

# The Howey Political Report



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**Brian A. Howey, publisher**

**Mark Schoeff Jr., Washington writer**

**Jack E. Howey, editor**

The Howey Political Report      Office: 317-968-0486  
PO Box 40265                      Fax: 317-968-0487  
Indianapolis, IN 46240-0265      Mobile: 317-506-0883

**brianhowey@howeypolitics.com**  
**www.howeypolitics.com**

Washington office: 202-775-3242;  
Business Office: 317-254-0535.

**Subscriptions: \$250 annually via e-mail or fax; \$450 annually including the HPR Daily Wire. Call 317-254-1533 or 254-0535.**

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## “QUOTE” OF THE WEEK

“This bill, and the incredible effort that went into it from all sides, has changed all of us. And it will change Indiana, immediately and for years into the future ....” - Gov. Frank O’Bannon, signing HB 1001ss today

## Setting the stage for Indiana’s CD races

### Battle for House finds epicenter here

By **BRIAN A. HOWEY** in Indianapolis

Tax restructuring and deficit reduction and cigarettes and dockside and the old Dog Doctor and Speaker Bauer and blah, blah, blah, and ...

*... now for something completely different.*

Like that other huge Hoosier political story of 2002: Our role as epicenter for control of the U.S. House of Representatives. HPR sees three, and possibly four, competitive Congressional races on our landscape: 2nd CD between Democrat Jill Long Thompson and Republican Chris Chocola; 6th CD between U.S. Rep. Mike Pence and Democrat Melina Ann Fox; 7th CD where Republican Brose McVey is showing a tenacious streak against U.S. Rep. Julia Carson; and the 9th CD where Republican Mike Sodrel is expected to press U.S. Rep. Baron Hill.

HPR views the Thompson-Chocola race as a pure tossup. Currently, Reps. Hill and Carson are in the “Leans D” range and Pence is in a “Leans R” status and of the lot, Pence may be in the best position of incumbents ... for now.

The Bush tail wind is expected to wane somewhat. His popularity hovers around 70 percent, but many observers wouldn’t be shocked to see it down to the mid-50s.

#### President Bush’s approval ratings, Gallup Polls

	Approve	Disapprove	DK
Sept. 7-10 2001	51	39	10
Sept. 14-15, 2001	86	10	4
March 8-9, 2002	80	14	6
June 3-6, 2002	70	23	7
June 21-23, 2002	73	21	6

The recently leaked Rove/Mehlman Memo notes that

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# TICKER

## T A P E

**TERROR ALERT FOR POLICE AGENCIES:** CBS reported Sunday the FBI has issued a secret alert to law enforcement across the country warning of a possible terrorist attack around the Fourth of July holiday. The government decided not to warn the public, however, believing that the threat was too vague. Secretary of State Colin Powell said Sunday, "I don't want to overhype it, but I think what was passed out yesterday is just a prudent alert to law enforcement agencies. And in the course of the next couple of days, we'll be meeting on a regular basis to make an assessment of any additional threats that might be coming our way." National Security Adviser Condoleezza Rice said on NBC's Meet the Press, "Certainly the Fourth of July just symbolically is an important day and I think the president would ask Americans to do what he's asked them to do before, which is to be vigilant, to work hard to look around them and see if anything looks unusual. A lot of preparations are being made to try and make certain that the Fourth of July is safe for everyone. But, yes, it is a time for enhanced vigilance."

**MOSES SEEN TO BE OUT-FLANKING BAUER:** The race for Indiana Speaker of



with presidential approval under 50 percent, the ruling party loses 41 seats; between 50-59 percent, 20 seats; over 60 percent, 5 seats. Another domestic terror attack might propel Bush, who said in Ohio this morning that on homeland security "We are doing all we can do," back into the 80th percentile, unless Americans view it as a glaring lapse under his watch.

**While the political ranks** closed behind Bush on Sept. 11, lately Democrats have been critical of the war effort. U.S. Sen. John Kerry suggested last week that Central Command "lost" the battle of Tora Bora and a chance to capture bin Laden. Former Vice President Al Gore accused Bush of using the war as a "wedge issue." *Roll Call* reported that House Democrats "have plunged into a thorny internal debate over whether and how strongly to challenge President Bush as he presses ahead with the war on terror."

A possible military buildup to take on Iraq next winter could paint this fall's political landscape. A CNN/*USA Today*/Gallup poll showed that only 33 percent believe America is winning the war, compared to 66 percent in January.

The race for control of Congress appears now to favor the Democrats, as

the latest CNN/*USA Today*/Gallup poll shows them taking a healthy eight-point lead over Republicans among registered voters, 50 percent to 42 percent. Last month Republicans received 46 percent of support among registered voters, and the Democrats 45 percent. The two previous polls showed the Democrats with leads of seven and four points. From December through February, Republicans enjoyed a slight advantage that varied from two to five percentage points. But in March, it was a tie. A Battleground Poll revealed that apart from Democratic union members, Republicans appeared to be more motivated to vote this fall.

**The economy grew** at an annual rate of 6.1 percent in January through March. The Associated Press termed it "sizzling" and said it was the "strongest showing in more than two years." The U.S. Commerce Department reported the gross national product is at a robust 5.6 percent. The Federal Reserve Board left benchmark interest rates unchanged last month at a 40-year low.

The *Wall Street Journal* reported today that 55 experts are predicting in "uncharacteristic unanimity" a GNP of 3.5 percent, analyzing, "Even as stock prices

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tumble, corporate accounting scandals brew, the mighty US dollar sinks and the war on terror remains headline news, economists have a surprisingly rosy view of the outlook for the economy in the months ahead."

**GOP pollster Ed Goetas** said the economy remains a potentially significant factor in shaping the fall vote, particularly if there is another slide into recession or the stock market stays in the doldrums. "A double-dip recession becomes George Bush's problem" and the slumping stock market could motivate voters nearing retirement to turn against the GOP, he said.

So on the "people voting their pocket book" issue, things look pretty good for Republicans, for now.

That is, until you get into prescription drug costs. The GOP plan passed by the House last week was heralded by Pence, who said, "As a fiscal conservative, I believe this is a bill of which Americans can be proud."

HPR happened to watch a politically mixed group as NBC's Tom Brokaw noted that no one would be paying more than \$3,700 a year in prescriptions, and an incredulous groan went through the room. Fox pounced on Pence's vote. "The Republican plan approved by the House was a sham offered to appease pharmaceutical companies," Fox said. "The Republican plan still forces seniors to choose between food and drugs."

"**Don't be afraid of class warfare,**" said Dee Brown, a Democratic pollster who thinks Democratic candidates should run unabashedly populist campaigns this fall (*Cleveland Plain-Dealer*). She says her party can also make points by highlighting "corporate misbehavior and tepid Republican responses to scandals such as the Enron bankruptcy." That issue will capture the attention of many voters this fall.

Hoosier voters saw evidence of this when the DCCC alleged in a story in the *Elkhart Truth* last week that Chocola's

company, CTB, shifted \$909,000 in benefits away from employees (See *Horse Race*, page 6).

Another vital issue is over Social Security, where in the 2nd CD, Thompson keeps reminding voters of Chocola's 2000 quote favoring "privatization."

Like the 1996 gubernatorial race between Frank O'Bannon and Stephen Goldsmith, the term "privatization" has become radioactive. *Congressional Quarterly* reported on June 24 that House Democrats "plan to take the opportunity to debate Republican proposals to create private Social Security investment accounts when a bill (HR 4070) to protect beneficiaries from fraud hits the floor Tuesday."

"There's more to winning an election than war, education and the economy," Democratic pollster Mark Mellman said on Friday (*Washington Times*). "Nationalized health care, social security and the environment are issues that still resonate with people after 9/11."

**Another possible trouble** spot for Republicans is crime. *ABC News* reported that FBI statistics show that for the first time in a decade, the overall rate of major crimes increased last year by 2 percent in nearly every category. Murders climbed by more than 3 percent, robbery 4 percent, car theft 6 percent.

House Republicans are seeking to ignite some hot button issues of their own, such as a bill to outlaw partial birth abortion that could rally turnout in mid-term elections that don't bring national excitement. But there are also some internal troubles. Republicans are trying to convince U.S. Sen. John McCain, R-Ariz., to hold off on legislation to regulate gun show sales (with background checks) until after the November election.

*US News & World Report* reported in its *Washington Whispers* column that "House conservatives want White House Chief of Staff Andy Card to go. They claim he's too much of a compromiser."

The dilemma for Bush is steering a safe, moderate course. ❖

## TICKER T A P E

the House appears to be wide open, which means Fort Wayne legislator Win Moses Jr. could still climb into the post (Fort Wayne Journal Gazette). It was largely believed that Rep. B. Patrick Bauer, D-South Bend, was building his alliance for speaker by putting promises in the special session's tax bill. But after the Senate virtually gutted Bauer's bill and he was forced by Gov. Frank O'Bannon and House leadership to swallow the alternative, many political insiders now feel Bauer's lead in the speaker race has evaporated. An investigation into a questionable fund-raiser he held also isn't helping his chances. This momentum swing is away from Bauer and toward Moses, D-Fort Wayne, generally considered the second most powerful candidate for the position. Thank God for the Senate, Moses said, giving it credit for removing the vote-winning positions from Bauer's bill. "All the promises that were given failed, which is exactly what I expected," he said. "He's maybe even a little worse off because he promised and couldn't deliver."

**KELTY TARGETS MOSES:** Fort Wayne architect Matt Kelty, slated to challenge State Rep. Winfield Moses in HD81, said the Democrat-controlled Indiana House of

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# TICKER

## T A P E

Representatives has irresponsibly managed the state's budget over the past ten years. "Win has been in leadership as the Indiana House used up the state's multi-billion dollar surplus. They have emptied the state's saving account and have left the state broke." As for the special session, Kelty said, "The new taxes are punishing to Hoosiers, especially now, as folks in Indiana are losing their jobs at the highest rate in the U.S. Rep. Moses is a very clever politician. He will look you in the eye, smile, and suggest that everything is 'fine.' But, as Moses positions himself for a leadership position in the Statehouse, too many families across Indiana are being left behind. It is time for a change. It is time for authentic leadership, not for politics."

**GOP SLATES FIVE OTHER HOUSE RACES:** Republican caucuses last week slated Chuck Mramer in HD6 against Rep. B. Patrick Bauer. In HD30, former Kokomo Police Chief Lynn "Rudy" Rudolph challenges Rep. Ron Herrell. In HD76, Dan Hostettler, brother of U.S. Rep. John Host-ettler, will make a rematch against Rep. Jonathon Weinzapfel. In HD77, Newburgh Councilman Ken Hughes will challenge Rep. Brian Hasler.

JACKSON, ALBEY SLATED  
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## Rep. Hill faces more trade tests

By MARK SCHOEFF JR.

*The Howey Political Report*

WASHINGTON — As Rep. Baron Hill (D-9th CD) keeps making tough trade votes, the strong labor support that helped him come from behind to capture the open seat in 1998 continues to erode. The latest example came Thursday, when Hill joined 10 other House Democrats to vote in favor of sending fast track trade legislation to a House-Senate conference committee. The measure passed 216-215. At the moment that that vote was occurring, the Indiana AFL-CIO leadership was huddled in a two-hour meeting in Indianapolis about Hill. After an intense debate, Indiana labor gave Hill a "limited endorsement."

"It's a red flag that we've got something seriously wrong with his voting record," said Steve Henderson, political director of the Indiana AFL-CIO. "Baron was lucky to get that from us." The limited endorsement was a compromise, Henderson said. Hill was seen as the "lesser of two evils" in the 9th CD race. Hill's opponent is Republican business owner Mike Sodrel. In the district, Hill is backed by the New Albany Central Labor Council but not the Bloomington council. If the New Albany organization wants to do a mailing or organize volunteers for Hill, the Indianapolis headquarters must assist it. But under a limited endorsement, the state AFL-CIO will likely not help Hill in recruiting volunteers, walking the district or distributing yard signs.

The Hill campaign took a positive view of the labor decision. "It's no secret that they disagree with Baron on trade, but he has had a strong relationship with labor for 20 years," said Scott Downes, Hill's campaign manager. "He's with them on a lot of issues, and that's what this endorsement means."

Hill has a 78-percent voting record

with labor but has drawn its ire on trade. In December, he was one of 21 House Democrats who voted in favor of fast track trade authority. Under fast track, Congress can approve or reject trade pacts but cannot amend them. Labor fears that low wages in foreign countries will destroy U.S. jobs. In May, the Senate passed a different version of fast track, with more provisions to help workers hurt by trade. The bill that emerges from the House-Senate conference will likely require another vote in the House.

### Labor Trying to Change Hill

Labor is trying to change Hill's mind on the issue. "He may just give us the vote we're looking for this time," said Jerry Payne, secretary and treasurer of the Indiana AFL-CIO. In meetings with Hill, Payne has argued that U.S. sovereignty is undermined when domestic laws are challenged by foreign companies through the World Trade Organization. "Sometimes he gets mad and says, 'Jerry, you know that's not going to happen.' I know that Baron Hill is a good person and he's concerned about those things. Like me, he's very competitive. When he gets something in his head, it takes a stick of dynamite to blow it out."

Hill may not be able to use Democratic Sen. Evan Bayh for cover on trade. Bayh voted in favor of fast track in May. "This may flow into Evan Bayh," said Henderson, referring to the anger with Hill over the issue. "That was discussed for a long time" at Thursday's meeting. "We're going to define the line in the sand for all candidates and incumbents after this year's election."

Over the course of two weeks, HPR made several requests for an interview with Hill or a member of his Capitol Hill staff. No one was made available to discuss Hill's policy positions.

CONGRESS  
WATCH

Although Hill has upset labor, the business and agriculture communities call his trade positions courageous. In 2000, Hill voted in favor of granting permanent normal trade status to China. "Baron Hill, to his credit, has always voted right on trade issues," said David Lyons, head of the Washington office of Louis Dreyfus, a major commodity trader. "It is sometimes hard for a Democrat to do that because of pressure from labor unions. There are probably no more than 30 or 40 pro-trade House Democrats."

Hill's opponent also supports fast track. "I don't think we can close our borders to trade, but we need fair trade," said Sodrel, owner of a Jeffersonville truck and busing business. "As a practical matter, you can't negotiate a trade agreement with 535 members of the Congress."

## Tax Votes, Conservative Dem

But Republicans aren't giving Hill a pass because of his pro-trade orientation. "He points to that and says it shows him to be a fiscal conservative," said Sodrel. "But trade and fiscal conservatism are two entirely different issues."

Sodrel said that Hill has voted to increase business regulations and opposed President Bush's tax cut proposals. "He's pretty consistently voted against tax reductions, which makes American products less competitive overseas. Taxes and regulation are a drag on the economy."

The House recently voted to make permanent the marriage penalty deduction and the estate tax elimination that passed as part of Bush's tax cut plan a year ago. Hill voted against each measure on final passage. He voted in favor of an alternative estate tax bill that he said would give immediate tax relief to farmers and small business owners.

Hill has carved a niche for himself as a strong advocate of debt reduction. On his Web site, he posts a statement on fiscal responsibility, emphasizes his membership in the Blue Dog Coalition of conservative Democrats, and touts high

ratings from the Concord Coalition. But Hill sometimes splits with other New Democrat Hoosiers in Congress. Rep. Tim Roemer (D-3rd CD) voted in favor of making the marriage tax penalty reduction permanent. Bayh supported permanently repealing the estate tax.

## Bridges More Important

Political observers in Washington parse tax votes. But in the district, where a candidate stands on local issues is likely to draw more attention. "I'm not sure that issues like that will matter that much," said Charles Garmon, head of the Southern Indiana Chamber of Commerce, referring to the estate tax and marriage tax votes. What is important is "how well the individual is liked and how well they present a vision for our area."

A case in point is the debate over whether to build two new bridges over the Ohio River between Louisville and the 9th CD. Both Sodrel and Hill favor the bridges. "They're equal in that area, and those are the things people look for here," said Garmon.

It will take time for cutting issues to emerge, but in the meantime, the Hill-Sodrel race is too close to call. "Right now, I would say it's 50-50 which way that will go," said Garmon. "Hill hasn't really done anything to hurt himself in the eyes of business. He's known down here and he's been in the community. Mike Sodrel is well known in Clark and Floyd Counties and he's been in business down here for many years."

## Stringing Votes Together

Rep. Mark Souder (R-4th CD) said it is too early to tell whether the recent tax votes will hurt Hill. In order to mount an effective attack, Republicans would have to combine several votes into a package that damages Hill's credibility on taxes.

In addition, voting against a tax cut is not as hurtful as voting in favor of a tax hike. "Most Hoosiers are status quo people," Souder said. ❖

# TICKER T A P E

### FOR SENATE RACES:

Republicans slated Brenda Jackson of Alexandria to challenge State Sen. Tim Lanane, D-Anderson, in SD25, and Diana Albey of Warrick County to challenge State Sen. Larry Lutz, D-Evansville, in SD49.

### VAN BOKELLEN TARGETING

**CORRUPTION:** There is nothing wrong with feeding at the public trough. Just don't overeat as Lake County Auditor Peter Benjamin and County Councilman Troy Montgomery were accused of doing last week (Rich James, Gary Post-Tribune). Big Brother is watching with renewed interest. Former U.S. Attorney James Richmond started the Operation Lights Out investigation into public corruption in the 1980s. Three county commissioners, the county assessor and others went to prison. When President Clinton took office and Jon DeGuilio was named the local U.S. attorney, the crackdown on corruption slowed. With President Bush in the White House and Joseph Van Bokkelen in the U.S. attorney's office, the pendulum has swung back. "A principal effort of what I am doing here is public corruption," Van Bokkelen said. "It has come back onto the front burner." Van Bokkelen has moved swiftly. Since taking over last year, Gary city

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# TICKER

## T A P E

Clerk Katie Hall and her daughter, Junifer Hall, were indicted on public corruption charges. That was followed last week with the Benjamin and Montgomery indictments on public corruption charges. There is more on the way. "We have any number of public corruption investigations ongoing," First Assistant U.S. Attorney David Capp said last week.

**PROFESSOR SAYS LAKE COUNTY DEMOCRATS DIFFER FROM COOK COUNTY:** If Van Bokkelen is correct and public corruption is cyclical, Purdue University Calumet political science professor Maurice Eisenstein said, the people let it happen. "It is accepted as part of the government," Eisenstein said (James, Post-Tribune). "(Corruption) has become institutionalized. It is part of how you get elected, part of how you stay in power." The renewed emphasis on public corruption with a Republican in the U.S. attorney's office says something but isn't the only answer, Eisenstein said. "What the difference is is the party organization in Lake County," he said. "It is dominated by the Democratic Party that has been in control of most public offices that lend themselves to that kind of corruption. People stay until they die in office." While Eisenstein said

# Indiana 2002, 2004 Racing Form

**Governor 2004: Republican:** David McIntosh, Sen. Murray Clark, Sen. Luke Kenley, Mitch Daniels, Eric Miller, Petersburg Mayor Randy Harris. **Democrat:** Lt. Gov. Joe Kernan. **1996 Results:** O'Bannon (D) 1,075,342, Goldsmith (R) 997,505, Dillon (L) 35,261. **2000 Results:** O'Bannon (D) 1,230,345, McIntosh (R) 906,492, Horning (L) 38,686. **2004 Forecast:** Perhaps the most important man in the 2004 governor's race isn't one of the potential candidates listed above, but Senate Finance Chairman Larry Borst. What hath Larry wrought? Did he come up with a tax restructuring plan that will force the O'Bannon-Kernan administration to come back with the budget cleaver and make additional cuts that will inflict pain on Democratic core constituencies? There have already been preliminary skirmish lines established. House Speaker John Gregg is calling the deal Gov. O'Bannon signed today the "Senate Republican plan." If it flourishes by 2004, Kernan can take credit for initiating the process and helping to forge the compromise Borst wrote. By that time, Kernan can hope that his 12 regional Commerce Department offices will register some economic development successes that will help revive the LG's tarnished legacy there. If HB 1001 is a success, State Sen. Luke Kenley can claim some of the accolades for being at Borst's side when the final plan was hammered out and might be poised to take over as the budget subcommittee chair if retribution is in store for current Chairman Bob Meeks. Clark wasn't much of a factor in forging the plan and voted against it (as he did on the 2001 budget, which turned into a fiasco). If HB1001 becomes an albatross, Clark will be in a position to say, "I told you so." Ditto for McIntosh. He attempted to draw ideological lines on the matter and in doing so, angered significant parts of the GOP power elite. He could also end up in an ITYS mode. Having said all that, if Mitch Daniels doesn't make the race, keep your eyes on Eric Miller. **Status:** TOSSUP.

# HORSE RACE

## Indiana Congressional Races

**Congressional District 2: Republican:** Chris Chocola. **Democrat:** Jill Long Thompson. **Geography:** South Bend, Michigan City, Mishawaka, Elkhart, Kokomo, Plymouth, Logansport; LaPorte, St. Joseph, Starke, Marshall, Pulaski, Fulton, Cass, Carroll and parts of Howard, Porter, Elkhart and White counties. **Media Market:** South Bend-Elkhart, Indianapolis, Lafayette, Chicago. **Websites:** www.jilllongthompson.com; www.chocolaforcongress.com **2000 Result:** Roemer (D) 107,076, Chocola (R) 98,367. **2002 Forecast:** The *Elkhart Truth* reported Democrats are making a campaign issue out of Chocola's ties to a health-benefits change at a company whose board of directors he chairs. The DCCC argues the change raises questions about Chocola's pledge in recent televised campaign commercials to support expanded access to health care. Chocola charged that Democrats are trying to intentionally mislead voters about the change. Chocola is the board chairman at Milford-based CTB International Corp., a supplier of agricultural feed and storage supplies. Two years ago, CTB amended the way it calculates benefits for its 1,100 employees. Chief financial officer Don Steinhilber said the change was discussed with the CTB board, of which Chocola is chairman. CTB shifted \$909,000 in medical and dental benefits to "limit eligibility to retirees currently eligible for the benefits and current employees that meet certain eligibility requirements," according to CTB's 2001 annual report. Rep. Mark Souder has lost a member of his staff to Chocola's campaign. Stephanie Hartzell, who was Souder's campaign coordinator in the new 3rd CD, will work on coalition building in South Bend for Chocola. As long as Souder doesn't get a significant challenge in his race, he will cede Elkhart fundraising to Chocola. "I'll continue to circulate in Elkhart (County) but only do a minimum hard fundraising effort in Elkhart." He'll also stay off of television in South Bend. Souder will run a "sustenance campaign" and tell his base to get behind Chocola. "My pitch to my supporters is to keep me in the majority" by helping Chocola, Souder said. Thompson began an 11-day walking tour of the district. **Status:** Tossup.

**Congressional District 6: Republican:** U.S. Rep. Mike Pence. **Democrat:**

Melina Ann Fox. **Geography:** Anderson, Muncie, Richmond; Wells, Adams, Blackford, Jay, Madison, Delaware, Randolph, Henry, Wayne, Rush, Fayette, Union, Decatur, Franklin, and parts of Bartholomew, Shelby, Johnson and Allen counties. **Media Market:** Indianapolis, Fort Wayne, Dayton, Cincinnati. **Websites:** www.foxforcongress.com; mikepence.house.gov/ **2000 results:** Pence (R) 106,023, Rock (D) 80,885, Frazier (I) 19,070. **2002 Forecast:** Pence said after the passage early today of the Medicare Modernization and Prescription Drug Act of 2002, "I am proud to join a majority of my colleagues in supporting H.R. 4954...This bill protects Hoosier seniors from having to choose between putting food on their tables and buying the prescription drugs they need. Forcing seniors in our prosperous nation to make such a choice is morally wrong. America is better than that, and Americans have the right to expect better than that from their government. By passing the Medicare Modernization and Prescription Drug Act today, we correct an historic oversight by adding a prescription drug benefit to Medicare. As a fiscal conservative, I believe this is a bill of which Americans can be proud. H.R. 4954 provides an affordable, responsible prescription drug benefit to our neediest seniors without threatening Social Security." Fox said, "There's a clear difference between the generous benefits the Democratic plan would give to our senior citizens and the meager plan the Republicans have in mind. What's at stake here is serving the needs of Americans first rather than building higher profits for insurance companies and pharmaceutical makers."

**Status:** *Leans Pence.*

**Congressional District 7: Republican:** Brose McVey. **Democrat:** U.S. Rep. Julia

Carson. **Libertarian:** Andy Horning. **Geography:** Indianapolis. **Media Market:** Indianapolis. **Websites:** www.juliacarson.house.gov; www.broseforcongress.org **2000 Results:** Carson (D) 91,300, Scott (R) 61,818, Ali (L) 2,513. **2002 Forecast:** Energy Secretary Spencer Abraham headlined a fundraiser for McVey on June 20 in Washington. Abraham and McVey are both alumni of former Vice President Dan Quayle's staff. "We only have a limited number of races where we have a shot to take out an incumbent. We think this is a great one," Abraham said in an address at the event, which probably raised between \$20,000 and \$25,000 for McVey's race against incumbent Democrat Julia Carson. McVey said he hopes to show \$200,000 on hand and \$400,000 raised on his June 30 FEC filing. He told the gathering that his campaign is trying to maintain its momentum during the "dog days of summer." His biggest challenge right now is to convince his hometown he can win. "I'm trying to break down the pessimism among Republicans in Indianapolis who think we're going to be sucked up by her turnout machine." McVey estimates that there are 80,000 voters in the new 7th who supported President Bush in 2000. He needs to get 65,000 of them to vote for him to win. Rep. Don Sherwood of Pennsylvania, a member of the House campaign organization's executive committee who attended McVey's event, said the GOP should improve its election record in Indianapolis. "That's a place where we should do better than we have, and Brose McVey is person to do it," he said. **Status:** *Leans Carson.*

**Congressional District 9: Republican:** Mike Sodrel. **Democrat:** U.S. Rep.

Baron Hill. **Geography:** Bloomington, Columbus, Lawrenceburg, Rising Sun, New Albany Jeffersonville, Madison, Nashville; Spencer, DuBois, Orange, Crawford, Perry, Harrison, Washington, Jackson, Brown, Jennings, Scott, Floyd, Clark, Jefferson, Switzerland, Ripley, Ohio, and parts of Dearborn and Monroe counties. **Media Market:** Evansville, Indianapolis, Louisville, Dayton, Cincinnati. **Websites:** www.house.gov/baronhill/, www.mikesodrel.com **1994 results:** Hamilton 91,459 (D), Leising (R) 84,315. **1996 Results:** Hamilton (D) 128,885, Leising (R) 97,747, Feeney (L) 2,315. **1998 Results:** Hill (D) 92,477, Leising (R) 87,278, Feeney (L) 2,397. **2000 Results:** Hill 125,978, Bailey (R) 101,790, Chambers (L) 4,634. **2002 Forecast:** U.S. Rep. Mark Souder anticipates a tight race in the 9th, which has gained Bloomington but lost some Republican-trending Cincinnati suburbs to the new 6th. The district voted for Bush in 2000. "Baron's a terrific campaigner. He's going to have other things (to blunt the tax attacks) in his arsenal because he's a street fighter," said Souder. "Both sides have strong candidates." **Status:** *Leans D.*

- Brian A. Howey ❖

# TICKER

## T A P E

Chicago Democrats aren't immune from corruption, there is also a commitment to making the city work. "There is not that kind of commitment here," he said. What particularly bothers Eisenstein about public corruption in Lake County is the economic impact. "It has so permeated this county, it is the largest block to economic development," Eisenstein said. "Corruption has kept businesses out of here."

VERN N' CHARLIE SHOW: -- Two state representatives arrested during a traffic stop two weeks ago are claiming immunity from prosecution because the Indiana General Assembly was in special session at the time. Reps. Vernon Smith and Charlie Brown, both Gary Democrats, said state law provides immunity for legislators "in all cases except treason, felony, and breach of the peace." Police Chief Garnett Watson later apologized and returned the two men to their cars. "I knew this was coming because I know the law," Watson said Friday, referring to the legislators' claim of immunity. "After 30 years as a policeman and having to deal with State Police who often deal with legislators on I-65, I've heard plenty of stories," he told the Post-Tribune of Merrillville.

PETERSON TO PUT UNITED

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# TICKER T A P E

**FINES INTO LIFE SCIENCES:** Mayor Bart Peterson is cashing in on broken promises. He announced today that \$1 million from the city's share of a United Airlines penalty settlement will go to the Central Indiana Life Sciences Initiative, an umbrella group of universities, government and business formed to improve collaboration and create jobs.

**GRIM FORECLOSURE NUMBERS IN LAKE, PORTER COUNTIES:** Lake County sheriff's sales — property sold by court order to collect payments to creditors — rose from 457 in 1995 to 1,225 in 2001 (Gary Post-Tribune). In Porter County those same years, the number jumped from 64 to 242. ❖

**HPR's Holiday Schedule:**  
No HPR Daily Wires from July 4-7 (unless events warrant coverage. Next HPR Weekly edition will be published on July 18

# COLUMNISTS ON INDIANA

**Jack Colwell, *South Bend Tribune***— Most Hoosiers tuned out the long debate in a regular and then special legislative session over complicated tax restructuring. Now, something with impact on them has passed. And many a question arises over what the legislature did. **Q.** Are we better off with restructuring than we would have been without it? **A.** Much better off in most cases. Doing nothing could have hurt the state and most of its citizens. **Q.** You mean it's good in the view of the wild-eyed tax-and-spenders? **A.** Not unless you put in that category Senate President Pro Tem Bob Garton, a Republican outspoken in opposition to tax hikes just for more revenue for spending, and long-time Republican fiscal guru Larry Borst, the Senate Finance Committee chairman. Both were euphoric about the outcome. Garton even praised senators for having the courage to vote for tax increases in an election year. **Q.** Why were they so happy about the tax increases? **A.** Because most of the revenue from the increases is channeled into lowering other taxes. That's what restructuring is all about. Property taxes that were expected to skyrocket with court-ordered reassessment will instead decrease by an estimated average of 13 percent. Two taxes hated by business and said to hurt the state's economic development efforts will be phased out. They are the corporate gross income tax and the inventory tax. Business also benefits from the property tax cuts. Thus, Chamber of Commerce types say these changes will mean job creation and be good for the entire state. **Q.** Are they right? **A.** Well, don't look for a booming Indiana economy right away. The national economy has to improve first. Then, slowly, not immediately, the more favorable business tax climate could help in competition with other states for new developments. **Q.** Which party do I praise if I like this restructur-

ing? Which party do I blame if I don't? **A.** Good luck in figuring that out. The compromise restructuring had bipartisan backing -- which was always going to be needed for passage of any plan. Republicans strongly supported it in the Republican-controlled Senate. Democrats strongly supported it in the Democratic-controlled House. ❖

**Lesley Stedman, *Louisville Courier-Journal*** — Never has the difference between the Indiana House and Senate been clearer than it was last weekend, as legislators debated and eventually passed a sweeping tax increase and restructuring bill. In the Republican-controlled Senate, the discussion was thoughtful and intellectual. Senators seemed proud of the bill, even though it raises sales, cigarette and gas taxes. They predicted it would spark momentous changes in the state's economy that could best be evaluated in 10 to 20 years. In the House, representatives appeared frustrated and resigned. They felt little pride in a bill that raised taxes. Those who opposed the bill did so vehemently. Those who supported it generally did so with little enthusiasm. The difference was striking, but it was not surprising. The primary reason for the disparities lies not in the political parties that control each chamber or the differences in the members' lengths of terms (a House term is two years, a Senate term is four), although both play some role. Instead, the key difference is rooted in the degree of confidence the members have in their own seats and in the roles of their parties. In the Senate, Republicans control with an enormous 32-18 majority. That's not going to change anytime soon. In the House, Democrats enjoy a tenuous 53-47 majority. That could change after the November election. ❖