



HOWEY

Political Report

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Daniels to join Chief Justice at HPR Forum on Oct. 4

Building an Indiana for the 21st Century

By BRIAN A. HOWEY in Indianapolis

Gov. Mitch Daniels, Indiana Democratic Chairman Dan Parker, Michael Tackett of the *Chicago Tribune*, and Capt. Tim Jeffers have agreed to join Chief Justice Randall Shepard for the HPR Forum Series -- "Building an Indiana for the 21st Century" -- on Oct. 4.

The 2005 edition of the HPR Forum will be the first-of-its-kind summit on far-reaching political and public policy as to what kind of state Indiana will become in the 21st Century, bringing together key people from the three branches of state government, local government, the two major political parties, the state and national news media, and the economic development front.

The luncheon keynote address will be delivered by Indiana Supreme Court Chief Justice Shepard, who will analyze Indiana's 1851 Constitution and its application to a 21st Century state in a flattened global economy.

The Forum is being sponsored by BoseTreacy Associates, DLZ and TechPoint and will take place at the Downtown Hilton Hotel in Indianapolis. Reservation information is listed on page 2 in today's edition.

"We will draw together the leading political and public policy minds to help us envision what kind of state Indiana could become in the 21st Century," said HPR Publisher Brian A. Howey. "There are many constitutional issues that have arisen in



Gov. Mitch Daniels comes up the stairs at NSK Precision America in Franklin on Tuesday. (HPR Photo by Brian A. Howey)



"With respect to the continuing branch closures, however, we are running into a political buzz saw, the consequences of which are difficult to predict."

— House Speaker Brian Bosma, in a letter to Gov. Daniels

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recent public policy debates, ranging from marriage to abortion to government reform. It will be fascinating to hear analysis and perspective from Chief Justice Shepard, who will help us frame today's issues with an adroit understanding of our history."

Gov. Daniels won his office in 2004 by promising a "comeback" while chiding the establishment to "not mistake the edge of the rut for the horizon." His new administration has commenced what is expected to be far-reaching reforms in social services, Bureau of Motor Vehicles, economic development and corrections.

"We expect the Daniels reforms to go much further than what we've seen," Howey explained. "Gov. Daniels will spend an hour outlining his vision for a 21st Century Indiana."

Capt. Tim Jeffers, now serving with the U.S. military in Baghdad, will join the final panel following Chief Justice Shepard's keynote. It was Jeffers, who in 1994 ran for secretary of state on the platform of abolishing the office, who convinced HPR's Howey that a Constitutional Convention is needed to reform Indiana government. Also joining that panel will be IUPUI Prof. Sheila Kennedy and State Sen. Vi Simpson. Other additions are expected.



Chief Justice Shepard

On the Forum's first panel, Chairman Parker will join State Rep. Luke Messer, R-Shelbyville and executive director of the Indiana Republican Party, to survey 2006 legislative and congressional races. Michael Tackett, an Indiana University graduate who now heads the Chicago Tribune's Washington bureau, will join that panel along with HPR's Howey, Mark Schoeff Jr., and WXNT talk show host Abdul Hakim Shabazz.

On the second panel, a number of economic development personalities -- Kevin Brinegar of the Indiana Chamber, Pat Kiely of the Indiana Manufacturers, Cameron Carter of TechPoint, and Karl Berron of the Indiana Realtors -- will survey the regional developments on Indiana's economy. Several local officials are expected to join that panel.

On the final morning panel, a number of Indiana mayors and local officials are expected to help survey the government consolidation movements in Allen, Vanderburgh, Marion and Lake counties.

HPR Forum Registration

HPR Subscriber with No CLE	\$75
Non-HPR Subscriber	\$100
HPR Subscriber with CLE credit	\$120
Non-HPR Subscriber with CLE	\$150

For reservations, contact Jack E. Howey at 317-254-0535 or e-mail at jackhowey@howeypolitics.com

HPR Forum Series

8 a.m. to 2 p.m. Tuesday, Oct. 4

Downtown Hilton Hotel, Indianapolis

8 a.m. 2006 Congressional and Legislative Election

Forecast: Brian A. Howey, HPR; Mark Schoeff Jr., HPR; Michael Tackett, Chicago Tribune; Abdul Hakim Shabazz, WXNT, Indiana Democratic Chairman Dan Parker; State Rep. Luke Messer; Moderator: Paul Mannweiler, BoseTreacy.

9 a.m. The Future of Regional Economic Development in Indiana:

Pat Kiely, Indiana Manufacturer's Assn.; Kevin Brinegar, Indiana Chamber; Karl Berron, Indiana Realtors; Cameron Carter, TechPoint. Moderator: John Walda, BoseTreacy

10:15 a.m. Reform and the Daniels Administration:

Gov. Mitch Daniels.

11:15 a.m. The Move Toward Local Government

Consolidation: Fort Wayne Mayor Graham Richard. Watch for other confirmations on this panel. Moderator: Brian A. Howey.

Noon: Lunch

12:30 p.m. Keynote on Indiana's Constitution: Chief Justice Randall Shepard

1:15 p.m. Making the Case for a Constitutional

Convention: Brian Howey, Capt. Tim Jeffers, Prof. Sheila Kennedy, Sen. Vi Simpson





Legislative Republicans facing 2006 primary buzz saw

By BRIAN A. HOWEY

LAPORTE - Two does not make a trend. Three? Perhaps. Four? Now we're getting there.

The latest legislative Republican to get a rude summer awakening was State Rep. Mary Kay Budak, who found out she will be challenged in the May 2006 Republican primary by LaPorte School Board member Tom Dermody.

Dermody joins a growing list of local government officials who are fed up with the pass-the-buck mentality that has emanated from the Indiana Statehouse. Just this week, Marshall County officials discussed employee layoffs and Grant County officials said it's \$1 million in the red (see *Ticker Tape*, page 9).

The trend began when State Sen. Allen Paul was challenged by Richmond City Council President Bruce Wissel. Then Cass County Commissioner Rick Eller began floating trial balloons for a challenge to State Rep. Rich McClain, R-Logansport. Earlier this month, it was Elkhart County Council President John Letherman who is weighing a race against State Rep. Tim Neese, R-Elkhart.

Other local government officials are said to be exploring primary challenges to State Sens. John Waterman and Joe Harrison, as well as State Sen. Jeff Drozda, who knocked off incumbent Steve Johnson in 2002. That primary vulnerability trend was extended when State Sen. Brent Waltz, then the Johnson County Council president, upset Senate Finance Chairman Larry Borst in May 2004.

"The governor and the legislature passed a bad budget on the backs of local government," said Indiana Democratic Chairman Dan Parker. "And local government isn't happy. They'll be the ones who will be raising taxes."

'Dumping' on local governments

Letherman told *HPR* on Wednesday that he and other local government officials perceive "a disconnect between local government and those who represent us downstate." He cited \$15 million the biennial budget took away from highway funding and gave to the Indiana State Police. "Elkhart County lost \$600,000," he said. "We just had to raise the wheel tax. They took the cost of living escalator off the property tax credits. Then they say 'We didn't raise taxes' when it's not the truth. That's dumping on us."

Letherman is weighing his decision on his retirement plans and whether the right person can step up for his county council seat. "If I run against Neese, I'll beat him," he said.

The LaPorte development comes on the eve of what

will likely be a cascading series of local property tax increases brought on by local school boards when budgets are hashed out in August and September.

Budak hasn't had a primary opponent in nearly two decades. Dermody told the *Michigan City News-Dispatch* that he believes Budak is vulnerable on education, economics and financial security. Dermody said his time on the LaPorte School Board has helped him better understand the issues facing education in the state (*Michigan City News-Dispatch*). He said he's noticed many problems at the state level that make it difficult for many schools to provide a solid education to children. "Like many other members of the community, I recognized a need for leadership on the school board and I decided to step up and help facilitate a higher quality of education for our children," Dermody explained.

Budak put a brave face on the situation. "I look forward to a vigorous and positive campaign," she said. "I haven't had a primary opponent since 1986. (Dermody) came out of nowhere. All this means is that I'll have to run two campaigns instead of one."

LaPorte County Republican Party Chairman Dave Pendergast told the *News-Dispatch* the challenge would be good for the GOP. But he said he was "dismayed" that Dermody would challenge Budak, who he described as a "spectacular representative."

"His choice of state representative ... we'd hoped he would pick a spot where we didn't have anyone," Pendergast said. "But he has the right, as does anyone, to get into the fray and I look forward to this primary bringing more Republican voters to the polls."

Growing GOP anxiety

Meanwhile there was growing anxiety among House Republicans, primarily over the BMV branch closures. House Speaker Brian Bosma sent a letter to Gov. Daniels on July 18 asking him to halt the closings. "With respect to the continuing license branch closures, however, we are running into a political buzz saw, the consequences of which are difficult to predict," Bosma wrote. "With most of the announced closures being located in Republican incumbent districts, and many of the future sites being examined falling in the same category, it is tough to convince members of our caucus that incremental money savings is more important than local service to their constituents. The adage that 'all politics is local' seems particularly apt to our situation."

Bosma added, "I have to admit that I have not witnessed any of these hearings personally, but the second-hand reports are not good. I know that Joel (Silverman) is a man of integrity and high intellect, and that his is a thankless job. But the public relations take from these meetings has the opposition positively gleeful, and I really mean this." ❖



Dermody



Daniels has 'great day' in 'Can-do' Franklin

But it's too early to declare a trend

By BRIAN A. HOWEY

FRANKLIN -- NSK Precision America President C.T. "Gus" Kontonickas had a suggestion for Gov. Mitch Daniels: scrub the old "Crossroads of America" slogan (which, by the way, has been usurped by ABC's *Good Morning America*) and go with "Indiana ... the Can-Do State."

Gov. Daniels was delighted by the suggestion, telling the powers-that-be at Indiana's newest corporate headquarters that he might do it "by executive order."

Kontonickas called Daniels "the architect of Indiana's comeback."

Daniels turned to Kontonickas and explained, "I cannot overstate the importance and significance of what has happened here today. You're going to like it here; you're going to make a lot of money here."

To which Kontonickas replied, "I better."

The job developments in Franklin were modest. Only 20 executive jobs will be moving from Addison, Ill., to Franklin, which hardly offsets the recent manufacturing losses this city has suffered. But NSK, which is a leading manufacturer of precision motion control products including ball screws, linear guides, robot modules and X-Y stages, promised that its workforce could increase by 30 to 40 percent over the next four years.

The fact that it was a headquarters is significant. Indiana has bled corporate headquarters, losing companies such as Arvin, Ball Corporation, IPALCO and Public Service Indiana to other states in recent years.

"It's a headquarters," said Daniels on the brink of a three-nation Asian tour with 80 Hoosier economic and political leaders that commences this weekend. Indiana is home to more than 200 Japanese companies, including NSK. "We believe that adds extra importance. Headquarters and loca-

tions do matter. This is where a company invests its heart and plants its roots. Looks deeper for growth opportunities. I don't mind saying this headquarters came from Illinois."

The news was important when taken in tandem with MedVenture Technology Corp. deciding to move from Louisville, Ky., to Jeffersonville earlier this month with 70 jobs and more to be created. Indiana has staked its "comeback" on the life sciences, high tech, advanced manufacturing, logistics and motorsports. NSK and MedVenture are the kinds of companies Indiana wants to attract. It is intent on luring them away from neighboring states and foreign lands.

"Coming in I admired the wildflowers," Daniels said in Jeffersonville in early July, "but I was thinking I'll be glad when that's all replaced by more companies like this. As great as this day is, for Indiana to make the comeback that we need, this has to happen over and over and over again."

Daniels told *HPR* in Franklin that it was too early to "declare a trend" by reversing the loss of manufacturing jobs with high tech companies. But, he suggested, the future is promising.

"We have two times the number of projects under negotiation than there were this time last year," Daniels explained. "And, yes, there have been some very significant successes. It's way too early to declare a trend and I try to point out at every location, the job is very, very large and the road back is very, very long. We don't over claim, but this is a great day. But we have to have many, many more such days."

In both the cases of NSK and MedVenture, Indiana out-bid out-state competition. With NSK, it was Ohio and Wisconsin. With MedVenture, the *Louisville Courier-*

Journal reported that Kentucky and Louisville offered a \$2 million tax incentive package. Indiana and Jeffersonville came up with \$4.3 million.

But Gov. Daniels has raised a difficult bar over the course of the last two years. He was a strident critic of Gov. Joe Kernan's economic development issues.

While BMV branch closures, Daylight-saving time, the timely completion of the Colts stadium and local property taxes could all end up in a political minefield between 2006 and 2008, the number of new jobs and companies calling Indiana home will be absolutely critical to his legacy.



Gov. Daniels, who heads to Asia to seek jobs this weekend, looks over a display at NSK Precision America in Franklin. (HPR Photo by Brian A. Howey)



Sodrel votes for CAFTA

Freshman Continues to Cite China as Problem

By MARK SCHOEFF JR.

WASHINGTON -- Rep. Mike Sodrel decided to vote in favor of a trade pact with Central America primarily to help stabilize the region and prevent neighboring dictators from gaining influence.

"It's more of a national security issue than a trade issue," Sodrel (R-9th CD) said Wednesday. He said the Central America Free Trade Agreement would build on the Caribbean Basin Initiative, established in 1983 to promote democracy and economic growth at a time when communist groups were fighting for dominance. Sodrel is worried that Venezuelan President Hugo Chavez and Cuban President Fidel Castro are causing trouble in the region. "Chavez is providing the money and Fidel is fomenting unrest again in Central America," said the freshman Republican.

Sodrel, who was among the last Republicans to state his position, helped provide a two-vote victory for CAFTA in the House late Wednesday night. President Bush traveled to Capitol Hill on Wednesday to pitch the pact to Republican House members. Most House Democrats oppose CAFTA, saying that it would undermine labor and environmental standards. The Senate approved the agreement, 54-45 in June.

Goods from CAFTA countries already have duty-free access to the U.S. market. U.S. exports to the region totaled \$15.7 billion in 2004. In addition to promising U.S. economic growth from CAFTA, the administration also argued that increasing trade between the United States and the six CAFTA countries -- Costa Rica, Honduras, Guatemala, El Salvador, Nicaragua and the Dominican Republic -- would strengthen their internal politics and civil society.

Beyond security, Sodrel cited the economic benefits of CAFTA, which would immediately eliminate tariffs on 80 percent of U.S. exports to the region. "It levels the playing field for our producers," said Sodrel. "Most farmers I've talked to in the Ninth District are for it."

Kent Yeager, director of government relations for the Indiana Farm Bureau, said that CAFTA would increase sales of Hoosier corn and soybeans, as those commodities are used to produce meat sold in the region. "People in poor economies are interested in improving their diets. As their economies grow, one of the first things they buy is meat."

Pushing back against China

While his farmer constituents may benefit from CAFTA, Sodrel is more cautious about trade with China. During the 2004 campaign, Sodrel cited China as the primary

reason for 15,000 manufacturing job losses in the district. He often referred to "Charlie the Glue Guy," a laid off furniture company worker.

Sodrel is not worried that Charlie will misinterpret his CAFTA vote. "Most people understand when you pick up retail products and look at the bottom (label), it doesn't say Nicaragua, Guatemala or El Salvador, it typically says China," he said. "Intuitively, they know where the problem is."

In an effort to gain support for CAFTA and assuage concerns about China, House leaders allowed a vote on Wednesday on a bill that would enable the U.S. to impose penalties on illegally subsidized Chinese imports and to improve monitoring of China's compliance with trade obligations. The bill passed 255-168.

Rep. Mark Souder (R-3rd CD) said that CAFTA would have a minor effect on northeast Indiana, but he decided to support it because he was able to spur the Bush administration to take action on China. Last week, China agreed to loosen the reins on its currency, letting the yuan float against a basket of global currencies rather than pegging it to the dollar. Critics assert the peg artificially lowered the yuan and hurt U.S. exports. The yuan has risen about 2 percent.

Souder pressed the China issue in a July 13 White House meeting with Bush about CAFTA. "CAFTA does a little for my district, but this was my chance to get them to move on China," said Souder. He told Bush: "You want to talk to me about trade? I want to talk to you about trade."

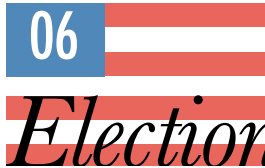
Keeping the pressure on China is the only way to make it change its trade practices, said Sodrel. "It's like asking motorists to stop and tell a cop they're speeding," he said. "As long as they can get away with it, they'll do it." Souder denied that the China bill gave him cover to vote for CAFTA. "People who want cover are voting no. The easy vote is no," he said. "People at home don't want CAFTA because it sounds like NAFTA."

Ice cream and plastics

CAFTA does help Souder constituents like Edy's Ice Cream and DeBrand chocolates, which will benefit from lower prices for sugar. The administration also promised Souder it would try to lower tariffs on plastic products sooner than the eight to 10 years called for in CAFTA. The plastics industry is the third largest employer in the district.

"They've given me a commitment that they'll do their best," said Souder. "In this business, you don't get slam dunk wins. You get incremental gains."

Yeager hopes that future trade liberalization votes will prevail by wider margins, saying that opening international markets is the key to economic growth. "I don't understand why some people are as negative as they are on trade because we've got to do it to survive," he said. ❖





Indiana 2006 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 Result:** Chocola 140,496 (54%) Donnelly (D) 115,513 (45%) **2006 Forecast:** Chocola believes America's manufacturers can compete anytime, anywhere when given a level playing field. But, China's refusal to comply with international standards of trade has lead to unfair trade. The U.S. House of Representatives took steps to hold China accountable and passed the most comprehensive strengthening of our trade remedy laws since the 1980s.

H.R. 3283, the "United States Trade Rights Enforcement Act," which passed the House by a bi-partisan measure of 255-168, offers a wide range of measures to ensure that China abides by the rules of free trade. "The Trade Rights Enforcement Act takes the largest step in over 15 years toward strengthening our trade remedy laws," said Chocola. "It provides a comprehensive approach toward eliminating many of the inequities that exist in our trading relationships, particularly the U.S.-China trade relationship. It holds China and others accountable and creates tough mechanisms to ensure that our trading partners abide by their commitments." Chocola announced that he, along with five of his House colleagues, both Democrats and Republicans, would travel to the U.S. Naval Base at Guantanamo Bay, Cuba. The Congressional delegation plans to see firsthand the treatment of the detainees in the global war on terror. "Guantanamo Bay houses enemy combatants ranging from terrorist trainers and recruiters to bomb makers, would-be suicide bombers, and terrorist financiers. Guantanamo provides a strategic interrogation center where enemy combatants can be questioned and where the results of those interrogations has



undoubtedly produced information that has saved the lives of U.S. and coalition forces in the field, as well as thwarted threats posed to innocent citizens in this country and abroad. "Given the recent allegations of detainee abuse, I think it is important to personally observe the treatment of detainees at this facility. We must pursue lawful and humane treatment of these prisoners, and I look forward to viewing the situation first-hand." **Status:** *Leans Chocola*

2006 Statewide Races

House District 20: Republican: State Rep. Mary Kay Budak, LaPorte School Trustee Tom Dermody. Democrat: Open. **2002 Results:** Budak 12,551, Gillon (L) 2,540. **2004 Results:** Budak 12,944, Spevak (D) 10,013, Schadowsky (L) 1,038. **2006 Forecast:** Our LaPorte County contacts tell us they believe Budak can be beaten in the primary. They say that Tom Dermody grew up in the same neighborhood as former congressman John Hiler. They say he was encouraged by a number of Republicans locally and in Indianapolis to make the run. Budak had a relatively narrow (almost 3,000 vote) victory over a Democrat in 2004. But by gerrymandered standards, that victory points to vulnerability. We expect Dermody will have money and assets and this is a primary to keep an eagle eye on **Primary Status:** *TOSSUP*

Senate District 34: Republican: Open. Democrat: Jean Breaux, Paul Bateman, Councilor Ron Gibson. **2004 Results:** Breaux, 30,893. Marion County Democrats are beginning to battle over just who should replace Billie Breaux in the Indiana Senate (Tully, *Indianapolis Star*). And it's not even certain Breaux will be leaving her Senate seat anytime soon. The action comes as Breaux prepares to run next year for Marion County auditor. If she wins, Breaux would give up the Northeastside seat she's held since 1990. Jean Breaux is one of the early candidates for the seat. No, her last name is not a coincidence; Jean Breaux is indeed the senator's daughter. Not surprisingly, the senator is acting as her daughter's top cheerleader. Paul Bateman, a local precinct committeeman and former union lobbyist, also is seeking the seat. He's got some strong backing of his own, including Rep. Mae Dickinson. There's more. City-County Councilman Ron Gibson is in. "I'm going to be a serious candidate for that seat," he said. Breaux complained that she had hoped to keep her run for auditor out of the newspaper (*NOTE: HPR broke this story earlier this month*). Why? Well, because then her daughter might have been able to slip quietly into her Senate seat. "The minute you open the door," she said, "it opens the door for everybody to say, 'Hey, this sounds like something I could do. Blah, blah, blah.'" **Status:** *No line.* ❖



Kicking and screaming into the 21st Century, though the only thing we have to fear is

By BRIAN A. HOWEY

FRANKLIN - Indiana is kicking and screaming its way into the 21st Century.

This past week we witnessed near hysteria and angst over the closure of BMV branches and the time change. House Speaker Brian Bosma is seeing a political "buzz saw," he believes, due to time and branches, like a kid standing in timeout with his dad holding a switch. What he fails to acknowledge is that the budget he was complicit in forming has turned the heat up on local officials. They're pissed and that is far more dangerous to incumbents.

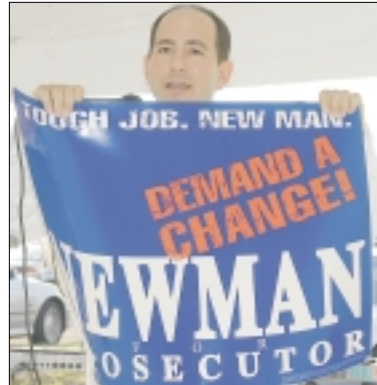
Communities are treating these BMV branches -- a place I dread to go -- as a local treasure. I have yet to hear of a state legislator go out to his or her people and say, "There will be a plan that will make your life easier, so you won't even have to go to a BMV branch save for once every five or six years."

Instead, they've become the voice boxes of fear. The angst over the change to Daylight-saving time comes when the U.S. government is preparing to extend DST deeper into March and November.

They're doing it to save energy. But here in Indiana, the Democratic Party is preparing to make DST a major issue. And they were joined by *Indianapolis Star* columnist Matthew Tully (see page 8), who looks at the governor with wonder at his role as an agent of change, willing to expend political capital.

Imagine that, *spending political capital*.

That's a relatively new concept for most at the Statehouse who have learned to game the status quo for their own benefit. A governor willing to take on intractable problems in order to reposition the state is a thoroughly foreign con-



Once foes, former Marion County prosecutors Scott Newman (left) and Jeff Modisett (right) have joined forces with Strand Analytical Laboratories. (HPR Photos by Sami Mekki)

cept. Instead of logic, they turn to fear.

In the world of politics, I am always fascinated when rivals come together to forge an alliance to get something done. We saw it vividly in 1997 when former foes Gov. Frank O'Bannon and Indianapolis Mayor Stephen Goldsmith put aside their rivalry and worked to get stadium projects done.

Last week, it happened on the business front. Two former Marion County prosecutors, Democrat Jeff Modisett and Republican Scott Newman, came together at the grand opening of Strand Analytical Labs. It's Newman's company, but Modisett is an investor. At the kickoff, Newman pulled out an old 1994 campaign sign he used to oust Modisett in what was a bitter race. He gave Modisett the sign, saying, "Change is overrated."

Gov. Daniels said he tried to convince Newman to join his fledgling administration. But, the governor said, when he realized that Newman was on the verge of creating a new DNA testing lab, the very kind of national business he sees necessary to create Indiana's "comeback," he told Newman, "You're doing exactly what needs to be done."

Now Newman and Modisett are business partners. Rivalry has taken a back seat to common goals in a new, rapidly changing flattened world economy. Handshakes, instead of fear.

Imagine that. ❖

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Jack Colwell, *South Bend Tribune* - Gasoline for a nickel a gallon. Sound like a good deal? That's the price paid in Iraq. And according to expert testimony before the Senate Foreign Relations Committee, it is a terrible price, undermining the Iraqi economy, encouraging corruption and likely to prevent any long-term stability. This was just one of the Iraqi problems in addition to the insurgency that were discussed in hearings on Iraq presided over by Sen. Richard G. Lugar, the committee chairman. The hearings captured little news coverage but provided guidance for answers to the big question: "What do we do now?" Experts outside the Bush administration and outside Congress, free of political pressure to present only the positive or the negative, testified in three days of hearings last week on what needs to be done in Iraq to improve security, bring political stability and accelerate economic progress. Lugar and Sen. Joe Biden of Delaware, the committee's senior Democrat, cooperate in committee hearings, seeking bipartisan approaches rather than the eye-gouging so often featured on Capitol Hill. Thus, there was little national news coverage. Conflict attracts coverage in Washington. Thoughtful deliberation doesn't. Lugar intentionally scheduled no administration witnesses. Administration witnesses would only defend policy, while some of the Democrats on the committee would beat them up over past mistakes in Iraq. Lugar wanted to focus on what to do now. After another day of expert testimony in September on regional dynamics of Iraqi relationships with its neighbors -- Turkey, Iran, Saudi Arabia and Syria -- Lugar plans to take the findings for discussion with Secretary of State Condoleezza Rice and other policymakers. Again, as he put it, "not to beat anybody around the head" over past deficiencies in policy, many of which Lugar warned about even before the Iraqi invasion. ❖

Matthew Tully, *Indianapolis Star* - From the beginning, Gov. Mitch Daniels underestimated the drama of daylight-saving time. From the start, he failed to understand that time, for so many people, is an intensely personal issue. Without that understanding, Daniels' completely sensible decision to push daylight-saving time has dealt him one throbbing headache after another. To slay the beast, you must first understand it. Watching the latest time controversy unfold this week, I dug out my notes from last year's campaign. I hit the jackpot with a speech Daniels gave in Lake County. In it, he talked about bringing our sometimes-splintered state together. "We can start with small things," he said. "For Pete's sake, let's get all of our state on the same time." Daylight-saving time is a "small thing?" Hmm. And I guess Hurricane Dennis

was a "little storm." With his understatement, Daniels set in motion months of battles, brouhahas and blustery debate over our clocks. Along the way, he's looked at reporters like we're fools for making such a big deal about the issue. His staff calls the debate a media creation. Not so. Daniels created this monster. He clearly understands the need to modernize and simplify Indiana's time system. But he has shrugged off the human side of the storm like a CEO making a bottom-line decision, arguing it must become easier for Indiana firms to deal with clients in places like New York or Europe. That argument makes great sense. But most people have more basic concerns, like: "What time will the sun go down on July Fourth?" Or "Will I be driving to work in the dark in April?" Daniels missed the point. During his campaign, Daniels' staff begged him to stop talking about daylight-saving time. But over and over, he made news by promising to pursue it. To those who questioned his decision to tackle such a hot-button issue, he said good policy is good politics. Such boldness is what makes Daniels so intriguing -- and such a lightning rod. But he now seems to understand that this issue has cost him political capital. ❖



Rich James, *Post-Tribune* - Enter John Curley, the man with the boyish looks and the aw-shucks demeanor that belie his political prowess. Curley named two other Republicans to the Election Board rather than sitting himself to pick up the \$15,000. Curley's only agenda is giving Lake County a two-party system. Amen. He's not looking to win a countywide office anytime soon, but he knows the importance of fielding a quality slate of candidates — those with a platform and an ability to articulate the issues. But, until the national Republican Party starts standing for issues important to blue-collar Lake County, Curley's job will be all the more difficult. Curley's priority will be to shake the cobwebs out of the lethargic organization, which will include convincing some that Prohibition has been repealed and Hoover no longer is president. To that end, he's planning the first Lake County Republican Convention on Oct. 8. It's primarily for precinct committeemen who need to be told there is more to the job than buying a ticket to the Lincoln Day dinner. Curley wants a more visible party that learns how to communicate and has a higher public profile. He wants to build an infrastructure that breaks down the walls separating the Republican loyalists. Curley and Pat Gabrione, who is working with him, are on the right track. They can't have an effective party without a strong precinct organization. They are trying to instill in Republicans what Democrats here have had for years — a pulse and pride. ❖



Lake County's Stiglich dies

CHICAGO - Former Lake County Democratic Chairman Stephen Stiglich died early today in the operating room of University of Chicago Hospital, according to the office of Lake County Surveyor George Van Til.

A source in Van Til's office said that Stiglich died around 3 a.m. Stiglich is the current Lake County auditor and a former sheriff. His unsuccessful 1999 Democratic primary race against East Chicago Mayor Robert Pastrick ignited the "sidewalk scandal" that has resulted in a number of indictments and convictions. Earlier this year, Stiglich lost his Democratic chair when he failed to muster a quorum. "We were saddened by the news of the passing of Chairman Stiglich this morning," said Indiana Democratic Chairman Dan Parker. "Stephen "Bob" Stiglich will always be an icon in Hoosier politics. He spent most of his life serving his community, his county, his state and his party. As a past chief of police and two-term sheriff he was committed to making his community safer and stronger for it's citizens. Throughout his years of service, those who knew him could always count on Stig's sense of humor to lighten a tough situation and for always putting Lake County first. The Democratic Party is grateful to him for his service and we offer our thoughts and prayers to his family during this difficult time."



the 2006 budget, Judge Dean Colvin brought up what most everyone else was avoiding. If the county has to reduce its work force, painful though it may be, it has to be done, he said. He challenged the group of county officials meeting Tuesday night for a budget workshop. "If I lose 300 votes for saying it, so be it," Colvin said.

Grant County is broke

MARION - They've gone over the numbers twice, and the answer is the same: Grant County will be more than \$1 million in the red by year's end unless services are cut or more revenue is generated (*Marion Chronicle-Tribune*). At a Wednesday Grant County Council meeting, convened just for this purpose, officials from accounting firm H.J. Umbaugh and Associates said that lower-than-expected revenue and overspending have contributed to the deficit. Any specific talk about possible cuts in county services has been avoided.

Warsaw superintendent dismissed by school board

WARSAW - Months of speculation swirling around the employment status of Warsaw Community Schools Superintendent David McGuire came to an end Wednesday night when the school board accepted his resignation (*Fort Wayne Journal Gazette*). There was no discussion before the 6-1 vote during the special meeting.

Daniels appoints Fort Wayne doctor to IU Trustees

FORT WAYNE - Gov. Mitch Daniels on Wednesday named a Fort Wayne doctor to the Indiana University Board of Trustees. Dr. William Cast of Fort Wayne was appointed to a three-year term at IU, where he earned his undergraduate degree in 1958. He also graduated from the IU School of

Medicine in 1962 (*Fort Wayne Journal Gazette*). In addition to Cast, IU School of Law student Casey Cox of Spencerville will serve a two-year term as student trustee. As an undergraduate, he served as president of the IU Student Association. Tom Reilly Jr., of Carmel, has been appointed to a three-year term. He retired in 2003 after 13 years as chairman of Reilly Industries.

Oesterle, LaPlante get trustee posts

INDIANAPOLIS - William Oesterle, of Indianapolis, has been appointed to a three-year term to the Purdue University Board of Trustees (*Times of Northwest Indiana*). Oesterle is the founder of Angie's List, one of Indiana's fastest-growing companies. He was campaign manager for Gov. Daniels. R. Brooks LaPlante, of Terre Haute, has been appointed to serve a four-year term on the Indiana State University Board. LaPlante is a former state representative.

Carter to appoint first state solitor general

INDIANAPOLIS - Indiana Attorney General Steve Carter will appoint the state's first Solicitor General. The formal announcement will occur at 1 p.m. in Room 319 at the Indiana Statehouse.

Marshall County weighs layoffs

PLYMOUTH - Marshall County officials had a frank discussion about possible employee layoffs Tuesday night (*South Bend Tribune*). After some hemming and hawing about balancing

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