

The Howey Political Report



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“QUOTE” OF THE WEEK

“It’s very difficult to go home to Muncie, Indiana, and tell people we need to buy garbage trucks in Baghdad ...”

- U.S. Rep. Mike Pence, to the *Washington Post*

It’s a gubernatorial squeeze play for Ds

Kernan reconsidering 2004 options

By **BRIAN A. HOWEY** in Indianapolis

While the pugnacious jaw of the reluctant new governor held firm, it was the words of the new First Lady, Maggie Kernan, that put the Indiana political environment into a new orbit this week.

In *South Bend Tribune* reporter Jim Wensits’ interview with Mrs. Kernan published in Monday’s editions were these intriguing words on the 2004 governor’s race: “My advice to Joe is, things can change. I don’t believe he should shut the door on it just yet.”

The Associated Press moved it mid-morning Monday, breaking out the aforementioned quotes in the lead, igniting a new round of speculation of the governor’s political future. The significance was that many believed that Gov. Joe Kernan wanted to go home to South Bend, be with his wife fulltime for the first time in eight years, and be a baseball team owner. Mrs. Kernan had continued her banking career there and had not moved to the capitol city. The First Lady’s comment that considering a change in stance was OK by her shifted the equation after an epic and tragic September.

Kernan, appearing at a ribbon-cutting Monday in Indianapolis, explained, “Understand that this was Maggie’s advice to me. That’s Maggie’s opinion, and I definitely respect that opinion. But, again, nothing that’s happened within the last three weeks has caused me to change my mind.”

By Tuesday afternoon, when Gov. Kernan was turning a silver shovel of Shelbyville dirt at another high-tech park, the stakes were already clear. Indiana Republican Chairman Jim Kittle Jr. was awarding the new governor his second

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Covering 10 years of Indiana politics

TICKER

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KERNAN TO SUPPORT TAX EXTENSIONS: Gov. Joe Kernan will discuss his support for the extension of the deadline for homeowners to file for property tax home-
stead deductions and other credits and deductions. He has a 2 p.m. press conference planned for today.

McKENNA, FLEETWOOD TO BE DEPUTY CHIEF OF STAFFS FOR KERNAN: Gov. Joe Kernan today announced that Tom McKenna of Carmel and Jenny Fleetwood of Indianapolis will serve as deputy chiefs of staff in the Office of the Governor. Most recently, both McKenna and Fleetwood played integral roles in then-Lt. Governor Kernan's office, with McKenna serving as chief of staff and Fleetwood as deputy. "Tom and I have known each other for many years, and for the last seven-and-a-half, I have had the honor of working with him," said Kernan. "His input has been invaluable, and I'm thrilled that he is bringing his talents to our team." Prior to his stint as Lt. Governor Kernan's chief of staff, McKenna was the executive director of the Indiana Department of Commerce for almost five years. He also served Kernan as an executive assistant in the lieutenant governor's office. McKenna is a native of Madison who

"Golden Faucet Award" because the state hired a computer firm from India. "It speaks volumes of our state's leaders when they choose not to hire Hoosiers for a four-year computer upgrade project for the Indiana Department of Workforce Development and instead hire cheap labor from foreign countries," Kittle said. "If these were manufacturing jobs being sent to China instead of technology jobs being sent to India, I guarantee a lot of people would be up in arms."

Kernan took that opportunity to show why he would be formidable and feared on the 2004 campaign trail. Because the state was saving taxpayer money, Kernan said, "I accept" the Republican award, and then proceeded to call Kittle's high volumed criticism "noise."

Through all the speculation sat one influential man caught deep in the middle of one of the greatest crossroads for the Indiana Democratic Party since Evan Bayh's emergence in 1986. "My advice is for all to take a look at it," said St. Joseph County Chairman Butch Morgan, a political ally of the governor, a confidant of the First Lady, and a power broker who sided with Joe Andrew's campaign.

"I would encourage everyone to sit down and determine how best we can win the governor's race," Morgan said. "The best thing we've got going for us is that all three of these people are friends. Vi Simpson and Gov. Kernan are friends; Joe Andrew and Joe Kernan are friends. We need to talk through what each one would do."

Morgan explained, "The speculation will not end until Joe Kernan says what he said last December, or says something like 'I've talked to people and have been asked to reconsider.' No one could have written this kind of script in more than 100 years. It's totally surreal and these are unique circumstances."

While the Kernans place a final 2004 decision as possibly coming after the Nov. 4 mayoral elections, Morgan is advising the couple to act sooner.

Morgan had dinner with Maggie Kernan at the Summit Club in South Bend Tuesday night and told the First Lady, "You really stirred things up."

Mrs. Kernan replied, "I was just expressing my opinion," to which Morgan said, "You *are* Mrs. Joe Kernan and that's different than if I had said it."

Was the First Lady surprised by the reaction? "I think so," Morgan said.

Centers of power react

The words of the First Lady resonated from the union halls to the Morrison Opera House, home of the Indiana GOP. What became evident on Tuesday was that Mitch Daniels and Kittle are planning to play "good cop/bad cop" if Kernan enters. Tuesday's plumbing work by the chairman was a shot across the new governor's bow. Asked by Mike Smith of the Associated Press if Kernan's potential entry was his motivation for holding a Statehouse press conference to criticize the governor, Kittle said, "No, not really. I would say, though, on that point that if Gov. Kernan decides to run ... he's obviously going to have to run on his record."

In last week's HPR, Ellen Whitt of the Daniels campaign said that the death of Gov. Frank O'Bannon and Gov. Kernan's re-entry wouldn't change the candidate's emphasis, saying, "What we're all about is Mitch's ideas for the future."

But far more fascinating than Jim Kittle's political pipe wrench was the AFL-CIO's sudden urge to endorse Andrew just as speculation was coursing through the Statehouse and corresponding dens, bars, boar's nests and hovels of power of a dream "Kernan-Simpson" ticket.

"Joe Andrew is the best candidate to create and retain jobs for working Hoosier families," said Ken Zeller, president of the Indiana AFL-CIO. "He understands their needs and that is why we are excited to back his campaign."

Zeller explained the timing of the

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2004 Racing Form

Indiana 2004 Gubernatorial

Governor 2004: Republican: Mitch Daniels, Eric Miller, Petersburg Mayor Randy Harris, Bob Parker. **Democrat:** Joe Andrew, State Sen. Vi Simpson, Roy Graham. **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:** Andrew will announce the naming of Joe Champion as his campaign manager. Kerry Dinneen as deputy campaign manager overseeing issues, Jonathon Carpenter as deputy campaign manager, and Shannon Lohrmann as deputy press secretary. Lohrmann has left the re-election campaign of State Rep. David Orentliker. The *Indianapolis Star* reported this morning that Daniels continues to deny allegations that he helped defraud investors while serving on IPALCO's board of directors. Daniels acted responsibly as a member of the IPALCO Enterprises board, said State Sen. Murray Clark, his campaign chairman. Accusations in a lawsuit filed last year that named Daniels and other members of the board of directors as defendants are "absurd," said Clark. Earlier this year, a federal judge consolidated multiple investor lawsuits against top executives and members of the IPALCO board. Daniels' campaign officials contend the consolidation means he is no longer a defendant. But the court record does not indicate that any action has been taken to dismiss any of the defendants from the litigation, U.S. District Judge Larry McKinney said. Daniels is expected to begin releasing public policy positions next week after he finishes his "first lap" of visiting all 92 counties. That first lap ends with a barbecue at the Fishers Town Hall at 4 p.m. Sunday. Kernan may make his LG choice sometime next week. Obviously the coming decision of Gov. Kernan on whether to run will be a seismic event, either way he goes. Our gut feeling on this? Kernan sticks with the 15-month plan. **General Status:** *Tossup* ❖

vote is "unusual" because the AFL-CIO typically waits until after the primary election to issue its endorsement. There was a huge caveat. Zeller explained that if Kernan were to enter, "We'll have to address that at that time" (*Indianapolis Star*).

Labor and Kernan

The backdrop to this is that big labor and Gov. Kernan haven't been on very good terms. When Kernan unveiled the administration's tax restructuring plan in October 2001, AFL-CIO secretary-treasurer Jerry Payne said, "It stinks. Once again, the powers that be, and it doesn't matter which party they're in, are shifting more of the load from corporations to homeowners."

Payne then threatened to run against Kernan for the 2004 gubernatorial

HORSE RACE

nomination, believing the governor has been too pro-business. Labor was galled when the Indiana Chamber spent resources in 2002 against Democrats such as Rep. Scott Reske, who voted for the tax restructuring plan.

That does not include all of labor. The Indiana State Teachers Association, for instance, backed the final 2002 tax restructuring deal, but the AFL-CIO never got on board.

Labor was as unimpressed as Chairman Kittle over the jobs to India. One Democratic insider said Al Degner, Kernan's man at Workforce Development, "should have said, 'We're not going to do this. We've got to rebid it.'"

That Democrat noted there's a reason why so many Hoosiers in his party are supporting Howard Dean for president.

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received both his undergraduate and law degrees from the University of Notre Dame. Before joining the lieutenant governor's staff in May 2003, Fleetwood was the finance director for Kernan's political team for nearly five years.

BUSH APPROVAL AT 54 PERCENT: An ABC News/Washington Post poll of 505 adults, conducted only on September 30 (+/- 4.5%), shows: 54% approve of the way George W. Bush is handling his job as President"; 44% disapprove; 2% have no opinion. 34% strongly approve; 20% somewhat approve; 29% strongly disapprove; 15% somewhat approve.

KERNAN TO PROCEED WITH BASEBALL TEAM PURCHASE: Gov. Joe Kernan remains interested in assembling a group to try to buy South Bend's minor-league baseball team, one of his advisers said. Kernan's attorney and long-time friend Richard Nussbaum told the South Bend Tribune for a story Thursday that the governor had directed him to continue to pursue the project. Nussbaum said it could take another season to make such a deal, meaning any change in the team's ownership would not take place until 2005. An executive with the company that owns

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the Silver Hawks said a sale was unlikely, but he did not rule it out. Kernan said in August he was involved in preliminary discussions with community leaders and friends about buying the Silver Hawks, a class A affiliate of the Arizona Diamondbacks.

McINTOSH ENDORSES SCOTT: Republican Marvin Scott began his quest for the U.S. Senate with a friend. On Wednesday, Scott, a Butler University sociology professor who expects to challenge first-term incumbent Democrat Evan Bayh in 2004, brought former U.S. Congressman and two-time Republican gubernatorial candidate David McIntosh to Lafayette. McIntosh endorsed Scott (*Lafayette Journal & Courier*). 'I will work closely with Dr. Scott on issues facing our great state and offer my expertise and assistance as he works to improve the overall well-being and lives of every Hoosier,' McIntosh said. So far, Scott has focused on taxes, national security and education while trying to tie Bayh to the Democratic Party's left wing.

CARSON TURNS OUT FOR CLARK: Congressional Democrats spanning the party ideological spectrum descended on a Capitol Hill townhouse Tuesday to meet retired Gen. Wesley Clark, considered by many supporters the Democrats' only

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Dean resonates most with Democrats when he says, "If a company is going to move jobs overseas, then they can forget about federal contracts."

The rush to endorse Andrew was obviously a reaction to Kernan's potential entry. Labor is not monolithic on the topic of Gov. Kernan or how it should proceed into the 21st Century. The AFL-CIO and UAW are reacting to a steady loss of jobs at Dana, Chrysler Foundry and Arvin-Meritor. Other Democrats say that Gov. Kernan sees Indiana's future in advanced manufacturing. They also question whether Joe Andrew will ever be able to deliver on his promises to the AFL-CIO, "even if he came to office with a Democratic House and Senate," said one Democrat activist.

Labor is straddling a precarious line when it comes to the governor's race. In the early rush to endorsements, Sen. Simpson said she was denied access to address the various UAW Cap Councils. Other Simpson supporters in the legislature, some with 100 percent labor voting records, are being harassed by labor leaders for supporting Simpson. On Tuesday, she was allowed to speak to the AFL-CIO, according to campaign spokesman Jeff Harris. Andrew then won the vote by a 38-19 margin, just one vote over the needed two-third margin.

But, Harris said, some components of the AFL-CIO were upset and sat out the vote. Others will make independent endorsements, some expected to go to Simpson. "We're disappointed we didn't get their endorsement," Harris said. "But at the end of the day, we'll receive our fair share of labor support and we'll have more of the Democratic constituency groups than the Andrew campaign."

The danger for labor is if a Kernan-Simpson ticket were to emerge, they would be faced with having to make amends, or sit the race out and, as one Democratic activist put it, "Watch Mitch Daniels assume office in order to protect the Hoosier oligarchy."

Asked by the *Michigan City News-Dispatch* about her plans, Simpson explained she is a "good friend" of Kernan, and indicated she would step aside if Kernan chose to run. Asked if she'd be interested in serving as his lieutenant, she took a similar tack. "I'll support Gov. Kernan in whatever he decides to do," Simpson said.

Andrew's campaign, on the defensive over the Bren Simon LG selection, and seeing a potential freeze in money until Kernan decides, found itself trying to diplomatically move forward. The two Joes have yet to talk. "If Joe Kernan needs to talk to Joe Andrew, we're ready," said campaign chairman Dennis Lee. "We're willing to help in any way. Do they need to talk? That's up to the governor. He's our governor. But, understand, we're moving forward with our schedule."

What will Kernan do?

Kernan has said about a potential run, "This subject, this decision is very low on the priority list. I haven't had a chance to talk about it. Or think about it. I've got my hands full."

Predicting what he'll do is like reading tea leaves. He's proceeding with his baseball team purchase. He'll likely make his LG choice before deciding about his 2004 plans. He just appointed his former campaign fianance director Jenny Fleetwood as deputy chief of staff. Friends say Kernan is resolute and doesn't often change his mind. He hasn't been keeping a political schedule, turning down opportunities to stump for mayors and speak at Democratic dinners. The pros for running are that his wife seems open. A Fox59 poll in Indianapolis shows his fav/unfavs at 41/12. His mediocre name ID has shot through the roof. And, said press aide Tina Dennis, he's ready and willing to defend the administration's record. Many dear friends are begging him to make the run. And, as Maggie Kernan told him after her now famous quote, "It's nothing you can't handle." ❖

COLUMNISTS ON INDIANA

John Krull, *Indianapolis Eye* - In these weeks following Frank O'Bannon's death, we now know that such small but significant gestures were typical of the man and the politician. It is now almost a cliché to talk about the late governor's basic decency and down-to-earth charm. We've been told, over and over again, how approachable -- how grandfatherly -- he was. What we haven't talked much about is how these qualities mattered, how they helped Frank O'Bannon and how they hurt him. The ancient Greeks had it right: A man's greatest strength often is also his greatest weakness. Such was the case with Gov. O'Bannon. ❖

Bill Moreau, *Indianapolis Eye* - If you think, as I do, that leadership matters, then just look around the Hoosier landscape to see the tangible evidence of Frank O'Bannon acting through his appointees since he took office on Jan. 13, 1997. Contrary to a widely held belief, the commissioner for higher education is not a direct gubernatorial appointee. The commissioner serves at the pleasure of a majority of members of the Commission for Higher Education. All 14 members of the commission are appointed by the governor. So, if you think higher education policy in Indiana is headed in the right direction because it's led by the right people, remember Frank O'Bannon's role. ❖

Peter Rusthoven, *Indianapolis Eye* - Frank O'Bannon was a living example of the character our family wants its two young sons to display when they are grown. He remained an example in death, as we explained our own sorrow on the passing of a good man -- and explained, too, the honor and peace that come only from a life well lived and a race well run. He does and will remain an example still.

It is commonplace, of course, to praise the departed as we mark their passing. Most of us follow the counsel of the Romans -- *De mortuis nil nisi bonum* (About the dead nothing should be said except good) -- and try to find something good to say (or at least stay silent) on the death of our worst enemy. But what moved me most, among all the moving moments of the ceremonies bidding an honored public farewell to Frank O'Bannon, was a simple, private thought: All those praising him, and all the thousands listening in sorrowful agreement, believed and said the same things about him while he was yet alive. ❖

Leo Morris, *Fort Wayne News-Sentinel* - Want to know how seriously to take a politician's most earnest declarations? Here's a hint: Don't even try until the spouse weighs in. Joe Kernan is still saying that nothing in recent events has made him change his mind not to run for a full term as governor next year. The untimely death of Gov. Frank O'Bannon will give Kernan a year in the top spot, but after that, he still wants to go back to South Bend and buy a baseball team. But hold on a sec, says his wife, Maggie. "My advice to Joe is, things can change," she told the South Bend Tribune. "I don't believe he should shut the door on it just yet." The good news is that Kernan won't insist on making the final decision, and his wife wouldn't presume to hold the veto power. "It's a joint decision, one we'll make together," Kernan says. If Kernan does decide to get in the race, Hoosiers will know they have at least one candidate who has his priorities straight in private relationships. That says a lot about how someone will handle public relationships. ❖

TICKER TAPE

hope of beating President Bush in 2004 (The Hill). The 50-60 House Democrats who turned up included liberal lawmakers such as Reps. Jim McDermott (Wash.), Tammy Baldwin (Wis.), Charlie Rangel (N.Y.), Julia Carson (Ind.) and Sheila Jackson Lee (Texas), and more conservative members such as Mike Thompson (Calif.), Gene Taylor (Miss.), Dennis Moore (Kan.), Ken Lucas (Ky.) and Charles Stenholm (D-Texas). Rep. Leonard Boswell (D-Iowa), from the critical caucus state of Iowa, also attended.

23-YEAR SENTENCE IN STINE FATALITY: A man who admitted driving while intoxicated was sentenced to 26 years in prison Wednesday for causing a crash that killed a state legislator as he drove home from the Indiana Statehouse (Associated Press). Alan Wickliff, 32, pleaded guilty in Johnson County Superior Court to drunken driving charges in connection with the death of state Rep. Roland Stine, who died in the April 24 collision. Judge Cynthia Emkes sentenced Wickliff to 20 years for causing a death while driving drunk. He also was sentenced to three years on each of two marijuana charges. The latter two sentences will be served at the same time, meaning Wickliff could spend up to 23 years

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in prison.

KERNAN SEEKS HIGHWAY FUNDS: Gov. Joe Kernan this week joined 14 other governors to urge Congress to endorse legislation to increase minimum transportation funding guarantees to Indiana and other states. Kernan was among a bipartisan group of 15 governors writing to congressional leaders on behalf of the "States' Highway Alliance for Real Equity" in support of the Highway Funding Equity Act of 2003 (H.R. 2208 and S. 1090). The act would increase each state's minimum guaranteed funding level from 90.5 percent to 95 percent of its share of gasoline tax contributions to the Highway Trust Fund. In the last reauthorization of the highway program, Indiana and other so-called "donor" states - those receiving less than a 100 percent return on their gas tax contributions - set a 95 percent funding guarantee as their goal. With help from the entire Indiana congressional delegation, the state received a big boost in its return rate, resulting in annual increases averaging over \$250 million, Kernan said. "Six years ago, Indiana and other donor states set a minimum guarantee of 95 percent as a target, and we got very close," Gov. Kernan said. "Our current effort builds on this progress and represents a

2003 Racing Form

2003 Indiana Mayoral Races

Crown Point Mayoral: Republican: Dan Klein. **Democrat:** Wayne Isailovich. **1999 Results:** Metros (D) 3,005, Kemp (R) 2,671. **2003 Outlook:** Sparks flew at the second Crown Point mayoral candidate debate Monday night. Klein and Isailovich answered six questions from a moderator and then posed a question to each other. Klein, a retired service executive with Ameritech's Global Accounts Division, questioned Isailovich's ties to the Lake County Democratic Party and his contract with the Lake County Jail (*Post-Tribune*). Isailovich, the executive director of Addictions Behavioral Counseling Services, questioned whether Klein had ever negotiated a contract for 12,000 Ameritech employees and whether he was really in charge of a multimillion dollar budget. Klein said that when he talked to people around Crown Point they were pleased that he was "free of influence" from the Lake County Democratic Party. **Primary Status:** *TOSSUP*.

Elkhart Mayoral: Republican: Mayor Dave Miller. **Democrat:** James Perron. **1995 Results:** Perron (D) 5,017, McDowell (R) 4,869. **1999 Results:** Miller (R) 4,959, Perron (D) 3,902. **2003 Forecast:** Mitch Daniels was in town to stump for Miller. **General Status:** *Leans Miller*

Evansville Mayoral: Republican: Mayor Russell Lloyd Jr.. **Democrat:** State Rep. Jonathon Weinzapfel. **1995 Results:** McDonald (D) 19,162, Frary (R) 9,565. **1999 Results:** Lloyd (R) 15,980, Borries (D) 15,461. **2003 Forecast:** Abortion was interjected into Evansville's mayoral campaign dialogue Wednesday, as Mayor Lloyd's top campaign official accused Democratic candidate Jonathan Weinzapfel of taking both sides of the emotionally charged issue. A Weinzapfel campaign official said Lloyd's decision to raise abortion as a campaign issue shows that his re-election effort is "floundering." Lloyd campaign manager Richard Mourdock accused Weinzapfel of "pandering to both sides of this issue. It is the ultimate black-and-white political issue, but he's in the gray area." Mayor Lloyd told television viewers Monday night that he kept promises four years ago to open Main Street to vehicles, keep taxes low and reach multiyear union contracts, while state Weinzapfel criticized the city's dealings with Casino Aztar and said Evansville needs new leadership (John Martin, *Evansville Courier & Press*). The first-term Republican mayor and his Democratic challenger squared off in an hourlong live debate Monday night on WEHT-News25. Lloyd said in his opening statement that "I'm proud of my record." and "I'm not running from it." He noted Downtown construction projects such as the new Vectren headquarters and new Central Library and said the city's unemployment rate is lower than state averages. "When you look at the city of Evansville, are we better off than four years ago? Absolutely," Lloyd said. Weinzapfel painted a different picture of Evansville's state of affairs. He called for "leadership that will listen to Republicans, Democrats and independents and work with state and federal government officials to get things done here at home." Weinzapfel criticized Lloyd for spending down a budget surplus he inherited from Democratic Mayor Frank McDonald II and frequently blasted the shelved Downtown baseball stadium project. When given the opportunity to question Lloyd, Weinzapfel asked Lloyd why he agreed to return to Casino Aztar half of its promised \$20 million in early lease payments, which are to be used for development projects. "We're giving them a break on a commitment they made to us a long time ago," Weinzapfel said to Lloyd. **General Status:** *Leans Weinzapfel*.

HORSE R A C E

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's second public mayoral debate Wednesday has been postponed until after Mayor Richard recovers from an intestinal illness. Richard's campaign is working with Republican challenger Linda Buskirk and the event's

sponsors to set a new date (*Fort Wayne Journal Gazette*). Buskirk planned to use the time for other campaign-related work, such as talking with voters in neighborhoods, said Jim Banks, her campaign manager. "Obviously, since he's sick, we understand," Banks said. **General Status:** *TOSSUP*.

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:** Peterson is in the middle of a heavy television buy, while Jordan is limited to a radio ad campaign, thanks in part to the help of Rex Early. Jordan assailed the Peterson jobs legacy, which is the topic of the Peterson TV ad which says he has worked "night and day" to land high tech jobs. Jordan called a Wednesday press conference to talk about the fall property tax bills that will bear his name. From hiring 200 new police officers to cracking down on slumlords, Mayor Peterson has met most major policy goals he set out in the 1999 Peterson Plan (John Fritze, *Indianapolis Star*). But it is the fine print of that plan that deserves greater scrutiny, said Jordan. With this year's mayoral election less than five weeks away -- and Peterson Plan II expected in the coming days -- much attention is being paid to the 95-page book of promises Peterson unveiled during his first campaign. **General Status:** *Likely Peterson*.

Kokomo Mayoral: Republican: Matthew McKillip. **Democrat:** Councilman Andrew Castner. **Independent:** Cindy Dunlap. **1999 Results:** Trobaugh (R) 5,606, Kennedy (D) 3,581. **2003 Forecast:** Indiana's two senators sent their aides. So did Republican U.S. Rep. Chris Chocoma. But only one of the three candidates vying to be the city's next mayor showed up at a Sept. 18 public meeting to discuss the results of a 10-month study on the Kokomo hum (Joy Danison, *Kokomo Tribune*). McKillip showed up at City Hall. He also sent his campaign manager, Phil Williams, to be at the hum meeting until he could get there. "I want to understand all of the issues important to all Kokomoans," McKillip said. **General Status:** *LEANS McKILLIP*.

Jeffersonville Mayoral: Republican: Monty Snelling. **Democrat:** Councilman Rob Waiz. **1999 Results:** Galligan (D) 3,194, Cook (I) 640, Cooper (R) 619. **2003 Outlook:** Jeffersonville Republican mayoral candidate Raymond "Monty" Snelling revealed a four-point plan that covers job creation, budget responsibility, downtown revitalization and improved public safety (*Louisville Courier-Journal*). Snelling told a group of supporters at Clark County Republican headquarters, "I wanted to dispel some rumors tonight. ... I wanted everyone to know that we're in this to win." He said his administration would focus on what he called a shortage of jobs in the city. "When our students get out of high school, they've got to go somewhere else to work," he said. "We're going to put an end to that." Snelling said he would create a community job fair. He also said he would promote the city to businesses as a "no-inventory-tax-zone" and focus on a long-term strategy for development of the former Indiana Army Ammunition Plant. **General Status:** *Likely Waiz*.

Muncie Mayoral: Republican: Mayor Dan Canan. **Democrat:** Dennis Tyler. **1995 Results:** Canan (R) 9,718, Carey (D) 6,521. **1999 Results:** Canan (R) 7,973, Smith (D) 5,611. **2003 Forecast:** The issues of jobs and taxes dominated the first debate of the campaign season between Republican Mayor Dan Canan and Democratic challenger Dennis Tyler (Rick Yencer, *Muncie Star Press*). "Mayor Canan is out of touch with what is going on in our community," Tyler said. He added that jobs and population have been lost, and that government has raised taxes and increased spending. Canan - who hopes to become the first Muncie mayor elected to three consecutive 4-year terms - said he had worked with the local chamber, Ball State University and others to create jobs in the shadow of a slow economy. "The biggest issue is the economy," Canan said. "Across the country, we are in serious trouble right now." Canan reiterated that he did not have the authority to rename Broadway after Martin Luther King Jr. The mayor said he would continue to look for consensus. Tyler reminded the mayor that he had initially supported renaming Broadway when it was first proposed by African-American clergy and Whiteley neighborhood activists. **General status:** *Likely Canan*. ❖

TICKER

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bipartisan coalition of states and governors seeking a fair share of transportation funding."

JUNIFER HALL PRISON ENTRY DELAYED AGAIN: Junifer Hall won't be going to prison today (Post-Tribune). U.S. District Court Judge Rudy Lozano is allowing Gary's former deputy city clerk to temporarily delay her prison term, pending a court hearing to discuss her medical status. It's the third delay Lozano has granted to Hall, who each time has cited medical concerns. Records filed Wednesday indicate Hall, a diabetic, suffers from a rare condition, hyperaldosteronism, which causes high blood pressure and low potassium levels, leading to hypertension.

ELKHART COUNTY TAX BILLS DELAYED: Property owners now shouldn't expect to pay their taxes until mid-December, at least, as Elkhart County leaders continue to cope with downstate delays and mandatory waiting periods (Elkhart Truth). State officials still have not approved the local tax rates for the 2003 budget, one of the final steps in what's been an agonizingly slow reassessment process. Once the numbers are set, county officials promise they can cut down the amount of time it will take to put together tax statements. Treasurer Cathy

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Bartow said they'll still need six weeks, though, putting the expected November collection on hold. "We were hoping all along for a tax collection on schedule, but it's just not possible," she told members of the Elkhart County Council's finance committee on Wednesday. "We will bill by the end of the year. I'm confident of it."

GORE TO BUY CABLE CHANNEL: Call him Al Gore, media baron. The former vice president is close to striking a \$70 million deal to acquire Newsworld International, a tiny cable network owned by French media giant Vivendi Universal, media sources said. Gore and his backers want to turn the digital channel into a liberal-leaning network.

GRANT COUNTY WON'T SPLIT TAX BILL PAYMENTS: Grant County officials Wednesday rejected a plan to split this year's property taxes into two installments, meaning property owners will have to pay the entire bill by Dec. 15. Taxes normally would be due in May and November, but because of the state's changing the way property is assessed the process has been plagued with delays (Marion County Chronicle-Tribune). Marion Mayor Bill Henry proposed allowing property owner to pay half of their 2003 taxes in November and the other half in February to help taxpayers out with expenses

Jennings amasses cash, poised for slating

By MARK SCHOEFF Jr.

WASHINGTON -- Jon Jennings maintained his brisk fundraising pace in the third quarter as he builds a war chest to take on incumbent Republican Rep. John Hostettler in the traditionally volatile "Bloody Eighth" district.

In an HPR interview, Jennings said he expects financial reports due out in a couple of weeks to show that he has garnered nearly \$100,000 between July 1 and Sept. 30 and has raised about \$200,000 since he declared his candidacy in March. "It's still fluid," he said. "In some ways, we've exceeded our goal."

Jennings, a former assistant coach with the Boston Celtics and Clinton administration official, said he has avoided raising money in the district so that he doesn't crowd out municipal election candidates. But he has used Boston and Washington ties to raise money in there. He also has tapped Indianapolis, where he will soon send out a fundraising letter to the capital's pro-Israel community in a bipartisan effort spearheaded by Republican financier Doug Rose.

Jennings, 41, may get another boost this weekend when CD 8 Democratic county chairs meet in Terre Haute. They will decide whether to slate Jennings as the Democratic nominee to take on Hostettler. Kevin Derr, a Booneville businessman, is also in the race.

The Democratic Congressional Campaign Committee, the political arm of House Democrats, has already provided fundraising and media staff help for Jennings. The group also used Evansville as a site for a focus group to test potential Democratic campaign themes. "We're very excited about the Jennings campaign and the prospects for winning back the Eighth District," said Greg Speed, DCCC press secretary. "What's most important is that Jennings has been out working earlier than almost any campaign in the country. We expect he'll be the nominee."

Derr continues battle

Jennings' momentum does not deter Derr, who said he is staying in the race despite his tepid fundraising. A Federal Election Committee report indicated that Derr had about \$1,200 as of June 30. He expects "very minimal amounts" added to that total in the third quarter. "The sources of money we anticipated being able to get are not there." But Derr, 34, said he can win the nomination. "We still feel confident with the amount of grass roots support we've received."

Derr, who has worked on several campaigns against Hostettler, played down the significance of Jennings' potential slating and his DCCC support. "Slating has not been a good indicator of whether the candidate will win the primary," he said. Commenting on the DCCC: "It's unfortunate that as Democrats we continue to do business as usual -- and lose as usual."

Hostettler slugger, or just late

Hostettler, who has survived four re-elections by slim margins since he won the seat in 1994, has gotten off to an unusually slow fundraising start. He typically raises money late. But his total of \$1,287 raised and \$5,018 on hand as of June 30 has alarmed some people in his own party. In 2002, he raised \$573,220 in his 51-46 victory over Democrat Bryan Hartke, who raised \$395,840. A National Republican Congressional Committee (NRCC) spokesman was supportive but subdued when talking about the Hostettler campaign this week. "The September 30 report will be a good indication of how hard he's working and we go from there," said the NRCC's Carl Forti. "Mr. Hostettler has taken the constructive criticism offered and begun to act on it. He always raises money at the end, and with his tremendous grass roots support wins the tough races."he

No one from the Hostettler cam-

paign or his personal office in Washington responded to HPR interview requests. Hostettler has lost stalwarts from his previous campaigns -- Jim Banks, Eric Holcomb, and Rob Craig. But Hostettler supporters say he is running. A source with knowledge of the campaign said Hostettler has dropped a fundraising letter that should hit mailboxes later this week.

One Republican political operative in CD 8 said Hostettler's vaunted grass-roots network is up and running. Even Democrats credit Hostettler's fervent supporters as the key to his election success. "I can already tell that people are excited about (Hostettler's) race," said Eric Banks, a former Hostettler volunteer who is managing Evansville Mayor Russell Lloyd's re-election bid.

Grass roots enthusiasm

Jennings has vowed to create a grass-roots organization that can compete with Hostettler's and get out his party's vote in a district, stretching from Evansville north to Warren County, that is 55 percent Democratic after being redrawn by the Indiana legislature in 2001. Former state party chairman Robin Winston and state party executive director Tim Henderson are helping Jennings. "We're going to build an organization that matches or exceeds what (Hostettler) is able to do on the ground," said Jennings. "I believe in taking the fight to every single county and precinct in the district."

Hostettler's supporters say that his grass-roots appeal is based on his conservative pro-gun, anti-abortion, fiscal conservative stances. Derr said that Democrats should emulate that model by adhering to core beliefs. "The only way we can do that is to have an ideology to stand on," said Derr, who owns a trucking company. "For the last few years, we've tried to be New Democrats, and what we need to be is good, old Democrats with a populist economic message the people understand." That message would encompass advocating trade measures that

include worker and environmental protection, and providing health care and prescription drugs to every American.

Economic message

The economy is also the prominent Jennings theme. He stresses the need to make investments in infrastructure like roads, bridges, and schools that would lure businesses, especially in the high tech and life sciences sectors, to southwest Indiana. "I want to put infrastructure in this district so that small business can flourish," he said.

Jennings, calling himself a fiscal conservative "deficit hawk," said he supports middle class tax cuts but would repeal the reductions for people making more than \$200,000 who were included in President Bush's economic package. "What I find offensive is the redistribution of wealth that has gone on since the 1980s," he said. "Most of the resources go to the very wealthy in this country. I'd rather make sure that every kid in this district has health care rather get a tax cut for myself."

Putting roots down

Opponents may attack Jennings because he was never a kid in the district. He grew up in Richmond and graduated from Indiana University. But he lived for more than a decade in Boston when he was with the Celtics. After leaving the team in 1997, he moved to Washington to become a White House Fellow and later served in the Clinton administration's Justice Dept. When Clinton left office, he went back to Boston for a couple of years before moving to Newburgh with his wife. He said they relocated there to raise a family because that's where his wife's parents live. But Derr offers a rebuke that Hostettler may also exploit. "I don't have to defend the carpet bagger idea," he said. Jennings responded by saying he grew up in Indiana. "I'll put my Hoosier roots up against anybody in this district," said Jennings. ❖

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near the holidays. But in order for the plan to work, county Auditor Mike Burton and county Treasurer Mary Stevens would have had to make the request to the Indiana Department of Local Government Finance to approve the plan. But both Burton and Stevens cited concerns about the impact the plan would have on local schools and governments who are waiting on tax revenue and have had to borrow money. "I think it would be detrimental to the local tax entities if we do not have a one-time tax deadline," Stevens said. "... A February deadline would mean they would not get their final settlements until March or April of 2004."

KERNAN TAPS MARTINDALE: Governor Joe Kernan today named Chuck Martindale as the new commissioner of the Department of Administration. Martindale will replace David Perlini who passed away Sept. 25. Perlini served as DOA director for just over one year. Dan Gettelfinger, who was asked to serve as acting commissioner last week upon the death of Perlini, will remain as a deputy commissioner at DOA.

