

The Howey Political Report



The *Howey Political Report* is published by NewsLink Inc. Founded in 1994, *The Howey Political Report* is an independent, non-partisan newsletter analyzing the political process in Indiana.

Brian A. Howey, publisher

Mark Schoeff Jr., Washington writer

Jack E. Howey, editor

The Howey Political Report Office: 317-254-1533
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: \$350 annually via e-mail;
\$550 annually including the HPR Daily
Wire. Call 317-254-1533 or 254-0535.**

© 2004, *The Howey Political Report*. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, in whole or in part, is a violation of federal law and is **strictly prohibited** without consent of the publisher.

“QUOTE” OF THE WEEK

“I don’t believe that it’s an accident. What we are seeing is the benefit of those decisions and those investments.”

- Gov. Joe Kernan, reacting to U.S. Labor

Department statistics showing 6,700 jobs created in Indiana in March

Daniels expected to win over Eric, but...

No polling in a state with an upset past

By **BRIAN A. HOWEY** in Indianapolis

The gubernatorial race that wasn’t – Mitch Daniels vs. Eric Miller – ends next Tuesday under the cloak of conventional wisdom.

It was such a foregone conclusion that not a single Indiana news media outlet polled the GOP primary race, though Kernan vs. Daniels polling has taken place on several occasions since February. Certainly the two GOP campaigns have, but the results have been kept close to the vest.

Daniels has repeatedly told the media and party faithful that he would not fulfill the old Nixon game plan of running to the right in the primary, and to the center come fall. Instead, Daniels has taken his campaign for a “come-back” to all Hoosiers and not just those on the right.

Eric Miller, it seems, hasn’t been given any chance to win this primary.

And yet, there have been some tell-tale signs that have provided angst among some Republicans. While Daniels’ TV media has been almost brilliant thus far this year, there was the Dick Lugar endorsement ad, which is something you normally see in the waning days of the fall campaign. It came before Miller began his ad campaign using two former octogenarian governors – Doc Bowen and Ed Whitcomb, two wrinkly, monotone voices from a faraway era.

While the Daniels campaign behaved so much like the “runaway freight train” HPR described late last summer, for the first time this past week the frontrunner didn’t appear to be hitting on all cylinders. He’s had to backtrack or explain himself on two issues: whether he would reside in

INSIDE FEATURES

Ticker Tape: Bayh’s veep fire drill	p. 2
Horse Race: Primary prognosis	p. 4
Hostettler heads to court	p. 7
Columnists: Colwell, James	p. 9

HPR Forum Will Feature Dr. Larry Sabato on Oct. 1 at the Downtown Marriott

TICKER

T A P E

POLL SHOWS SUPPORT FOR WAR SLIDING: A CBS News/New York Times poll released Wednesday has 47% saying the war was the right thing to do, down 11 points from just last month. Also down sharply, to 41%, is public approval of President Bush's handling of Iraq, his war leadership. His overall job-approval rating is now the lowest of his Presidency: 46%. The poll also had Sen. John Kerry leading President Bush 46-44%. In a three way race, 43% would vote for Bush; 41% would vote for Kerry; 5% would vote for Ralph Nader; 2% said it depends; 9% don't know.

TIE IN RASMUSSEN TRACKING: A Rasmussen Reports poll of 1,500 likely voters nationwide, conducted over April 24-26 (+/- 3%) using an automated polling system, shows 45% would vote for George Bush; 45% would vote for John Kerry; 4% would vote for another candidate; 5% were not sure.

10 AMERICANS KILLED: Ten American GIs were killed in Iraq over the past 24 hours (NBC News).

BAYH, JOHNSON SEEN TOGETHER DURING FIRE DRILL: Last week, the word swept through Washington: During a fire drill, Sen. Evan Bayh was seen leav-

the newly renovated governor's mansion (Daniels says he will; Mrs. Daniels is not so sure), and same-sex marriage.

During last Thursday's WISH-TV debate, Daniels came off somewhat tepid and he appeared to pander to Miller.

Then, when the most emotional issue of the Republican fight – same sex marriage -- came up, Daniels aimed at the center and not the right. "I'm very slow to condemn that behavior that I may not approve of in other people," Daniels said. "And if there are rights that those who choose an exclusive relationship would like to have of a legal character, of a practical nature, perhaps some accommodation of that could be made."

Miller made no bones about his position, saying that it was "absolutely imperative" that Indiana's Constitution be amended to prohibit gay marriage and civil unions. "Our society is built on the family," Miller said. "Family is built on marriage, and marriage is one man and one woman." It is the same issue that Daniels' patrons -- Bush and Cheney -- will use in battleground rural counties in places such as Ohio, Michigan, Pennsylvania and West Virginia.

On Saturday, the Daniels campaign seemed to be in a damage control mode on the eve of a primary that tends to bring out ideologues. The *Indianapolis Star* reported the Daniels comments as a "fuss," and quoted Curt Smith, president of the Indiana Family Institute, saying, "Mitch was simply trying to be compassionate." Smith acknowledged that "a word of assurance that it wasn't a new position" was needed from Daniels.

Miller's campaign accused Daniels of "wavering" on the issue.

It was just the kind of opening that Miller can be expected to exploit from the multitude of pulpits in his Advance America network of churches this weekend. For two years, Miller has maintained that his Christian right following could turn out the 200,000 votes need-

ed to win the primary.

That the House Republican caucus pushed a gay marriage ban in the legislative session that concluded in March appeared to be an issue orchestrated by Miller in his comfortable Statehouse warrens through the likes of State Reps. Dave Frizzell, Dennis Kruse, and Woody Burton. Pulling Daniels into a "moderate" trap was the second campaign stroke. Getting Miller's network of preachers to motivate the 200,000 last Sunday and this is a third stage, though most observers don't believe any grassroots campaign can deliver 200,000 votes. And should the Indiana Court of Appeals strike down Indiana's marriage law passed in 1997 in the next three days, that could be the catalytic event spurring a colossal upset, though time is obviously running out on that front.

Social vs. economic

What has not been statistically measured is a classic battle between the social and economic conservative wings of the party. Daniels has tried to articulate the need for a "comeback" and a "new crew" that will revive Indiana's economy. He has spent little time on the hot button issues of abortion and marriage. While Miller does have an ad decrying the economic impotence of the state – though with a backdrop of children supplying the visual images – his main thrust has been on the marriage issue using a young couple doing yard work with the woman saying, "We believe marriage should be between a man and a woman."

It's happened in Indiana before

Primary upsets where social conservatives outflanked their economic brothers have happened before in Indiana. In 1992, the 4th CD Republican establishment anointed a young college student, Phil Troyer, for the right to challenge then U.S. Rep. Jill Long. While Troyer finished his exams down in Bloomington, a

Continued on page 3

LaGrange County businessman named Chuck Pierson spent months at gun and knife shows and pulled off a stunning upset. So mind-boggling was that upset that it set into motion the voluntary retirement of Fort Wayne Republican boss Orvas Beers.

Two years later, a 33-year-old Wadesville engineer named John Hostettler, who had never sought office before, won the 8th CD Republican primary against five opponents using the very same network that Miller claims to have: Right to Life, churches, home schoolers, and gun lovers. The same thing happened that year in the 4th CD where a young Mark Souder won a crowded GOP primary, defeating a favored centrist Republican in a six-candidate field, gathering up 40 percent of the vote. Beers had been openly skeptical of Souder prior to his primary victory. Souder and Hostettler have parlayed their social conservative base into a decade-long tenure in Congress.

The huge difference is that it's easier to orchestrate the religious right in crowded primary races in the confines of a regional congressional district, as opposed to a statewide gubernatorial race involving one mainstream frontrunner with more than two-thirds of the legislator, county chairs and sheriffs openly backing him.

Yet there are pockets where Miller can expect to carry, notably Porter, Elkhart and Kosciusko counties.

Many Republican observers are expecting Miller to get anywhere from 30 to 40 percent of the vote, with the higher end giving the Kernan campaign fodder to use against Daniels.

Conservatives backing Mitch

While Miller has built up assets, he is lacking some of the biggest names in social conservative circles. Curt Smith told the *Indianapolis Star*, "We need a governor who will be effective. I know

Mitch is committed to social issues. He might be even more committed to (economic) issues, but that doesn't bother me."

Terre Haute attorney Jim Bopp Jr. is another, telling the *Star*, "I just don't think Eric can be successful" in November. U.S. Rep. Mike Pence is backing Daniels. Indiana Right to Life endorsed both Miller and Daniels. Radio commentator Greg Garrison and Micah Clark of the American Family Association have stayed neutral, though Garrison gave Miller air time this week (and Daniels on Wednesday).

Conservative State Rep. Eric Turner told the *Star*, "I would feel comfortable passing an anti-gay marriage amendment and sending it to Mitch as governor."

Other Republicans on the economic front are much more emphatic. Said one active in the high tech initiative, "If Miller wins on May 4, I can guarantee you I would be endorsing Gov. Kernan."

Epilogue

We expect Daniels to win the nomination with between 65 and 70 percent of the vote. If Miller were to win, it would be an upset far more stunning than Stephen Goldsmith's loss to Frank O'Bannon in 1996.

Yet, given a Daniels victory, there are nagging concerns the Republicans will face in the days and weeks following the primary. How the Bush-Cheney ticket fares on the Iraq war is troubling. Daniels took some flack from U.S. House Appropriations Chairman Bill Young, saying his relations with the White House are "1,000 percent better" since Daniels left. That's a Republican voice that could help "nationalize" the governor's race.

The same economic trends that could buoy President Bush will also help Gov. Kernan, who has been busy announcing an array of new jobs over the past month. ❖

TICKER T A P E

ing his office building alongside Jim Johnson, the man charged with helping Sen. John F. Kerry pick his running mate (Mark Barabak, Los Angeles Times). Their appearance — the two smoked out, as it were — was immediately taken as a sign that Bayh, an Indiana Democrat, had landed on Kerry's short list of vice presidential prospects. Never mind that neither Bayh nor Johnson would talk to reporters about their discussion. Or that Johnson has been meeting on Capitol Hill with many Senate Democrats, and some in the House as well. In the absence of hard information, rumor and gossip are filling the void left by Kerry's silence over one of the most important decisions the presumptive Democratic presidential nominee will make. "It will say a lot about what he sees as his weaknesses and strengths," said Donna Brazile, who managed Democrat Al Gore's 2000 presidential campaign.

KERRY CAMPAIGN DOING BACKGROUND CHECK: Democrat John Kerry's campaign has begun background checks of top running mate prospects, including Dick Gephardt, John Edwards and Iowa Gov. Tom Vilsack, while other hopefuls anxiously await word that they're wor-

continued on page 4

TICKER
T A P E

thy of a Washington "vetting." Several Democratic officials familiar with the selection process said Wednesday that background checks have been under way for several weeks (Associated Press). The officials, speaking on condition of anonymity, said individuals other than Gephardt, Edwards and Vilsack are under consideration, but they would not identify the, nor say how many there were. The man heading the search, Jim Johnson, has spoken with dozens of party leaders about the process and prospects. Officials who have talked to Johnson said he has expressed interest in Vilsack along with others, including Sen. Evan Bayh of Indiana and former Sens. Bob Kerrey of Nebraska and Sam Nunn of Georgia.

TAX BILLS SPARK COMPLAINTS IN EVANSVILLE: The Vanderburgh County 2004 tax bills are out, and the phones are ringing off the hooks at township and county offices (Herb Marynell, *Evansville Courier & Press*). "The phones have hardly quit since Monday afternoon," County Treasurer Z Tuley said Wednesday. Her office received hundreds of calls from taxpayers, many "upset tax bills went up again," Tuley said. Most taxpayers are finding higher tax bills this year, generally up about \$125 for the owner

continued on page 5

2004 Racing Form

Indiana 2004 Gubernatorial

Governor 2004: Republican: Mitch Daniels, Eric Miller. **Democrat:** 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:** Republicans are facing a serious "glass half empty/full dilemma." *Site Selection* magazine, which goes to 45,000 company executives worldwide, announced the number one ranking for Indiana at Roche Diagnostics in Indianapolis, where a \$135 million expansion is underway. Gov. Kernan observed, "Our bipartisan efforts in 2002 and 2003 to change our tax system and make Indiana a more attractive place to do business are paying off and this top ranking points to that." The Daniels' campaign take was this: "There's no escaping the facts. While the national economy is recovering, Indiana continues to lose jobs. Since May 2002, Indiana has had a net job loss of 106,000 (3,600 net job loss since the start of the year, while the nation has gained 354,000 jobs, Bureau of Labor Statistics). This *Site Selection* ranking looks only at big business expansion and does not take into account job loss-

es or plant contractions. The heart of Indiana's economy is small business, which has suffered badly under the policies of the current administration." Scott Downes of the Kernan campaign responded, "This is a big blow to Mitch Daniels, since he's based his campaign on talking down Indiana for the last year. You have to wonder why he's not proud of the fact that Indiana is the best state in the country at competing for jobs and business investment. He's rooting against Indiana." U.S. Bureau of Labor Statistics showing the state "gained more than 6,500 jobs last month are no fluke," Gov. Kernan said (*Indianapolis Star*). Kernan said the growth is the result of bipartisan action by the 2002 General Assembly to cut business taxes and invest in job-creation efforts. "I don't believe that it's an accident," Kernan said Monday. "What we are seeing is the benefit of those decisions and those investments." Gov. Kernan announced Tuesday new ethics rules for state employees that he will install via an executive order that will take effect July 5. The rules stem from a government efficiency review dubbed the "Peak Performance Project," headed up by Lt. Gov. Kathy Davis. "Undue influence will not be tolerated," Kernan said (Jennifer Whitson, *Evansville Courier & Press*). Kernan announced the creation of a new office of the chief investigator will be created; will require the Department of Administration to adopt rules to require lobbyists who seek to influence state agencies to register; allow no gifts to state employees from companies that have contracts with state agencies; and create a "revolving door" policy keeping former executive branch employees from lobbying until one year after their employment. Daniels suggested many of these changes in a news conference in early March. "I think it's obvious that Mitch is already having a positive effect on state government even before being elected," said Daniels spokeswoman Ellen Whitt. Daniels and Miller both addressed the Tippecanoe County Lincoln Day dinner on Tuesday. Daniels recalled the days when he used to play pinball, saying there are two options when a ball is rolling straight down the middle toward the flippers. "You can throw up your hands and say, 'That's too bad,' or you can you can hit the table and take a chance," Daniels said. "You might tilt, but if you hit it right, you can change the direction of the ball and get back in the game." Miller noted he has garnered endorsements from the only living former GOP Indiana governors: Edgar Whitcomb and Otis "Doc" Bowen. "The most important endorsements I have are the thousands of Hoosier families that are putting up yard signs, putting bumper stickers on their cars and agreeing to vote for me," Miller said. Miller is now running a TV ad and has sent out a mailer featuring the two living former Republican governors. U.S. Rep. Bill Young (R-Fla.), chairman of the House Appropriations Committee is blaming Daniels for a lack of consultation on how the Bush administration decided to spend billions of dollars to fight the war in Afghanistan while preparing for another war in Iraq (Jonathan E. Kaplan, *The Hill*). Young said that cooperation between the Congress and White House is "1,000 percent better" since Daniels resigned last year to run

HORSE RACE

for governor in Indiana. "Accountability is very important to me because that is the Constitution," Young said, adding: "Since Mitch left, I've had no trouble." **Republican Primary Status:** *Likely Daniels*; **General Status:** *Tossup*.

Indiana 2004 Congressional

Congressional District 2: Republican: U.S. Rep. Chris Chocola, Tony Zirkle.

Democrat: Joe Donnelly. **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. **People:** Urban/rural 73/27%; median income\$40,381; Poverty 9.5%; Race 84% white, 8% black; 5 Hispanic; Blue/white collar: 34/50%. **2000 Presidential:** Bush 53%, Gore 44%; **Cook Partisan Voting Index:** R+5; **2002 Result:** Chocola 95,081 (50%), Long Thompson 86,253 (46%); **2004 Money:** We expect Chocola to easily defeat Zirkle. Donnelly began running radio ads this week **Status:** *Leans Chocola*.

Congressional District 3: Republican: U.S. Rep. Mark Souder, William Larsen.

Democrat: Steve G. Hope, Maria Parra, Mark Summers. **Geography:** Fort Wayne, Goshen; Kosciusko, Whitley, LaGrange, Steuben, DeKalb and parts of Elkhart and Allen counties. **Media Market:** South Bend-Elkhart, Fort Wayne. **People:** Urban/rural 65/35%; median income \$44,013; Race: 87% white, 6% black, 4.5% Hispanic; Blue/white collar: 36/52% 2000 Presidential: Bush 66%, Gore 33%. **Cook Partisan Voting Index:** R+17. **2002 results:** Souder 92,566 (63%), Ridgon 50,509 (34%). **2002 Money:** Souder \$518,717, Ridgon \$131,458. **2004 Outlook:** Souder's re-election campaign will pay a fine for waiting too long to report \$3,000 in campaign donations (*Fort Wayne Journal Gazette*). **Primary and general status:** *Safe Souder*

Congressional District 4: Republican: U.S. Rep. Steve Buyer, Dennis Hardy, Mike

Campbell, Brian Paasch. **Democrat:** David Sanders, Bill Abbott. **Geography:** Tippecanoe, Clinton, Boone, Montgomery, Hendricks, Morgan, Lawrence and parts of Marion, Johnson, Monroe, Fountain and White counties. **Media Market:** Lafayette, Indianapolis, Terre Haute, Evansville, Louisville. **People:** urban/rural 68/32%; median income \$435,947; Poverty 8%; Race 93% white, 1.3% black, 2.6% Hispanic; blue/white collar 29/56%; **2000 Presidential:** Bush 66%, Gore 31%; **Cook Partisan Voting Index:** R+18; **2002 Results:** Buyer 112,760 (71%); Abbott 41,314 (26%). **2002 Money:** Buyer \$924,869, Abbott \$21,634. **2004 Outlook:** Buyer will easily win the GOP nomination. **Status:** *Safe Buyer*.

Congressional District 7: Republican: Bob Croddy, Andy Horning. **Democrat:**

U.S. Rep. Julia Carson, Bob Hidalgo. **Geography:** Indianapolis. **Media Market:** Indianapolis. **People:** Urban 99.7%; median income \$36,522; poverty 13.5%; race white 63, black 29.4%, Hispanic 4.4%, Asian 1.3%; blue/white collar 26/58%; **2000 Presidential:** Gore 55%, Bush 43%; **Cook Partisan Voting Index:** D+6. **2002 Results:** Carson 77,478 (53%), McVey 64,379 (44%). **2002 Money:** Carson \$1.099m, McVey \$1.15m. **2004 Forecast:** Horning has better name ID (as a Libertarian), but many Republicans view him as a ... Libertarian who is always running for something. We give a slight edge to Croddy. **Primary Status:** *LEANS CRODDY*.

Congressional District 8: Republican: U.S. Rep. John Hostettler. **Democrat:** Jon

Jennings, Bill Pearman. **Green Party:** Clark Gabriel Field. **Geography:** Evansville, Terre Haute, Greencastle; Posey, Vanderburgh, Warrick, Gibson, Pike, Martin, Daviess, Knox, Sullivan, Greene, Owen, Clay, Vigo, Vermillion, Parke, Putnam, Warren and part of Fountain counties. **Media Market:** Evansville, Terre Haute, Indianapolis. Lafayette. **People:** Urban/rural 58/42%; median income\$36,732; poverty 10.7%; race white 93.7%, black 3.7%, Hispanic .9%; blue/white collar: 32/52%. **2000 Presidential:** Bush 56%, Gore 42%; **Cook Partisan Voting Index:** R+8. **2002 Results:** Hostettler 98,952 (51%), Hartke 88,763 (46%), **2004 Forecast:** The controversy over Hostettler being detained at the Louisville airport for having a loaded gun in his carry-on bag may die down. But arguments about the makeup of likely Democratic nominee Jon Jennings' campaign warchest will go on throughout the campaign. As of the last Federal Election Commission report on April 14, Jennings had raised \$460,617 and had \$201,811 on hand. Hostettler had raised \$152,657 with \$108,778 on hand. Jennings raised \$68,245 in state;

TICKER T A P E

of a \$100,000 home in the city. But that tax bite is less than the hundreds, sometimes even thousands, of dollars many owners - particularly of older homes - had to pay in 2003 when reassessment based on market value went into effect.

BAYH SEEKS MORE HUMVEES: Citing reports of U.S. troops bolting plywood and scrap metal to the sides of standard Humvees, U.S. Senator Evan Bayh today called on senior Army leaders to immediately increase production and deployment of up-armored Humvees better suited to protect troops serving in Iraq. According to a report in Newsweek magazine, nearly one out of every four deaths in Iraq could have been prevented if our troops had more access to armored vehicles. During a special meeting of the Armed Services Committee, Bayh informed the Army leaders that the companies that produce the up-armored Humvees would be able to meet an increase in demand of 450 vehicles per month and pledged to fight for the funds to make this possible in order to provide better protection for troops fighting in Iraq.

HERSHMAN CRITICAL OF HOOSIER LEADERSHIP: Indiana has made some progress towards job

continued on page 6

TICKER

T A P E

growth but could be doing better, said Sen. Brandt Hershman, R-Wheatfield (Purdue Exponent). The senator said many things contributed to the growth of the job market, but said he believes that the lack of leadership in the last 10 years is a major reason Indiana has lost so many manufacturing jobs. He said that Indiana had the least growth in high-tech jobs as well because of poor leadership during the past decade. Although Hershman acknowledged that both the legislature and the governor have worked together for the better, he still thinks they could have done better. Indiana is currently the worst state in technical job growth, and Hershman thinks it's because an outdated tax system and overall unfriendliness to business kept Indiana at the bottom rung. He said the federal government is helping out, and that President Bush is doing a good job helping create job growth.

PROPERTY TAXES FELL 32 TO 61 PERCENT IN 87 COUNTIES: Average tax bills for homeowners in 87 counties were 32 percent to 61 percent lower following reassessment than they would have been without mitigating steps taken by the General Assembly, according to new state data (Mike Smith, Associated

Hostettler raised \$17,800 in state. Republicans criticize Jennings for relying too much on money from Boston, where he used to be a Boston Celtics scout. "Unless he's planning to fly people in to go door-to-door, Hosetettler still has an advantage due to his strong grass-roots support," said Carl Forti, spokesman for the NRCC. But the Jennings' campaign contends that its fundraising demonstrates Hoosier support. "We've raised more money in Indiana than Hostettler has raised total," said Tim Henderson of the Jennings' campaign. **Status:** *Tossup*.

Indiana 2004 Legislative

Senate District 2: Republican: Open. **Democrat:** State Sen. Sam Smith Jr., Mario Montelongo, Joe L. White. **2000 Results:** Smith (D) 27,151. **2004 Forecast:** Despite Smith's conviction, we see little evidence of an upset in the making. **Primary Status:** *Leans Smith*

Senate District 5: Republican: Vic Heinhold, Cresley Walker. **Democrat:** State Sen. Nancy Dembrowski. **2000 Results:** Alexa (D) 33,383. **2004 Forecast:** Vic Heinold, president of Heinold Feeds of Kouts, is facing Cresley Walker, a Valparaiso businessman and semi-retired chiropractor. Walker is owner of Gold's Gym in Hobart, and formerly ran four chiropractic offices throughout Indiana. Heinold was endorsed by the Farm Bureau's ELECT PAC. The winner of the GOP primary faces Dembrowski, the former Knox mayor who replaced Sen. Bill Alexa. Dembrowski will be targeted this fall. **Primary Status:** *LEANS HEINOLD*

Senate District 36: Republican: Sen. Larry Borst, Johnson County Council President Brent Waltz. **Democrat:** Terry Rice. **2000 Primary Results:** Borst 7,513. **2000 General Results:** Borst (R) 24,621, Reno (D) 12,120, Williamson (L) 1,026. **2004 Forecast:** Waltz will drop three mailers in the final hours of this campaign, taking Borst to task over his flirtation of taxing churches, the great legislative perks, and tax increases on those "cutesy houses." Borst supporters like to point out that Republican primary voters generally don't like what they perceive to be negative campaign tactics. So one key will be whether there is a perception that Waltz has crossed that line. The newspaper coverage from the *Star* and the *Daily Journal* has generally been favorable to Borst. The TV coverage, particularly from WTHR-TV, has portrayed this race as a tossup. We clearly believe Borst has felt the heat, but he appears to have responded the way an embattled incumbent should. He had about 50 senators and lobbyists (mostly lobbyists) walking Greenwood and Perry Township precincts last Saturday doing mostly door hangers. The property tax crisis isn't nearly as intense in this district as it is in HD86 or the Lake County hot spots. On the curiosity front, some organization took a poll (though no one will 'fess up). We know because we've got the questions, the origination point (Iowa) and it wasn't a push poll. The fact that neither side has released the results tells us there was no clear advantage, particularly for the incumbent. Borst has also done some negatives against Waltz on the issue of him denying pay raises to Johnson County sheriff deputies (Waltz denies this). Waltz is portrayed by the Borst camp as a "politician we just can't trust." We have big, credible GOP guns from both sides (and not the campaign managers and other usual suspects) telling us this race is a cliff hanger. Who wins? We don't like to equivocate, but this race could turn on tactics in the homestretch. Our gut says Waltz may have a slight edge ... **Primary Status:** *Tossup*.

House District 1: Republican: Jerome Baffa. **Democrat:** State Rep. Linda Lawson, Hammond Councilwoman Kathleen Pucalik. **2002 Results:** Lawson (D) 5,669, Rosenbloom (R) 3,006. **2004 Forecast:** We believe Lawson is the most susceptible Lake County Democrat to an upset. There are too many elements (Pucalik's alliance with Hammond Mayor McDermott, the property tax crisis, and Lawson's own "bullseye on my back" quote in the *Post-Tribune*) lined up against her. Pucalik sponsored a Hammond City Council resolution asking Gov. Kernan to call for a special legislative session. "I don't want to see people lose their homes and end up who knows where," Pucalik said (*Post-Tribune*). Pucalik did not show up for a League of Women Voters debate Wednesday night (Times of Northwest Indiana). "Kathy had told me that she hadn't picked up her letter yet and I handed her a copy of it at a Kiwanis meeting on April 20," moderator Alice Vockell said. "She then got out her Palm Pilot and entered some information." Pucalik sent a fax to David Klein, Local 73's representative, and copied to

the media at 3:19 p.m. Tuesday that said she would not attend the debate because she had already planned to attend the Pulaski Park Neighborhood Association meeting. When told Wednesday of Vockell's claim that she gave Pucalik the letter, Pucalik denied it. "That never happened," she said. "I was not informed of the meeting until the day before the debate. I did not get the registered mail." During the debate, Lawson said, "There are so many things I haven't finished yet. I want to get the equal pay bill through, along with some education bills." Lawson said she doesn't understand why Hammond Mayor Thomas McDermott Jr. is talking about building a new city hall when a new police station has been built and that space in City Hall is now available. **Primary Status: LEANS PUCALIK.**

House District 12: Republican: Dan Fagen. **Democrat:** Rep. John Aguilera, Alicia Lopez-Rodriguez. **2002 Results:** Aguilera 7,343. **2004 Forecast:** Aguilera has a whole bunch of negatives aligned against him, including the Munster vs. East Chicago residency issue, his new-found love for Mayor Pastrick (an asset these days, or a liability?) and the tax crisis sweeping Lake County. It all may come down to who can carry the Hispanic vote in Dyer. We give a slight edge to the incumbent because Lopez-Rodriguez is largely unknown. **Primary Status: TOSSUP.**

House District 13: Republican: Open. **Democrat:** State Rep. Chet Dobis, Merrillville Councilman David Uzelac. **2002 Results:** Dobis (D) 8,379, Azcona (R) 3,906. **2004 Forecast:** We believe Dobis is in big trouble. He failed to get the Ross Township Democratic Club endorsement. Allies of Dobis note that Uzelac's mother chairs that township club, but that can translate into GOTV. Dobis has been forced to defend the status quo and the tax deals cut to big corporations like U.S. Steel. Uzelac has worked furiously and is fully prepared to take advantage of the tax rebellion now underway in north Lake County. Having said that, newspaper accounts and our Lake County sources portray Uzelac as a blow-hard grandstander. The *Post-Tribune's* Steve Walsh reported earlier this week: Uzelac, in a 90-minute, free-form interview, said he would have voted against an independent reassessment. "Why should Lake County have to do it? Did any other county in Indiana have to do it?" said Uzelac, his voice rising to a yell, as it did throughout the interview. Uzelac blamed Dobis and the other local lawmakers. "He sat back all those years. There was no plan. They waited for the bomb to explode," Uzelac said. Though property tax reform is the cornerstone of his campaign, Uzelac does not have his own plan for lessening the impact of the reassessment, now that the tax bills are on their way and will arrive in mailboxes shortly after the May 4 primary. "The damage has been done. I'm not going to make any great promises of coins falling from the sky," he said. Feeling that Dobis and the other lawmakers froze them out of the process, local assessors and county officials have quietly supported Uzelac's campaign, despite the boisterous reputation of Merrillville Town Council meetings and allegations of political firings. Uzelac said his shoot-from-the-hip image is one largely manufactured by the media. Meanwhile, the *Post-Tribune* also reported (as Horse Race did last week) Dobis is battling his own image that, after more than three decades as a lawmaker, he has grown out of touch. "A lot of people are hoping Chet wins — by two votes," said one county official. Dobis's best hope may be to reveal Uzelac as a bomb-thrower (see *Rich James's Post-Tribune column on Page 9*). But it may be too late. **Primary General Status: LEANS UZELAC.**

House District 44: Republican: State Rep. Andy Thomas, Kenneth J. Eitel Jr. **Democrat:** Eric A. Wolfe. **2002 Results: Thomas (R) 8,997, Schimpf (D) 6,507. 2004 Forecast:** Despite the Chamber endorsement of Eitel, we believe that Thomas will win the GOP primary. **Primary Status: LEANS THOMAS; General Status: LEANS R.**

House District 86: Republican: Andy Miller, Mort Large. **Democrat:** State Rep. David Orentlicher. **2002 Results:** Orentlicher 9,909, Atterholt (R) 9,872. **2004 Forecast:** Miller is running TV touting his Chamber endorsement, his business background that will help him "create jobs." He also has sent out endorsement letters, including one from House Minority Leader Brian Bosma. Large has conducted an aggressive door-to-door campaign and has sent out several mailers. This primary race pits the Statehouse wing of the party against the city-county Republicans who slated Large. The key question here is, can the GOP organization deliver for Large? **Primary Status: TOSSUP. General Status: TOSSUP ❖**

TICKER

T A P E

Press). The average savings, calculated by the state Department of Local Government Finance, ranged from 61 percent in Clay, Fountain and Orange counties to 41 percent in Tippecanoe County and 32 percent in Hamilton County. In all but four of 87 counties in which the average has been figured, savings were 40 percent or higher. Figures are not yet available for Brown, Clark, Lawrence, Noble and Whitley counties. "The bottom line is that (bills on) people's homes across the state would have been 40 percent or more higher if we did not do what we did," House Speaker Patrick Bauer, D-South Bend, said Wednesday.

BOSMA OPEN TO DISCUSSING LEGISLATIVE ETHICS: Some state lawmakers said Wednesday it's worth discussing whether they need to strengthen their ethics rules after Gov. Joe Kernan announced a new ethics policy for the executive branch of state government (Indianapolis Star). But the legislature's track record doesn't show much willingness to bolster its ethics laws. Bills to improve the reporting of gifts to legislators have languished in the General Assembly in past years. So has legislation to halt the revolving door from lawmaker to lobbyist. "Indiana has been stagnant

TICKER

T A P E

for way too long," said Julia Vaughn, policy director for citizens watchdog group Common Cause/Indiana. Neither House Speaker B. Patrick Bauer, D-South Bend, nor Senate President Pro Tempore Robert Garton, R-Columbus, could be reached for comment. But House Minority Leader Brian Bosma said the debate on improving legislative ethics rules and laws was worth having. He said the legislature and lobbyists already have strong disclosure laws -- and it was about time Kernan asked the same of the executive branch. "We need to do everything we can to instill confidence in all branches of government," said Bosma, R-Indianapolis. "I'm certainly open to discussing doing more."

TWO SEEK NOMINATION AGAINST FOLEY: Two outspoken businessmen who want to eliminate the property tax and replace it with sales tax are challenging state Rep. Ralph Foley in Tuesday's Republican primary. Mark Meadows would offer state government employees a bounty for finding wasteful spending, while Gerald Gray would phase in higher sales taxes to replace property taxes (Johnson County Daily Journal). Both are running on populist themes that Foley's six terms in the Indiana House of Representatives are long enough. "I wish these guys (in the legislature) would

Hostettler packs heat, avoids it politically

By MARK SCHOEFF JR.

The Howey Political Report

WASHINGTON--Rep. John Hostettler isn't feeling much political heat for packing heat.

The five-term CD 8 Republican congressman was detained at the Louisville International Airport on April 20 for carrying a loaded 9 millimeter semiautomatic gun. His hearing in a Louisville court is scheduled for May 4, the same day as the Indiana primary. Hostettler has a gun permit.

Although Hostettler may have legal problems related to the incident, his likely Democratic opponent, Jon Jennings, hasn't tried to gain an advantage. "We're not going out of our way to make it a political issue," said Tim Henderson, Jennings' campaign manager. "Right now it's a legal issue. And it's a matter for voters to decide whether it's an issue that resonates with them in the fall." On Wednesday and Thursday, Jennings focused on announcing the formation of an economic development task force.

This is the second election cycle in a row in which Hostettler has brought controversy on himself. In 2002, he offended a group of breast cancer survivors, some of them from his district, when he linked the disease to abortion during a meeting in his office. At the time, Democrats as well as local media criticized Hostettler, who shunned the press. A staunch gun rights advocate, Hostettler took a different approach this time, conducting a conference call with the media on the day of the gun incident.

"This story traveled the world. It went out on the wire, then faded quickly," said Robert Dion, professor of political science at the University of Evansville. "Maybe he learned his lesson. If you can take the air out of a story before it's picked up too much steam, that's a good thing. He responded fairly aggressively, and the press has not been very dogged about beating the story any further."

A Republican leader said local reaction has been muted. "We did not get a single phone call," said Bettye Lou Jerrel, Vanderburgh County Republican chairwoman. "He is human. He made a mistake. He fessed up right away. I think people know John Hostettler has certain beliefs. They know he's going to do what he says he's going to do."

But other observers say that the incident is creating doubts about Hostettler's judgment, despite strong support for gun rights in the district. "Even those types of voters and constituents would have to pause at this type of conduct," said Joe Etling, Vigo County Democratic chairman. "They know everything about their guns -- where they are and how to maintain them. I don't think (Hostettler's excuse for taking his gun to the airport) sits well with them. That's not how they conduct themselves." Hostettler aide Michael Jahr said that his boss carries a gun for protection while traveling the district and forgot it was in the same bag that he uses as airplane carry-on luggage.

Jahr said that Hostettler is likely to be charged with a misdemeanor rather than a violation of federal law because the gun was not taken onto a plane. Hostettler was stopped by airport security when his bag was screened.

But the court proceedings could create pitfalls for Hostettler. "If he comes up with a nutty defense, it reminds people that he sometimes can make them shake their heads," said Dion.

The race between Hostettler and Jennings is one of the few nationwide that is likely to be competitive. Hostettler has won by narrow margins since first being elected in 1994. Jennings, a former Boston Celtic assistant coach and Clinton administration official, has \$201,811 cash on hand. Hostettler has \$108,778.

❖

COLUMNISTS ON INDIANA

Jack Colwell, *South Bend Tribune* - What if? Myriad "what if?" questions arise as the 9/11 commission collects information and opinions on whether the terrorist attacks could have been prevented. There probably never will be agreement on what could or should have been prevented. But let's consider another "what if?" for which there is a clear-cut answer. What if President Bush had listened to Sen. Richard G. Lugar rather than to Paul Wolfowitz and Donald Rumsfeld prior to the invasion of Iraq? Answer: Much of the current chaos in Iraq could have been avoided, the standing of this nation with its allies would be much improved and the president would be in better shape politically as he seeks a second term. There is another question to be pondered: What if the president listened to Lugar now? First, let's look back to the advice Lugar gave loud and clear to the president before the rush to invade. Lugar warned repeatedly that better planning was needed to bring order, stability and democracy to Iraq after the expected military success in toppling Saddam Hussein. Lugar also urged the White House to be candid in telling of the cost and the likely long length of occupation. The Bush administration ignored Lugar's advice and even openly snubbed him by declining to let retired Army Gen. Jay Garner, who was supposed to be a key postwar planner, even appear before Lugar's committee to discuss plans for after the military victory. Well, Garner, who didn't last long, apparently had no plan other than to believe, as Wolfowitz and Rumsfeld fantasized, that Iraqis would be dancing in the streets, thanking Americans as liberators and joyfully turning to democracy, with oil gushing to provide prosperity there and to help pay the bills of this country's military costs and brief occupation expenses. Lugar had

urged planning for security. We know now there was little security. Police fled, looters reigned, terrorists struck, chaos resulted. Lugar called for consulting experts in "peace making" and "nation building," instead of just relying on our combat troops with no training for those tasks or military police functions. ❖

Rich James, *Post-Tribune* - Merrillville Councilman David Uzelac isn't the sharpest knife in the drawer. But that isn't to say he can't be dangerous. Loose cannons can go off at any time. Uzelac is running against Rep. Chet Dobis in the Democratic primary for the 13th House District. Uzelac is asking the voters to trade in a Cadillac for an Edsel. He's asking us to oust the speaker pro tem of the House and replace him with someone who doesn't have the respect of his fellow town councilmen. Uzelac contends in his campaign literature that it is Time for a New Direction. He blames Dobis for every ill in Indiana, including the impact of the reassessment. Uzelac is preying on the Hobart Township people, telling them it's Dobis' fault that their property taxes are going up. If he were honest, he'd be telling those folks their taxes are going up because former Assessor Leon Wolek underassessed their property for years to ensure his own reelection. This is the same Uzelac who now professes to be concerned about tax rates, who helped scuttle Indeck Energy Services' proposal to build a \$300 million power plant in town. This is the same pillar of the community who used his position to order a deputy police chief to release his father, Mitch, who had been stopped for alleged drunken driving. This is the same rock-solid citizen who has trouble holding a job, bouncing from the town court to the county auditor to the conservancy district. ❖

TICKER T A P E

get off their pompous butts and do something instead of lollygagging in the General Assembly," said Gray, 54. "I'm enough of a grumpy old man to do well in there." "I truly have no ax to grind against Mr. Foley ... but the guy's been there for 12 years," said Meadows, 40. "The only legislation I've seen that he's initiated himself doesn't have anything to do with the things I think are most important." Foley, running for a seventh term, contends that to get results in the legislature, experience is needed, since any state representative is just one lawmaker out of 150.

GDP GROWS AT 4.2 PERCENT: The Commerce Department said gross domestic product expanded at a 4.2 percent annual rate in the January-March three-month period - well under the 5 percent rate forecast by Wall Street economists. It followed growth at rates of 4.1 percent in the fourth quarter and a sizzling 8.2 percent in the third quarter last year (Reuters).

❖