark | 39.) Michael K. Phillips | |

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