The Howey Political Report

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"QUOTE" OF THE WEEK

"The failures described and elaborated on at the hearing represent the cumulative results of dereliction of duty in every branch of county, city and state government."

- Judge Sarah Evans Barker

Angry Hoosiers begin their venting

Are the wolves at the door?

By BRIAN A. HOWEY in Indianapolis

The natives are restless. Angry, honked, ticked and pissed off. And the "wolves" are at the door.

It was in full evidence on primetime television in Indianapolis when 300 people packed a Butler University auditorium Tuesday to vent on skyrocketing property taxes. Another 700 angry people showed up at Broad Ripple High School Wednesday night to vociferously complain.

More than 100 showed up in Fort Wayne Tuesday night to give Mayor Graham Richard's administration an earful over its performance during last week's flooding. Fifty gathered in Muncie to press Mayor Dan Canan on renaming Broadway after Dr. Martin Luther King Jr. And there was a "stormy" city council meeting in Sellersburg over a myriad of issues and a lack of money.

While we saw waves of national discontent sweep the Hoosier state with resounding change in 1980 and 1994, what we are witnessing today is a localized version and the possible beginning of a tidal wave that may not be fully organized until mortgage companies begin folding the increased property tax escrows into house payments, probably next winter.

That puts ground zero for a uniquely Hoosier tsunami in 2004. And it appears that the seeds of discontent will not be limited to Indianapolis, Bloomington and Evansville. Gary Mayor Scott King, South Bend Mayor Stephen Luecke, and Lafayette Mayor Dave Heath all are girding for similar news. "It's going to be more bad news than good," King said on Monday. "We're going to be facing a double whammy in a shift to individual property and the depreciation." Heath

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BORST CALLS FOR HEAR-ING ON PROPERTY TAXES: Senate Finance Chairman Lawrence Borst announced that the Commission on State Tax and Financing Policy will meet August 6 at 10 a.m. in the Senate Finance Room 431 of the Statehouse (HPR), Borst, who is chair of the commission, and committee members will hear a report from finance officials on the progress of reassessment and analysis of individual property tax bills. "The public is welcome to attend," said Borst. "I encourage homeowners who would like to hear more on the status of property taxes around the state to come." The meeting will feature an analysis by the Legislative Services Agency, the Indiana Department of Local **Government Finance** Commissioner Beth Henkle. and Lawrence Township Assessor Paul Ricketts.

TOP BUSH OFFICIALS WERE WARNED OF 911 HIJACKINGS, ROEMER SAYS: A long-awaited final report on the Sept. 11, 2001, attacks will be released in the next two weeks, containing new information about U.S. government mistakes and Saudi financing of terrorists (Miami Herald). Former Rep. Tim Roemer, who served on the House Intelligence Committee and who has read the report,

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said of Lafayette, "My guess is we'll see the same thing as Indianapolis and Evansville: Older homes in our downtown will see significant increases." South Bend's Luecke was asked if he would see big increases. "Yes, that's my fear all along. The legislature tried to mitigate the impact and never had a full comprehension of what it was really about."

And the response of legislators? Almost comic. "We really did about all you can do," House Speaker B. Patrick Bauer said of last year's tax restructuring (Kevin Corcoran, *Indianapolis Star*).

At the *Star*/WTHR town meeting at Butler, the 300 in attendance and thousands of other viewers were greeted with clenched-jawed, arms-folded Senate Finance Chairman Larry Borst, who looked as if he was about to explode. "A year ago I didn't know there would be a \$280 million error on the homestead exemptions. I didn't know local units of government would increase taxes \$141 million," said Borst, who's son is president of the City-County Council. "I, for one, will explore capping local government expenditures, including schools."

The problem with that is that local units of government are under the financial gun for a myriad of payments on decisions delayed for decades, such as police and fire pensions, combined sewer overflows, deteriorating bridges, and overcrowded jails. They are on the hook for increased homeland security.

Indiana schools will face funding crises on two fronts, one thanks to President Bush's No Child Left Behind standards that are expected to flunk a majority of Indiana school corporations for a second year (a third-year failure triggers an unprecedented round of school choice and transportation costs). The second comes from an action Borst is responsible for himself this year: The termination of state transportation subsidies.

The *Post-Tribune* reported that scores of Northwest Indiana school districts are trying to figure out how to pick

up the busing costs. "The result will leave some districts passing on the loss of revenue to local taxpayers or charging students transportation fees," reported the *Post-Tribune*. Crown Point will lose about \$340,000; Hanover Central about \$200,000, or 40 percent, of its transportation budget; the Duneland school district is preparing for a \$140,000 loss. That is a story that will be repeated across the state in the next few months. Imagine the reaction if schools either raise taxes further or charge families for riding the bus?

Bulldogs & Baby Ball Pythons

Viewers of the *Star*/13's town hall meeting watched a crowd of eye-rolling, hooting property taxpayers who have rudely discovered the problems with Borst's historic tax restructuring effort. In between segments, WTHR showed images of Butler's mascot, a growling Bulldog, and commercials featuring the sale of "baby ball pythons."

Some in the audience could probably have envisioned a politician or two being swallowed by the snake. They grumbled at Marion County Auditor Marty Womacks, who began her statement by saying, "Assessing is not my business...." She instructed taxpayers to seek appeal "forms on the 11th floor."

Indianapolis Mayor Bart Peterson reiterated his call for a special session of the legislature to extend deadlines and waive penalties. Borst responded that "he does have a point" and then passed the ball to Beth Henkel, commissioner of the Indiana Department of Local Finance. "He can do it," Borst said. "Ask Beth Henkel."

Henkel began, "I've been talking to the governor ..."

The crowd began yelling again. "Where is the governor?" a chorus of angry voices asked.

In between taxpayer segments, WTHR presented a report on Joe Gomeztagle, the Lake County homeowners who set off the tax crisis with lawsuits Page 3 of 8 Thursday, July 17, 2003

claiming an unfair system. In his newsletter to constituents, Borst pins the blame for the crisis on Gomeztagle. In his WTHR interview, Gomeztagle acknowledged the anger of those who had paid small taxes, only to be followed by huge increases. "Of course you're going to be angry," he said, "but let's look at the people who's taxes have dropped." And he threw a barb at the General Assembly. "They ignored what I told them, which was minimize assessment by starting out slowly."

Borst expressed great candor after the June 2002 special session when he predicted that older homes were going to "get whacked."

Few in the news media, government or homeowners really understood what he meant. But what is crystallizing now in Indianapolis, Bloomington and Evansville is that at a time when cities are seeking to revitalize older neighborhoods, the new tax schemes now expected to spread across the state will damage such efforts.

Perhaps the most chilling aspect for Indianapolis officials were the homeowners in places such as Meridian-Kessler and Butler-Tarkington who are vowing to sell and "move out to the suburbs."

One woman said she had to have an "incentive" to buy her older home in Meridian-Kessler. That talk had to conjure bad memories of the white flight of the 1960s and '70s once Richard Lugar's Shortridge Plan (for voluntary desegregation) was rescinded only be be followed by federal Judge S. Hugh Dillin's busing order. Indianapolis Public Schools saw enrollments of 110,000 decline to 40,000 over the following generation while people fled to the doughnut.

Other residents talked of the heavy maintenance costs of the older homes as well as the need to pay tuition rather than send their children to public schools. In one of the more forceful presentations, State Sen. Teresa Lubbers took up the question of whether the situation was

"fair" and said, "It isn't." She urged the adoption of "cost of maintenance deductions" and "education tax credits" for tuition-paying families and warned of the "hollowing out of our cities."

The Blame Game

Who's to blame for all of this?
Gov. Frank O'Bannon and legislative leaders such as Sen. Borst are at the top of the list. They are the two most powerful men in Indiana government.

O'Bannon had an election mandate coming off of 1996 to follow up on a campaign promise to restructure, but in 1997 he failed to use that capital. In 1998 the excuse was an election year. In 1999, he was preparing for his re-election campaign of 2000. The historic opportunities lost there were economically great, expansive times.

When the economic curtain descended between the booming first O'Bannon administration and the woeful second, Indiana had squandered its opportunity to not only restructure its economy for the next century, but had legislators and the governor acted in 1997-99, they could have mitigated the coming impacts of a recession (which was officially short) and the Age of Terror, bringing vast new unfunded mandates. In those days, then-House Speaker John Gregg told HPR, "The wolves aren't at the door. When the wolves are at the door, we'll act."

Borst didn't want to act until February 2002; Senate President Bob Garton until late May 2002 (and only after a series of dismal state revenue reports). They were the last to "get it." O'Bannon became the "facilitator" governor.

The O'Bannon/Garton/Borst delays, taken in the context of the late, late banking reforms of 1986 that gutted Indiana's ability to access capital, are the twin crippling lost economic opportunities.

On Tuesday night live on primetime TV, Sen. Borst may have finally seen and heard the wolves at his door. •

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said it will be "highly explosive" when it becomes public. "It's compelling and galvanizing and will refocus the public's attention on Sept. 11," predicted Roemer, an Indiana Democrat. "Certain mistakes, errors and gaps in the system will be made clear." The report will show that top Bush administration officials were warned in the summer of 2001 that the al Qaeda terrorist network had plans to hijack aircraft and launch a "spectacular attack."

PRESIDENT BUSH COMING TO INDIANAPOLIS IN SEP-TEMBER: As HPR reported last Thursday, President Bush is coming back to Indianapolis -- but this time there will be no free tickets. A \$2,000-per-person event. the maximum allowed under the new federal campaign finance law, is scheduled for Sept. 5 to help boost the president toward his 2004 re-election campaign (Mary Beth Schneider, Indianapolis Star).

HILLENBRAND CHOSEN FOR STATE GRACE COM-MISSION: Business leaders John Hillenbrand, Bates-ville, and James Baker, Columbus, were appointed Wednesday to lead a Hoosier "Grace Commission" that will look for ways to cut waste in state government (Indianapolis Star).

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The 22-member Government Efficiency Commission. handpicked by legislative leaders, will begin meeting after the entire panel is appointed Aug. 16. House Republicans pushed for the commission to be included in the two-year, \$22.8 billion budget law that took effect July 1. "I'm very pleased with the integrity and history of the people who've been appointed to lead this commission," said House Minority Leader Brian Bosma, R-Indianapolis. "I'm not certain any state has done a legislatively led review of state government expenditures at this level."

HOSTETTLER'S MATRICU-LAR CARD BILL PASSES: **Democrats and Hispanic** lawmakers Wednesday criticized House approval of a Republican-sponsored measure that authorizes regulation of a Mexican ID card used by its citizens in the United States to open bank accounts and for other purposes (Associated Press). Minority Leader Nancy Pelosi, D-Calif. called the Republican-sponsored measure anti-Hispanic. One of the measure's sponsors, Rep. John Hostettler, R-Ind., cited recent testimony by the FBI in a House hearing that the cards are vulnerable to fraud as reason for the measure. Lawmakers approved the provision 226-198, with 21 Republicans voting against and 23 Democrats voting for the

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Curious methods of Chairs Hogsett, Kittle

By BRIAN A. HOWEY

An out-state reporter asked the other day, "Who's the communications director for the Indiana Democrats?"

I responded, "I dunno."

You'd think the publisher of *The Howey Political Report* would know, but I had to look it up. Sheri Miller is the name attached to press releases. And those press releases on the Indiana Democratic Party website? It's all process stuff concerning the gubernatorial straw poll and national convention delegate selections.

There's nothing about Mitch Daniels and the \$450 billion federal deficits. No defense of Gov. Frank O'Bannon.

At the Jefferson-Jackson Day dinner, Democratic Chairman Joe Hogsett talked of his "lean and mean" operation. And lean it is. There are currently eight paid Democratic staffers, compared to the Indiana Republicans tripling of that. Here's further perspective, the Indiana GOP has four full-time staff members in its communications office.

One Democratic Central Committee member fretted, "We're getting our 'nads cut off. Kittle is writing op-eds and sending teams across the state for town hall meetings and we are silent."

Simply put, the Indiana
Democratic Party is in a shake-down
Bayh/Hogsett secretary of state mode.
Lean, but not so mean. There is no message at a time when a public policy meltdown is under way while the cities and the prairies are lighting up with anger. It's a far cry from the Winston/Manous days when "Straight Talk" press releases flowed almost daily and the HQ bustled with coordinated campaigns while launching field operations.

A few blocks east at Indiana Republican headquarters, the situation isn't one of lack of message, but of chairmanship neutrality. During the past decade, party chairs tended to avoid primary battles like the flu. Republican Chairman Jim Kittle Jr. couldn't contain his zeal for the Mitch Daniels gubernatorial candidacy, to the point where he will be a huge lame duck of Daniels doesn't prevail next May.

But the case of Johnson County Councilman Brent Waltz's challenge to Senate Finance Chairman Larry Borst is curious. Kittle, who ascended to office as an agent of change and "world class" government, has become a vocal defender of the status quo. In a story by the *Johnson County Daily Journal's* Bryan Corbin, Borst emerges as Kittle's "mentor."

"With the reputation (Borst) has developed, I would not want to be the person running against him," Kittle said. "I'm not saying this guy (Waltz) may not be a great guy, but I would not want to run in Larry's district against Larry."

And Borst's record shaping Indiana's moribund economy? "He obviously has done a very credible job," Kittle said. "Quite frankly, older homes were traditionally undertaxed; there was no way taxes would go down."

Oh, really? How about consumption taxes? Or doing away with townships? Or encouraging greater efficiencies by combining city and county functions?

Said Kittle, "I think Larry (Borst) came as close to making lemonade out of lemons as you could." If elected to a 10th four-year term, Borst would be 81 years old. Borst has said he is in excellent health. "He's sharper today than he was then. Part of that is the wisdom you get with age," Kittle said. "He is one of the most competent guys ever; forget his age."

And Kittle noted, "If the young man (Waltz) happened to win, he would be No. 32 in the Senate pecking order. Even if the guy was fantastic for what he was able to do for the constituents of District 36, compared to Larry, it is not comparable." *

Hoosiers being patient on WMD

By BRIAN A. HOWEY

INDIANAPOLIS - While there is a state dynamic in play that could produce a seismic political wave either in 2003 or 2004, there is also the potential for a national wave as well.

On Wednesday, Central Command chief Gen. John Abizaid, who commands U.S. forces in Iraq, said a guerrilla war is exactly what U.S. troops are confronting.

"It think describing it as guerrilla tactics being employed against us is, you know, a proper thing to describe in strictly military terms," Abizaid said.

Early this week Capitol Hill Democrats were stirring over the lack of weapons of mass destruction and White House admission (and subsequent pullback) over the faked Niger diplomatic papers suggesting Saddam's pursuit of nuclear weapons components.

The Kokomo Tribune's Brad Johnston localized the story, reporting on Wednesday: The now infamous "16 words" of President Bush's Jan. 28 State of the Union Address were still striking sparks in the nation's capital Monday, despite clear indications the White House has no interest in pursuing the embarrassing matter further. But that much-disputed sentence, "... Saddam Hussein recently sought significant quantities of uranium from Africa" may be the proverbial tip of an iceberg of questions for some Hoosier voters polled Monday, revealing yet-unanswered questions about the President's rationale for war with Iraq. "I just keep asking the same question -- where is the evidence that Iraq had weapons of mass destruction," said Travis Hutchins, one of a dozen residents interviewed at Markland Mall Monday. "I take the allegations that Bush lied very seriously," he said.

For the most part, however, Hoosiers and their politicians appear to be in a wait-and-see mode. Virtually no Indiana Members of Congress weighed in on the Iraq situation. They were consumed with lobbying the White House and announcing disaster aid after some of the worst flooding in the state since 1913.

The notable exception was U.S. Rep. Mike Pence, who defended President Bush on the House floor and on Fox News Tuesday night.

"As Director George Tenet of the Central Intelligence Agency comes to the Hill today, the debate will go on between whether U.S. intelligence agreed with the intelligence of our honored and treasured ally, Great Britain, over a particular transaction for enriched uranium in Africa," Pence began. "But there is no debate, Mr. Speaker, that Iraq had a nuclear weapons program that spanned nearly three decades. Iraqi Scientist Khidhir Hamza told U.S. officials after he fled Iraq in 1994 that he helped train a cadre of young scientists who would be capable of resuming Iraq's atomic weapons program as soon as the UN cut back inspections."

Pence continued, "He said the program was personally directed by Saddam Hussein since its inception three decades earlier, and was aided and abetted by technology transfers from many western nations. And just two weeks ago, Madye Obedai led U.S. forces in Baghdad to dig up shrubbery in his backyard and find sophisticated parts and documents to support Saddam Hussein's nuclear weapons program. While we debate agreements between intelligence agencies, let us remember, Mr. Speaker, about which there is no debate. Saddam Hussein had a 30-year nuclear weapons program."

U.S. Sen. Evan Bayh was also taking a wait and see attitude. Talking to CNN's Wolf Blitzer during a Wednesday Senate Intelligence hearing with CIA Director George Tenet, Bayh said, "He's basically said 'mistakes were made and I take responsibility for that mistake.' We have to get down to the bottom of what happened."

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measure Tuesday evening. The amendment is to a bill authorizing State Department and foreign aid programs. A vote on the larger bill was expected Wednesday. The measure is another strike at the identification card, or matricula consular, that is issued by the Mexican government to its citizens living in the **United States. For Mexicans** in the country illegally, it has been a way to have identification in the event they are victims of crimes. to get driver's licenses in some cities, open bank accounts and send money home. Police have found them useful when arresting some illegal immigrants, because foreigners have a right to speak with their consulate when arrested.

DISCIPLINARY COMMIS-SION DROPS WEINZAPFEL **CASE: The Disciplinary** Commission of the Indiana Supreme Court has thrown out an ethics complaint filed against state Rep. Jonathan Weinzapfel (Evansville Courier & Press). Steven Sweet, a contractor on the New Harmony Bridge proiect, filed a complaint against Weinzapfel claiming the lawmaker entered into a conflict of interest because Bowers Harrison LLP, the law firm where Weinzapfel works, represented the contractor in a lawsuit against the bridge commission. At the same time, Sweet

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alleged, Weinzapfel lobbied for support of the bridge as a legislator. But a July 9 letter signed by Dennis McKinney, the disciplinary commission's staff attorney. states that Bowers Harrison LLP petitioned to guit representing Sweet on May 9, 2001. Weinzapfel's first news releases about the bridge are from November 2001. "If Mr. Weinzapfel's support for the Bridge Commission materially limited his law firm's representation of you in your litigation, then his firm should have withdrawn from representing you," McKinney wrote. "The firm attempted to withdraw long before the events you have identified as creating the conflict in interests and so the firm did all they should have under the circumstances."

CROWN POINT GOP CHAIR-MAN RESIGNS: One day after Peter Roth stepped down as party chairman, **Crown Point Republicans** passed a resolution to show support for him and express their anger over his forced resignation (Post-Tribune). But the non-binding measure, approved by a 26-0 vote, is not swaying Lake County Republican Party Chairman John Curley. Curley, who has the power to appoint and replace any city chairman, is moving ahead with plans to find Roth's replacement by Aug. 1. "It is my goal to unite the

2003 Racing Form 2003 Indiana Mayoral Races

East Chicago Mayoral: Republican: None. Democrat: Mayor Robert Pastrick, Councilman George Pabey. 1999 Primary Results: Pastrick 5,772, Stephen Stiglich 3,790. 1999 General Results: Pastrick (D) 3,027, Acost (R) 629. 2003 Forecast: A trial date for the East Chicago recount has been set for June 22. The key point is that Judge Steve King of LaPorte County has been making rulings that will allow Pabey to present more evidence of fraud. The Post-Tribune reported Wednesday, "Another King ruling Tuesday gives Pabey an opportunity to look for more ammunition in his mayoral quest. At issue are hundreds of absentee ballots that helped build a 200-vote margin for Pastrick, who otherwise lost to Pabey at the polls. Pastrick wanted the challenge of absentee votes dismissed, arguing Pabey missed state filing deadlines. But King ruled it will go on, giving Pastrick his most serious post-primary challenge ever."

In a small Indiana Harbor neighborhood, 192 residents voted by absentee ballot in the East

Chicago May primary. That's more than all of the absentee votes cast in the entire city of Lafayette (Michael Puente, *Post-Tribune*). And more than any other neighborhood in Lake County. The state average for absentee ballot

HORSE RACE

voting is 7 percent. Both <u>precincts in question are headed by influential loyalists to Mayor Robert Pastrick</u>, park superintendent Jose Valdez in 4-1 and City Councilman Levones Tolbert in 6-2. **General Status:** *Solid Pastrick*.

Fort Wayne Mayoral: Republican: Linda Buskirk. Democrat: Mayor Graham Richard. 1995 Results: Helmke 21,909, Essex (D) 11,033, Kempf (L) 1,029. 1999 Results: Richard (D) 21,607, Buskirk (R) 21,531. 2003 Forecast: Fort Wayne city officials lacked experience in dealing with the raging floodwaters of the St. Marys River last week, but responded the best they could, Mayor Richard told more than 100 residents wanting answers Tuesday (Kenya Woodard, Fort Wayne Journal Gazette). Southwest Fort Wayne residents packed a meeting at Congregation Achduth Vesholom, demanding answers to what they called the city's lack of preparation and why they weren't warned of the flood ahead of time. Richard and other city officials came armed with flood maps, cleanup and financial information and disaster kits to hand out to residents, but sometimes found it difficult to get a word in edgewise. When attempting to give a quick lesson on the direction of the river's flow to respond to questions about why the city didn't give a warning that the St. Marys might overflow, city flood control coordinator Kim Schieferstein was drowned out with groans and outbursts. "We know which way it flows - we live next to it!" a resident shouted. "They think we're stupid," another said. City officials had never dealt with the St. Marys River overflowing to this extent during previous floods but did the best they could given the situation, Richard said. "The amount of rain came so quickly," he said. "I don't think anyone was able to see ahead of the time the magnitude of the rain." We see a shift in flow of this race. General Status: LEANS BUSKIRK.

Indianapolis Mayoral: Republican: Treasurer Greg Jordan. Democrat: Mayor Bart Peterson. 1995 Results: Goldsmith (R) 64,209, Jimison (D) 39,539, Dillon (L) 7,175. 1999 Results: Peterson (D) 102,870, Gilroy (R) 83,044, Horning (L) 7,772, Gibson (OP) 2,145. 2003 Forecast: WISH-TV poll conducted by IU's Dr. Brian Vargus (400 likely, +/-5%) gives Peterson a 54-9 percent lead over Jordan. Peterson has a 71 percent approval rating. Another 17 percent said they would be willing to change their vote over the property tax crisis. Peterson has called for a special session of the General Assembly to extend deadlines and waive fines. Jordan gave perhaps his strongest performance to date at the Star/WTHR town hall meeting televised Tuesday night, declaring in his final comments, "Local government is the problem." He repeated the line again at Broad Ripple HS on Wednesday before 700 angry citizens. It's an interesting tactic from Jordan, because while his target is Peterson, it also includes the Republican-controlled City-County Council. That attack on Peterson will probably not be enough to unset him,

but could it <u>undermine a couple of Council Republicans?</u> Peterson said he wasn't invited and didn't attend. As we've observed before, <u>Peterson doesn't appear to be in any great danger</u> despite the unprecedented events swirling about him. Jordan seems to be out of his league, though his campaign appears to be beginning to bring in <u>credible reinforcements</u>, such as Dollyne Sherman to handle media inquiries. **General Status:** *Likely Peterson*.

Indiana 2004Gubernatorial

Governor 2004: Republican: Mitch Daniels, David McIntosh, Eric Miller, Petersburg Mayor Randy Harris. Democrat: Joe Andrew, State Sen. Vi Simpson. 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: A WISH-TV poll on name ID of the contenders wasn't surprising. It showed Simpson with a 30-17 percent edge over Andrew. On the Republican side, McIntosh was known to 74 percent, compared to only 42 percent for Daniels and 13 percent for Miller. Again, no big surprise because of McIntosh's almost \$15 million in paid name ID since 1994, compared to Daniels' three-year stint as White House budget director and no paid marketing. In a "Letter from Mitch" e-mail to supporters and news media, Daniels announced several Southern Indiana endorsements from mayors and legislators. "Just finishing three jam-packed days in Southern, IN.," Daniels wrote on Friday (HPR). "Great receptions and lots of fun everywhere we stopped. Especially gratifying was the string of new endorsements from the most respected Republican leaders at each port of call: <u>Batesville Mayor Bill Abplanalp</u>, <u>Ripley County</u> Chairman Kenneth Copeland, Rep. Cleo Duncan, Scottsburg Mayor Bill Graham, Sen. Johnny Nugent and Scott County Chairman Lincoln Taylor just to name a few." Daniels added, "At each stage, we ran into a reaction of happy surprise that we had come to town (usually including debates about how many elections since a candidate for governor had been anywhere nearby) and that we were staying awhile." That is Daniels response to a chief criticism of 1996 GOP nominee Stephen Goldsmith, who often showed up late and left early. Perhaps the most interesting development from Daniels was his willingness to be "open" in bringing the I-69 issue back up for discussion (Lesley Stedman, Louisville Courier-Journal). "I know there are deep feelings on both sides," he said. He said a decision of that magnitude will have to be made on "hard dollars and cents for where we get the most public benefit for the most people." Dan Coats says he has no intention of running for governor of Indiana (James Wensits, South Bend Tribune). Coats, who is ambassador to Germany, said in a Monday telephone interview from Berlin that he has definitely decided not to run for the Republican gubernatorial nomination. In fact, Coats said, he would have considered that move only if Daniels had decided not to seek the nomination." McIntosh didn't get to speak, but he maintained a conspicuous position at the Star/13 town hall meeting on property taxes. McIntosh aroused anger during the 2002 special session and the Indiana Republican Convention by opposing the tax plan. In retrospect, that move is looking better and better with time. Co-hosts of the July 22 Washington reception for McIntosh by Maryland Gov. Bob Ehrlich include Reps. Mark Souder and Mike Pence, and Sens. Don Nickles, Mike Crapo, Conrad Burns and Trent Lott. Gary Mayor Scott King told HPR that he is in no hurry to make a gubernatorial endorsement. "I'm sitting back," he said. "I want to hear some public policy. I've broken bread with Vi and I've broken bread with Joe. Now it's time to start talking policy. A bullet was dodged with the reorganization of the steel industry, but we're still losing jobs." King appeared with Simpson earlier this year and lauded her efforts to help with funding for the Chicago-Gary Airport. The Andrew campaign spent the week preparing for the IDEA straw poll at French Lick. General Status: Tossup.

U.S. Senate: Republican: Marvin Scott. **Democrat:** U.S. Sen. Evan Bayh. **1992 Results:** Coats (R) 1,267,972, Hogsett (D) 900,148. **1998 Results:** Bayh (D) 1,012,244, Helmke (R) 552,732. **2004 Forecast:** Scott names Todd Tolson as his campaign manager. **Status:** *Solid D.*- Brian A. Howey, in Indianapolis ❖

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party as a whole and elect the entire Republican ticket in November," Curley wrote in a letter to city Republicans. Roth, the husband of City Council member Pamela Roth, submitted his resignation this week after Curley raised questions about his political loyalties.

JENNINGS REPORTS BIG MONEY: More than a year before the 2004 general election, a Newburgh man has already raised more than \$100,000 in an effort to unseat five-term U.S. Rep. John Hostettler in Indiana's 8th District (Evansville Courier & Press). Jon Jennings, a collegiate scout for the Boston Celtics. amassed \$77,133 in contributions between April 1 and June 30, part of \$101,751 he has garnered so far, according to financial reports filed with the Federal Election Commission. Hostettler, a Republican who has repeatedly been a financial underdog because of his refusal to accept special-interest political action committee money. received \$1,100 between April 1 and June 30 and has received \$1,838 to date.

VISCLOSKY, CHOCOLA HAVE BIG WARCHESTS: Visclosky raised \$332,014 in contributions over the last three months, arming him with a campaign war chest of \$711,586 more than 15 months before the Merrillville

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Democrat will face voters (Post-Tribune). Rep. Chris Chocola, the freshman Republican from Bristol who represents LaPorte County and a portion of Porter County, added \$129,027 to his campaign coffers over the last three months as he prepares for a fierce re-election fight, giving him \$311,164 on hand.

BUSH APPROVAL AT 55 PERCENT: A Newsweek poll of 1,017 adults nationwide, conducted over July 10-11 (+/- 3%), shows: 55% "approve...of the way George W. Bush is handling his job as president"; 37% disapprove; 8% don't know. 53% "approve...of the way George W. Bush is handling the situation in Iraq"; 39% disapprove; 8% don't know. A Newsweek poll of 837 registered voters over July 10-11 (+/- 4%) shows: 53% choose or lean toward Bush; 38% choose or lean toward Dean: 9% undecided. 51% choose or lean toward Bush: 39% choose or lean toward Edwards: 10% undecided, 51% choose or lean toward Bush; 42% choose or lean toward Gephardt: 7% undecided. 50% choose or lean toward Bush; 42% choose or lean toward Kerry; 8% undecided, 52% choose or lean toward Bush: 39% choose or lean toward Lieberman: 9% undecided.



COLUMNISTS ON INDIANA

Brian Howey, Indianapolis Eye -Sheriff Frank Anderson is in contempt of court. That in and of itself is a sensational statement for anyone to make. But Federal Judge Sarah Evans Barker wasn't content just to say that about Anderson, who has been in office less than seven months. "We do not find the sheriff's failures to be the result of willful behavior." she wrote. "The failures described and elaborated on at the hearing represent the cumulative results of dereliction of duty in every branch of county, city and state government." As a Hoosier, I'm embarrassed about a federal judge saying that about my community and state. And I'm also beginning to wonder whether Indiana is losing its ability to effectively govern itself. Might the reason be that we have so few women involved in the process as mayors, county commissioners and in the legislature? Are the state's business, law and political science schools pumping out graduates who subjugate responsibility for political expediency? Where consequence for fraud and inaction is just a foggy concept, a la Enron? Have Indiana's journalism schools produced newspaper and television executives who are more concerned about the corporate bottom line than to committing the necessary resources to fulfill their watchdog responsibilities? ❖

John Strauss, Indianapolis Star - "We don't solve problems. That's not our job. We're part-timers. We do what we're asked to do. We're not the ones who sit there every day and run the courts or run the jail." I know what Council President Phil Borst meant. The council members aren't jail experts. So maybe it's time they listened to some. Maybe then, a federal judge wouldn't have to write in a ruling this month that jail conditions "represent the cumulative results of derelictions of duty" in local government. Nobody said that council members have to know every-

thing about jails. They're not paving experts, either, but somehow the streets get fixed. By the end of this month, they'll get a major report on the guard shortage at the jail. And there will likely be other studies, all recommending expensive but long-overdue fixes. You hope they're ready to take the heat and do the right thing. As the man said, service on the council is a part-time job. But it's been 31 years. And that's long enough to get the job done right. ❖

Charlie Cook, National Journal -

There is no question that President Bush and his administration have taken a beating over Iraq, particularly over questions about whether weapons of mass destruction exist and whether Iraq attempted to buy uranium from the African nation of Niger. Several polls taken over the last week suggest that the president's approval numbers have dropped fairly significantly. Indeed one survey, taken for *Newsweek* by Princeton Survey Research (See Ticker *Tape on this page*), showed that Bush's approval had dropped down to 55 percent, which is not far out of range of his poll numbers before the Sept. 11, 2001, terrorist attacks when things were beginning to look really tough for him. The polls certainly fit the story line, so they must be true, right? As every psychologist knows, it's a mortal sin to form a firm opinion based on one single poll or set of data. It's always best to look for a pattern of results, preferably from several different polls and better by several different pollsters. Thus serious students of the body politic should be aware that the other four polls released last week showed approval ratings of 59, 60, 60 and 62 percent, representing about as tight a pattern of results as you are likely to find and suggesting that Newsweek's 55 percent is very much the outlier of the five. It had a three-point error margin.