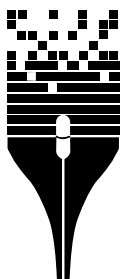


# The Howey Political Report



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## “QUOTE” OF THE WEEK

“Mr. Speaker, despite the horrendous acts of a few American soldiers at Abu Ghraib prison, we are winning the war in Iraq.”

- U.S. Rep. Mike Pence

## Skillman, Miller join the ‘new crew’

### Daniels selects both his LG finalists

By **BRIAN A. HOWEY** in Indianapolis

In February 2003, then-OMB Director Mitch Daniels swooped into the Boone County Lincoln Day dinner in Lebanon where he gave a speech lauding the virtues of the Bush administration. But the visit was, on the surface, designed to fuel the speculation that he would come back home to run for governor.

Seated at one of the round tables right in front of the podium was State Sen. Becky Skillman, R-Bedford. She wasn't in her home county or even her district, but it was if she was one display. Asked that night and at other times over the course of the year whether she was interested in LG, Skillman would quietly, respectfully demure. She never was a “candidate” like her colleague, State Sen. David Ford, who put out a press release this week suggesting his van was tailing Daniels RV1 on the Lincoln Day circuit.

**But Skillman was there**, always on every LG short list. She occupied a conspicuous pocket in Hoosier Republican politics. She was a former Lawrence County clerk and recorder for 16 years, so she had geography and local government experience. As assistant Senate majority caucus leader, she had clout, particularly with Senate President Pro Tempore Robert D. Garton. That set her apart from any other female in GOP politics. She possessed sound conservative credentials: pro-life, pro-gun. She sat on committees dealing with the budget, finance, local government, regulatory affairs and commerce. She was seen as a team player, quietly working toward her objectives, never grandstanding.

When Daniels called this week to invite her to

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# TICKER

## T A P E

**PEW POLL SHOWS BUSH SUPPORT WANING:** President George W. Bush's job approval rating fell to 44 percent, a 4-point drop, following revelations that U.S. soldiers abused Iraqi prisoners, a poll by the Pew Center for the People and the Press shows. The percentage of Americans who think the nation is headed in the right direction is at 33 percent, an eight-year low, and 61 percent said they are dissatisfied with how things are going, according to the Pew survey. In an election match-up, Democratic presidential candidate and four-term Massachusetts Senator John Kerry leads the president by 50 percent to 45 percent. It is a close race, and at this stage it is all about feelings about the incumbent, and Bush has been hurt by recent events in Iraq," Carroll Doherty, editor of the Pew poll, said. "Until there is some good news in terms of organizing a government, or the casualty count goes down, this thing is going to be a major problem for the president."

**KERNAN WELCOMES SKILLMAN TO THE RACE:** Joe Kernan issued the following statement regarding the selection of Sen. Becky Skillman as the presumptive Republican nominee for lieutenant governor: "I've enjoyed the opportunity to work with Sen. Skillman in

become the first female Indiana Republican lieutenant governor candidate in history, Skillman fit so many of the criteria that it seemed almost like a slam dunk.

### Two finalists for LG

"Indiana's challenges are larger than ever, so I've been searching for someone with larger capabilities and broader experience than any recent occupant of the lieutenant governor's office," Daniels said in Fort Wayne Wednesday morning. "Ultimately, my statewide search for the very best among us led me to two finalists, who between them possess all the qualities I had in mind. I have decided to enlist them both."

That was Skillman for LG, and Vera Bradley CEO Patricia Miller to head a new post Daniels intends to create, secretary of Commerce. "First and foremost, of course, I wanted someone who could step in credibly if necessary to the role of governor," Daniels said. "More than anything, this requires a knowledgeable and experienced leader who is well known and trusted on both sides of the political aisle."

Daniels said Skillman and Miller bring to the equation, "The ability to provide leadership in pushing the most ambitious legislative agenda in decades through the General Assembly; a record of genuine business achievements that would enable the state's economic point person to speak directly as a peer to business leaders nationwide; the ability to provide leadership in the operational restructuring and ethical reform of state government; and the ability to develop effective growth strategies for the agricultural sector of the economy and for the small towns and rural parts of our state."

Daniels explained, "Which brings us back to Fort Wayne this morning. On a Saturday morning last August, right here in Fort Wayne, I expressed an intention, as governor, to take personal responsibility for economic development. Our state's

fundamental problem, and state government's fundamental failure, is the economic decline of our state. We will not solve our other problems, such as state government's bankruptcy, until jobs and income grow strongly. Since that is the reason I became a candidate for governor, I do not plan to delegate the task to anyone, but rather to make it the job of everyone in state government, and to oversee it personally."

Daniels explained further that "one of my two finalists for the position of lieutenant governor is especially well suited for executive leadership of the state's economic growth initiatives. And so today, I am announcing not only my lieutenant governor nominee, but also the person who I will name as Indiana's first secretary of commerce, the highest ranking person in my cabinet, and the person who will be the chief operating officer of our economic development initiatives."

Daniels said, "These first two members of our new crew signal the kind of quality we plan to bring to state government. We intend to raise the bar of leadership ability across the board. Becky Skillman is the best possible choice for the constitutional post of lieutenant governor. She brings experience in the General Assembly, whose cooperation we will need to effect real change. She brings a wealth of knowledge about local government and its pivotal role. She knows the small cities and towns that have been ignored by this administration, and which must no longer be forgotten but must be included fully in Indiana's comeback."

Daniels said he wants a "Lt. Gov. Skillman" to "be the leader of our annual program in the General Assembly, starting with the passage of the economic growth package that we will send to the legislature next January. She will also spearhead key elements of the economic development agenda: tourism, agriculture, community and rural development."

He called Patricia Miller "one of the great business success stories in our

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state. With \$500 and a dream, she and her best friend created a company known nationwide. She understands business issues from the business side of the table. She's no staff person. She's no bureaucrat. Indiana cannot be well represented by someone who's never run a business or met a payroll. She can help me sell Indiana to business leaders across the country and around the world. She can help existing companies to grow and inspire the formation of more new ventures. She can run a large organization. She can help us get all of state government aligned so that growing the Indiana economy is Job 1 for every single person in our administration."

### Skillman's 'recent' call

Skillman must give up her Senate seat to run. "I didn't hesitate when I got the call," she said at the Indianapolis press conference. Asked when the call came, Skillman would only say, "Very recently."

"Mitch Daniels has given me a tremendous opportunity and I accept this challenge," Skillman told an enthusiastic crowd. "I share his idealism and his vision for the state of Indiana. I have observed Mitch for several months as he traveled the state and interviewed for this job. I was one of the very early supporters and knew he would be a great governor and he has exceeded my expectations."

Skillman said that Daniels "inspires people of all ages and provides hope for the future. We share an understanding of the needs of the people of this state. There's particular challenges for the people who live in our major cities, our small cities and our rural counties."

She has focused much of her energy in the Senate on economic development measures that benefit poor and rural areas of the state (*Louisville Courier-Journal*). The counties she represents are some of the poorest in Indiana. Last year Skillman wrote an innovative

bill that redirects some state tax revenue to economically distressed counties. She also has drafted a number of recent election-law changes, including a ban on gaming companies donating to campaigns. She opposes gaming and voted against the casino in French Lick.

Skillman pointed to four areas of challenges: education, infrastructure needs, health care for the needy, and public safety. "To make progress, we need action," she said. "We have a very aggressive legislative agenda. Now that's an understatement. We'll foster a great working relationship with the 150 men and women of the Indiana General Assembly. It will be a very respectful but interactive relationship. Many of our reforms will require statutory changes and I am eager to begin that work."

### Senate realities

Daniels said the new realities in the Senate where Finance Chairman Larry Borst has apparently lost his re-election bid had "zero" to do with his selection of Skillman. "It's all about growth and hope," Daniels said as Senate President Garton looked on. "It's about reform and people being effective in state government. I wanted someone to help us move a very active program. It will be bringing to the General Assembly all the ideas on that roadmap. It's about getting it passed and Becky is the very best person to drive that, that I could have found."

Patricia Miller said she was asked by people at her Vera Bradley company, "Why would you want this job?" She answered, "Mitch Daniels."

"He's a natural leader, with solid character, experience and sparkling passion," Miller said. "As a team, we can move this state to economic excellence."

Daniels described Miller as someone "who has been there and done that. She's built a fabulous Indiana business. There will be plenty of work for all of us to do." ❖

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my role as lieutenant governor on many of our recent bipartisan efforts, such as tax restructuring and Energize Indiana. Those efforts are making a difference as we're seeing Indiana coming back and creating jobs. Kathy Davis and I welcome her to the campaign and look forward to the months ahead."

**GARTON PRAISES SKILLMAN:** Senate President Pro Tempore Robert D. Garton said of Sen. Becky Skillman, "I congratulate Senator Becky Skillman on her candidacy for the lieutenant governor nomination. Her contribution to the Senate has been invaluable, and she has been an exceptional Majority Caucus Chair. I have no doubt Becky will serve the state of Indiana with integrity and grace, and I look forward to working with her in her role as President of the Senate."

**PENCE SEEKS RELEASE OF IRAQI PRISON PHOTOS:** Mike Pence gave the following speech on the House floor today asking the Bush administration to release all the photographs of prisoner abuse at Abu Ghraib prison. "Mr. Speaker, despite the horrendous acts of a few American soldiers at Abu Ghraib prison, we are winning the war in Iraq. We are investigating and punishing those among our own

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engaged in wrongdoing and as the brutality and desperation of yesterday's beheading of an American attests, our enemies know they are losing. While I support freedom for the good people of Iraq, I support President Bush and Secretary Rumsfeld. I rise respectfully to encourage the administration to bring an end the lurid parade of photographs leaking their way into the national media by immediately releasing all photographic records of abuse of prisoners by American personnel. Abraham Lincoln said it best, 'Give the people the facts and the Republic will be saved.' In this case, Mr. Speaker, the Republic we save may be that free and democratic Republic of Iraq in the 21st century."

**PENCE, BAYH REACT TO IRAQ PRISON IMAGES:** Seeing scenes of bloody dog bites and prisoners forced into sexually humiliating positions "is the first time, since I've been elected to Congress, that my job made me sick to my stomach," Rep. Mike Pence, R-6th, said Wednesday after seeing more photos and videos taken at Abu Ghraib prison (Fort Wayne Journal Gazette). He was among the hundreds of lawmakers who viewed the images of torture and humiliation that Pentagon officials showed in a room in the Capitol. The media and members of the public were barred from the

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## The regenderification of Hoosier politics

By **BRIAN A. HOWEY**

INDIANAPOLIS - The moment at noon Wednesday was far different than the one Hoosiers experienced in June 1984 when State Sen. Wayne Townsend tabbed Ann DeLaney to be his Democratic running mate.

The state was founded in 1816, and it had gone 168 years of total male dominance in its governmental sector.

It began loosening up in 1980, when Virginia Dill McCarty ran for the Democratic gubernatorial nomination. Four years later, DeLaney was nominated but lost to the Orr/Mutz ticket.

It would be almost another generation before a woman got another shot at a state ticket. In 1996, Frank O'Bannon seriously pondered putting former congresswoman Jill Long on his ticket. It is believed that she turned the job down and O'Bannon chose Joe Kernan instead.

**Seven years later**, when Kernan decided not to seek the governorship, State Sen. Vi Simpson declared for governor, running for 10 months until Kernan got back into the race following the death of Gov. O'Bannon. Pollster Brian Vargus had said that Indiana wasn't ready for a female governor.

In those 10 months, it was Simpson's rival, Joe Andrew, who responded to her candidacy by breaking a new hole in the gender barrier. In July 2003, he added Bren Simon to his ticket. While the selection was a disaster - Simon refused to talk to the press and began feuding with Andrew before abruptly dropping off the ticket - it was a precursor to the situation we find ourselves in today, which is that tickets featuring middle-aged white males could largely be a thing of the past.

In October 2004, Gov. Kernan selected Indianapolis Controller Kathy Davis as his lieutenant governor. That put pressure on Republicans to follow suit.

When Daniels won the GOP nomination last week, Sen. Skillman and busi-

nesswoman Cathy Langham were prominently on most lists. The Daniels campaign signalled that a different name from the business community was in the mix. Many thought it was Langham, but it was really Patricia Miller. "I came to two finalists, each of whom I thought was superbly qualified for this job. Let's just say I got greedy," Daniels explained. "I wanted them both. Let me stress, it's just the beginning. I will populate Indiana government with lots of people like this, each of whom elevates the standards."

**But Daniels** downplayed the notion that it was about gender, saying that his decisions were on a "gender neutral basis."

He joked that he had spent "the best part of 26 years surrounded by women," a reference to his wife and four daughters. "I'm pretty comfortable in that environment. These people were chosen based on their excellence," Daniels explained. "We started with a list and grew that list every way we could. It included ... more men than women. But I am utterly convinced I've found them. It's a happy consequence to me. We are going to call on the women power of this state like it's never been called on before."

Skillman, who had been playing a significant role within the Daniels campaign and had traveled with him on RV1 joked, "I knew he would be a comfortable travel companion. He's been trained very well."

**Asked if there** would be an RV2, Daniels acknowledged, "It's already a little different. Somebody, not mine, but somebody's hairspray set off the smoke alarm. So there's going to have to be some adjustments made."

Ditto for the Hoosier body politic.

It's taken almost two centuries, but the Indiana political establishment is no longer writing off half the population when it comes to governance.

❖

## Chairman Borst twists in the recount winds

By **BRIAN A. HOWEY**

When the *Indianapolis Star* finally decided to begin day-to-day coverage of the SD36 race between Senate Finance Chairman Larry Borst and Johnson County Councilman Brent Waltz, it occurred five days *after* the election.

And it did so with great candor. "Although the books aren't officially closed on the race, Darryl Brent Waltz Jr. appears to have unseated 36-year veteran Sen. Lawrence M. Borst, *a task just about everyone thought impossible -- except for Waltz,*" the *Star's* Andy Gammil reported.

The *Star's* editorial page writers lacked such candor. They summed up Waltz's stunning 48-vote upset by saying it was due to the "big stick" of the gambling industry." This, despite the fact that the only "gambling money" given to Waltz's campaign came from the campaign's co-chairman, Rex Early (\$1,000).

**The editorial writers** refused to take a stand in this race, despite calling for the turning out of the "150 turkeys" when the legislature wrapped up last March. It refused to delve into Borst's own complicated history with gaming, or his nearly four decade-old stewardship of Indiana's shambled economy, one that transcended five governors. It was a typical mode for Gannett-run newspapers in state capitols, where there is a coddling of those in power.

In what was the most consequential and historic legislative race in a generation, a century ... maybe ever ... the state's capitol city newspaper just couldn't fathom life without Borst. Reporters may have feared the kind of retribution Borst usually reserved for recalcitrant lobbyists and legislative colleagues.

The *Post-Tribune's* Steve Walsh summed up the prevailing attitude on Sunday, reporting: Though the primary vote totals appear stacked against the man more accustomed to dealing the cards, lawmakers were still leery to talk openly

about their private pleasure at seeing an old nemesis headed toward the door. Said one lawmaker: "First, I want to make sure he's really gone."

Borst was left an almost tragic figure as he filed for a recount Tuesday but really wanted Indiana Republican Chairman Jim Kittle Jr., and Marion County Chairman Mike Murphy to call for a special election. Both refused, with Murphy fearing it would divide the GOP.

**"I'm not good at leading a charge on a white horse.,"** Borst said. "Never have been. If I were the chairman, I'd be shouting from the mountaintop to say, 'Gee whiz, this is terrible.' I'd be leading the charge. Evidently that's not what Mike Murphy wants to do."

Even if Murphy were to call a special election, the reality could be just as rude. A special election called in Lafayette after Councilman Norbert Fisher was defeated by five votes last November was conducted in February, with Fisher losing 60 to 40 percent.

Almost all observers believe the 48-vote lead Waltz has cannot be overturned by a recount. While the Marion County election was conducted in Chinese fire drill fashion, there was no evidence of fraud.

**Borst's defeat has** turned the Indiana Senate into a potential free-for-all, as senators lined up to convince Senate President Bob Garton to name them Finance Chairman. Others were suggesting that "everything is on the table" now that Borst appears to be defeated.

But until that's a certainty, few are talking. Virtually none of the Senate caucus dared call and congratulate Waltz, who is vacationing in Colorado.

And the new reality for aging Republican senators is that while they are almost guaranteed wins in the general election, the primary is a new peril, as evidenced by Sen. Jeff Drozda's upset of Steve Johnson in 2002, and now Waltz. ❖

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screening. Neither Sen. Richard Lugar, R-Ind., nor Rep. Mark Souder, R-3rd, attended the screening. "I don't know how the hell these people got into our Army," said Ben Nighthorse Campbell, R-Colo., after viewing the images. Pence has called on Defense Secretary Donald Rumsfeld to release all the photos and videos. He said nothing he saw Wednesday changed his view that making them public now would be better than having them leak "in drips and drabs. The slow release over time would be much more harmful to the U.S. reputation in the world and dangerous to our troops." Sen. Evan Bayh, D-Ind., issued a statement through his office saying the Pentagon should not make the photos public. "I don't see how the release of these photographs could further the search for justice and think their release could jeopardize the lives of military personnel," he said. "Because of this, I don't recommend the release of the pictures at this time."

**BAYH PUSHES FUNDING FOR ARMORED HUMVEES:** Criticism of the Pentagon's conduct of the Iraq war goes beyond the Iraqi prisoner abuse controversy. Defense leadership also has been accused of poorly preparing to combat the Iraq insurgency. Democratic Sen. Evan Bayh is trying to

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correct one problem that has cropped up--the lack of armored vehicles. Late last week, a Bayh amendment authorizing the Defense Department to purchase \$610 million of armored Humvees and armor kits for existing Humvees was passed by the Senate Armed Services Committee. The money comes in addition to \$618 million approved by the committee to purchase more than 2200 armored Humvees. Humvee production at AM General Corp. in South Bend could increase from 300 to 450 per month by October. Bayh advocated the increased funding after published reports indicated that nearly a quarter of military personnel deaths in Iraq could have been prevented if more troops were protected by armored vehicles. Only 20 percent of Humvees in Iraq are currently armored. "The nature of the conflict in Iraq was underestimated from the beginning by those in the Pentagon," Bayh said in a conference call with Indiana reporters on Friday. "It's one thing to make a mistake. It's another thing to let that mistake persist when it's costing lives and injury."

**BAYH ANNOUNCES NEW FUNDING:** U.S. Sen. Evan Bayh today announced tax credits that could result in \$75 million worth of investments to fund community

## 2004 Racing Form

**TREND LINE:** There's a race going on ... with just one voter. It's Senate President Robert D. Garton and his choice to head up Senate Finance if Sen. Borst's loss holds up. Informed and reliable sources tell HPR that Sen. Robert Meeks may be the front-runner for that chair, with Sen. Luke Kenley prominently mentioned. There's another cherry -- Meeks' Budget Committee -- that could also be awarded. Garton split key money positions out of a Ways & Means type format after he and Borst battled it out for Pro Tem in 1980. Sen. Morrie Mills held Budget until he retired four years ago. Garton could combine the two committees, but as one seasoned observer said, "You can't have too many presents to give out these days."

## Indiana 2004 Gubernatorial

**Governor 2004: Republican:** Mitch Daniels. **Democrat:** Gov. Joe Kernan.

**Libertarian:** Kenn Gividen. **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:** The tickets are set, and our view is ... they give Hoosier voters excellent choices for both governor and lieutenant governor. If the two campaigns can keep the bomb-throwing tendencies in check down the foodchain, this could be one of the greatest gubernatorial campaigns in Indiana history. Both parties are now in full gender inclusion mode. With Sen. Borst's apparent defeat in the Senate and Daniels' decision to seek statutory changes in the executive branch, Indiana now stands at a true crossroads where all assumptions in the 1851 governmental structure we now have are going to be challenged in both parties. That is also happening at the local level in Evansville, Fort Wayne and Lake County. Daniels was asked if he planned to form a cabinet style of government that would require statutory change. "Stand by," he said. Thus, the Kernan-Daniels showdown will be one of the most significant in state history. We are excited about having a front row seat. A key question is ... will the Indiana press be up to covering the scintillating public policy aspects of this race? Daniels has released his comprehensive "Roadmap," but it has garnered little attention from the press. Davis praised Daniels' selection of Skillman. "I really like Becky Skillman," she said. "She's had a great legislative career." But Davis was less sure about Daniels' plan for a separate secretary of commerce. Skillman was asked how she places herself on the political spectrum. "You should talk to 120,000 southern Hoosiers," she responded. "I lobbied the General Assembly on behalf of county government. I have a lot of friends around the state and I am very eager to make contact with them." In the hours before the Skillman/Miller appointments, the Kernan campaign began TV ads featuring Davis. "Our goal is to create high paying, high tech jobs," Davis says in the ad. The ad ends with an announcer saying, "Joe Kernan, Kathy Davis making the changes that matter." Indiana First Lady Maggie Kernan was visiting Skillman's home turf of Bedford and Mitchell today. **General Status:** TOSSUP.

## Indiana 2004 Congressional

**Congressional District 2: Republican:** U.S. Rep. Chris Chocola. **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:** Chocola, clearly the front-runner now, will face a tough challenge from Donnelly (Jack Colwell, *South Bend Tribune*). How tough? A lot depends on national issues and President Bush's popularity on Nov. 2. **Status:** *Leans Chocola.*

## Indiana 2004 Legislative

**Senate District 36: Republican:** Johnson County Council President Brent Waltz, *Sen. Larry Borst.* **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:** The basement of the Johnson County Courthouse looked like a crime scene Wednesday, with yellow police tape strung across the room and an Indiana State Police trooper standing guard (Bryan Corbin, *Johnson County Daily Journal*). Four state troopers showed up late Tuesday night at the courthouse and an adjacent government office building, seeking election records. No crime has been committed, however. The state troopers were ordered by the State Recount Commission to impound ballots and voting machines in the disputed Senate District 36 election. Certified voting results from last week's Republican primary show challenger Brent Waltz defeating longtime incumbent state Sen. Lawrence Borst by 48 votes out of more than 12,000 cast. But Borst has not conceded defeat, even though Waltz was certified. Most Johnson County voters cast electronic ballots last week on touchscreen voting machines. For the expected recount, state police had to impound the voting machines, as well as the data stored on cartridges and other election-related paperwork. The commission ordered troopers to secure all election-related equipment and data and restrict access to those items. That was easier said than done. The troopers wanted to change locks on certain closet doors of the courthouse basement. But Jackson expressed concern about damaging the building's historic architecture. A late-night locksmith who had been summoned was called off, Jackson said. So state police posted a guard all night inside the courthouse and across the street in the basement of the Courthouse Annex North, where the voting machines are stored. Jackson said she finally got to leave at 2 a.m. Wednesday. The following afternoon, troopers were trying to sort out by serial numbers the 74 touchscreen voting machines used in Senate District 36, out of a total 456 machines in the building's basement. Hand-recounting the more than 8,000 ballots in Marion County -- which uses optical-scan devices county-wide -- could be a time-consuming proposition for the three-member commission and its staff. **Recount Status:** *SAFE WALTZ*

**Senate District 44: Republican:** State Rep. Eric Koch, Jason Beal. **Democrat:** Open. **2000 Results:** Skillman (R) 33,125. **2004 Forecast:** State Rep. Eric Koch would be the leading candidate for the seat to be vacated by Skillman. He told the *Bloomington Herald-Times*, "It's something I'll have to take a serious look at. But right now, I think the excitement needs to be for Becky." Jason Beal, the former campaign manager for David McIntosh, is pondering a run. Beal, who runs a computer software company, grew up in Bedford and now lives in Salem. **Republican Caucus Status:** *LIKELY KOCH*

**House District 51: Republican:** Steuben County Commissioner Dick Dodge, Jay Oberholtzer. **Democrat:** Open **2000 Results:** Kruze (R) 10,157, J. Smith (L) 2,672. **2004 Forecast:** A former DeKalb County sheriff now faces opposition for state Sen. Dennis Kruse's former House seat. Steuben County Commissioner Richard "Dick" Dodge has declared his candidacy for the House District 51 seat, which Kruse resigned from in April. Kruse replaced the late Sen. Charles "Bud" Meeks, who died of cancer March 22. "It would be nice to have a representative from this county," Dodge, of Pleasant Lake, said Wednesday (*Fort Wayne Journal Gazette*). Steuben County precinct committeemen voted unanimously Monday night to support Dodge in the Republican caucus next Tuesday, said Tony Culver, Steuben County Republican chairman. A consultant to a heating and air conditioning company, Dodge has been a lobbyist for the Indiana Association of County Councils. He believes that education and taxes - especially concerning reassessment - will be important issues for the new representative. Oberholtzer is a former DeKalb County sheriff and is currently a deputy. **Republican Caucus Status:** *LEANS OBERHOLTZER*

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and economic development projects throughout the State of Indiana. The tax credits, allocated through the New Market Tax Credit (NMTC) program, include \$50 million for the Community Bankers Association of Indiana (CBAI) and \$25 million for the Indiana Redevelopment Corporation (IRC). "This funding will mean new job opportunities and a better quality of life for hardworking Hoosiers across Indiana as well as new options for entrepreneurs looking to expand their businesses," Senator Bayh said. "These tax credits are a step in the right direction toward helping grow the Indiana economy by providing struggling communities with the money they need to build new day-care centers, manufacturing facilities and office space."

**NOEL JOINS KERNAN CAMPAIGN:** Joe Kernan's campaign announced today that Tina Noel will join the campaign staff as communications director. "We're thrilled that Tina is joining the campaign team," said Kernan campaign manager Bernie Toon. "Because of her established relationships with media all over the state and her substantial experience, she'll be able to hit the ground running in terms of communicating the positive changes that Governor Kernan is bringing to state

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government." Noel has served as Governor Kernan's press secretary since September 2003. Noel worked as a communications associate at Eli Lilly and Company prior to joining Kernan's official staff. Before entering the private sector, Noel served as press secretary for then-Lt. Governor Kernan for six-and-a-half years. Prior to 1997, Noel was a television news producer for WSBT-TV in South Bend. Noel is a graduate of Indiana University who majored in journalism.

**CARTER URGES MAILING OF LAKE COUNTY TAX BILLS:** Attorney General Steve Carter on Wednesday asked Judge Robert Pete to allow mailing of Lake County tax bills based on the reassessment, while the state asked the Supreme Court to intervene (Post-Tribune). Carter called it a "crisis in the making" for local government, if the tax bills, scheduled for mailing Tuesday of this week, were stalled indefinitely by the on-going court battle.

**US STEEL DEAL IN TROUBLE:** The historic \$53 million tax settlement between U.S. Steel Corp. and Lake County may not be dead — but it is on life support (Times of Northwest Indiana). A few weeks after several local officials said they would refuse to sign the deal, an Indianapolis judge on Friday could set a trial date for the lawsuits

## Prisoner abuse controversy muted in districts

By **MARK SCHOEFF JR.**  
*The Howey Political Report*

WASHINGTON - Even though the controversy over Iraqi prisoner abuse swirls in Washington, it's not getting much play in two of the most competitive congressional districts in the nation-- Indiana's CD 8 and CD 9.

Republicans and Democrats in southern Indiana say that people are disturbed by the scandal but discourse is confined mostly to water cooler talk. "They understand it's a problem. They understand it's being dealt with, and they're willing to leave it at that. I'm asked more questions by the media than by the public at large," said Mike Sodrel, the Republican candidate in CD 9, in an HPR interview.

Warren Nash, Democratic chairman in Floyd County, said, "I think everyone is pretty much horrified by it and in disbelief." But that doesn't mean that the topic will be central to the rematch between Sodrel and incumbent Democrat Baron Hill. "As far as a partisan race, I don't see it as an issue," said Nash.

People in the district aren't upset with President Bush or Secretary of Defense Donald Rumsfeld, and the controversy hasn't risen to the level "where it's become a congressional issue," said Glenn Murphy, GOP chairman in Clark County. The imbroglio itself is causing a reaction. "There's more outrage about the outrage. They were all pretty irked that the response to naked pictures has been more severe than a beheading," said Murphy, in reference to Wednesday's killing of a civilian in Iraq.

In CD 8, GOP Chairman John Myers said the prisoner abuse issue is actually bolstering the administration. "I've gotten more requests for the fax number and phone number of the White House in the last few days than ever before in support of the president and in support of Rumsfeld," he said. But "it's not something that creeps into a congress-

sional race. It's more the economy and jobs."

That readout was echoed by Democratic challenger Jon Jennings' campaign manager, Tim Henderson. "To be honest with you, we haven't heard much about it," he said in reference to Iraqi prisoner abuse. "It's going to play out more at a presidential level." The top issues that voters press Jennings on are jobs and health care. Jennings is running against incumbent Republican John Hostettler.

## Gas Prices Fuel Discontent

Although people are concerned about Iraq, the danger for Bush increases when those qualms are combined with the pain caused by the rising cost of gas, according to CD 9 Democratic Chairman Mike Jones. "I sense a lot of anger out there now by consumers. Those people are getting hit hard by higher fuel prices," said the Switzerland County Council president. The problem is acute in southeast Indiana, where people have long commutes to work in Cincinnati or northern Kentucky. "Right now, I sense a lot of negative comments toward the administration, even among people I would consider Republicans and independents. I don't think that bodes well for candidates like Sodrel who are depending upon the help of the president and his surrogates." Vice President Dick Cheney came to Jeffersonville in March to campaign for Sodrel.

Sodrel said he is not worried about his campaign being hurt by declining support for Bush. "I'm not looking to distance myself from the White House, especially on this issue," he said of the war on terrorism. "There's no daylight between the administration and myself."

Sodrel also defends the actions that have been taken on prisoner abuse. Although the poor treatment of prisoners "isn't acceptable," he said that when he speaks to voters about it, "I hasten to remind them when something like this



goes on, we don't celebrate, we investigate." He said a press release was issued in January two days after the military began investigating the abuse allegations. "It's not like anyone is trying to ignore it."

He also said that a small number of soldiers have sullied the reputations of the other 300,000 that are deployed around the world. "That some folks would take political advantage of that is really disappointing," he said.

His opponent is taking a similar stance. Rep. Hill is not calling for the Rumsfeld's resignation. "He does not want to politicize this issue," said spokesman Stefan Bailey. "He wants to make sure this very important matter doesn't get bogged down in politics, so that we can truly get to the bottom of it."

### Lugar Back in Bush Loop

Democratic U.S. Sen. Evan Bayh, a member of the Senate Armed Services Committee, echoed Hill's comments. "The

American people will not stand for efforts to politicize this and will punish those who try to accordingly," he said through spokeswoman Meg Keck. Bayh has not called for Rumsfeld's resignation.

The prisoner abuse scandal has made the administration reach out more to Congress. After cutting Sen. Richard Lugar, chairman of the Senate Foreign Relations Committee, out of the Iraq loop for months, administration officials met with him several times this week. Lugar talked at length to National Security Adviser Condoleezza Rice and Rumsfeld. He met with Bush at the White House on Wednesday along with other Capitol Hill foreign policy leaders. Next week, Lugar is holding two hearings on Iraq that will feature top administration officials who declined to testify at five April hearings. "The focus is on Iraq policy and transition (to Iraqi control of the country)," said Lugar spokesman Andy Fisher. "Lugar is trying to be productive in terms of moving policy along." ❖

## Libertarian candidate seeks debate inclusion

By MIKE BACKLUND

Libertarian candidate for governor Kenn Givden of Columbus is attempting to secure a spot at the podium in the upcoming gubernatorial debates requested by the Kernan campaign.

During recent campaign stops in Fort Wayne, Terre Haute, Lafayette, and Evansville, Gov. Kernan asked for four statewide debates, three for the gubernatorial candidates and one for the lieutenant governor candidates.

Scott Downes of the Kernan campaign stated negotiations between the three candidates in regard to format and logistics must take place first and declined to speculate any further on Givdens inclusion.

**Daniels' campaign manager** Bill Oesterle has also said they would consider extending a seat to Givden, but echoed Scott Downes' remarks that negotiations must be the first step (*Lafayette Journal and Courier*).

Speaking on behalf of the Givden campaign, Brad Klopfenstein, executive director for the Libertarian Party of Indiana, said the format was irrelevant and inclusion is necessary. "The Libertarian party has earned a spot at the table," Klopfenstein said.

Givden was scheduled this past Tuesday to appear on WXNT, Newstalk 1430's Morning Line show, during a live remote broadcast to make his case for inclusion, but failed to appear for the interview. ❖

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that both sides had agreed to settle. The agreement's demise could prove especially grave in light of the swirling tax crisis in Lake County. Going back to court threatens the carefully crafted deal that would have brought 200 acres of lakefront land under public control and ended years of wrangling over how much the steel giant owes in property taxes. Calumet Township Assessor Booker Blumenberg Jr. won't sign the settlement agreement, saying it is a sweet deal for the steel company that shortchanges the people of Gary. On Tuesday, the three-member Calumet Township Board also voted 2-1 against settling the tax dispute. County and U.S. Steel attorneys have a status hearing Friday with Indiana Tax Court Judge Thomas Fisher.

**LAKE COUNTY OPTS FOR ILLEGAL DRUG PLAN:** Lake County government is joining a prescription drug rebellion and soon will encourage its employees to buy discount medication from Canada in violation of federal law.

In Canada, unlike in the United States, prescription drugs are subject to price controls.

So far, three cities -- Springfield, Mass., Burlington, Vt., and Montgomery, Ala. -- and Caldwell County in North Carolina have adopted Canada drug buying programs for their employees, according to Bill Hubbard, a spokesman for the U.S. Food and Drug Administration, the agency

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responsible for enforcing the law against imports of foreign medication (Times of Northwest Indiana). "We have been prosecuting commercial operations that have been trying to do this," Hubbard said. So far, the agency has not taken action against public bodies jumping on the bandwagon. Illinois Gov. Rod Blagojevich recently released a report estimating the state would save about \$91 million a year by buying prescription drugs from Canada for its employees and retirees.

**ALLEN COUNTY COUNCIL-WOMAN TO RESIGN:** A week after finishing as the top vote-getter in a crowded contested primary, Margaret Ankenbruck is expected to end her re-election campaign and no longer seek a seat on Allen County Council (Fort Wayne Journal Gazette). Ankenbruck, a Republican who holds an at-large seat, is expected to announce her resignation today from the council and from her place on the fall ballot, according to a senior ranking Allen County Republican official. She will likely resign this month and a party caucus would be conducted shortly thereafter to fill her seat. The source said Ankenbruck is believed to be taking a job with the federal government, which prohibits her from holding local office.

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## COLUMNISTS ON INDIANA

**John Zogby, Zogby International** - I have made a career of taking bungee jumps in my election calls. Sometimes I haven't had a helmet and I have gotten a little scratched. But here is my jump for 2004: John Kerry will win the election. Have you recovered from the shock? Is this guy nuts? Kerry's performance of late has hardly been inspiring and polls show that most Americans have no sense of where he really stands on the key issues that matter most to them. Regardless, I still think that he will win. And if he doesn't, it will be because he blew it. There are four major reasons for my assertion: First, my most recent poll (April 12-15) shows bad re-election numbers for an incumbent President. Senator Kerry is leading 47% to 44% in a two-way race, and the candidates are tied at 45% in the three-way race with Ralph Nader. Significantly, only 44% feel that the country is headed in the right direction and only 43% believe that President Bush deserves to be re-elected - compared with 51% who say it is time for someone new. In that same poll, Kerry leads by 17 points in the Blue States that voted for Al Gore in 2000, while Bush leads by only 10 points in the Red States that he won four years ago. Second, there are very few undecided voters for this early in a campaign. Historically, the majority of undecideds break to the challenger against an incumbent. Third, the economy is still the top issue for voters - 30% cite it. While the war in Iraq had been only noted by 11% as the top issue in March, it jumped to 20% in our April poll as a result of bad war news dominating the news agenda. The third issue is the war on terrorism. Among those who cited the economy, Kerry leads the President 54% to 35%. Among those citing the war in Iraq, Kerry's lead is 57% to 36%. This, of course, is balanced by the 64% to 30%

margin that the President holds over Kerry on fighting the war on terrorism. These top issues are not likely to go away. Finally, if history is any guide, Senator Kerry is a good closer. Something happens to him in the closing weeks of campaigns. We have clearly seen that pattern in his 1996 victory over Governor Bill Weld for the Senate in Massachusetts and more recently in the 2004 Democratic primaries. ❖

**Jack Colwell, South Bend Tribune** - As expected, it'll be Mitch Daniels vs. Gov. Joe Kernan. Daniels, referred to by President Bush as "my man Mitch," won the Republican nomination 2-to-1 over conservative activist Eric Miller. The president made one more appeal for support of his man during the Monday presidential visit to Michiana. With indications that Miller was making inroads -- and he certainly was around here -- the president's election-eve blessing of Daniels was one last effort to assure not just victory but a victory margin providing momentum for the fall. Miller didn't do well among Republican voters in most parts of the state, but he carried Elkhart, Marshall and Kosciusko counties (along with Lake and Porter), where he had strong religious right support and where the endorsement of former Gov. Otis R. "Doc" Bowen carried the most weight. Though facing no opponent Tuesday, Kernan was on TV with a blitz of 30-second commercials during the primary campaign. He needed to do that -- first, to get known statewide; second, to define himself and his goals in a favorable way before Republicans hit with a negative portrayal. Daniels began his own TV blitz even earlier. Sure, the commercials were aimed in part at making certain he defeated Miller. But, like Kernan's TV spots, they were designed mainly for winning on Nov. 2. The race looks like a toss-up now. ❖