



The Obama-Pence showdown in Indiana

*Is a rescue coming?
Or the beginning of
the 2010 campaign?*

By **BRIAN A. HOWEY**

INDIANAPOLIS - With a deal cut on the \$789 billion in Congress and the legislation poised for President Obama's signature, the question now becomes: will it work? Will Americans begin to see a decrease in jobless benefits claims, a rise in inflation (better than the deflation prospects) and a stabilization of housing prices in the coming months? In the opening weeks of this presidency, that has been the point of contention between Obama, who espoused bipartisanship and has only three Republican votes to show for it, and the aspiring Indiana U.S. Rep. Mike Pence.

Though Pence had vowed to operate in a bipartisan manner - something he reiterated mid-week - the fact that there was virtual monolithic opposition from the GOP suggests a keen political calibration that could pay off for the



Both President Obama and U.S. Rep. Mike Pence had Indiana town hall meetings in Elkhart and Columbus, two of the most vulnerable communities in the nation on the auto collapse. (HPI Photo by A. Walker Shaw)

party in 2010. Obama, himself, has acknowledged that if the plan doesn't work, he will likely be a one-term president.

Pence has admitted over the past year that Republicans had lost their way and he did so again Sunday on NBC's Meet The Press. "With all due respect to the presi-

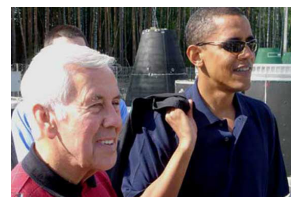
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Obama remembers Elkhart

By **BRIAN A. HOWEY**

ELKHART - "I have not forgotten," the young president told a basketball gym full of exuberant yet anxious Hoosiers.

Less than a year before, Barack Obama walked from home to home on, ironically, Bank Street, seeking votes two days before a primary he would narrowly lose. On that particular May 4, gas prices were skyrocketing toward a \$4.19 a gallon apex and the wall cloud heading toward Wall Street was just beginning to peer over the horizon. The jobless rate was around 5 percent here. The intersection of high



"The bill contains provisions that threaten to undermine the very economic growth it purports to stimulate, placing American businesses and their workers in danger of trade-based retaliations."

- U.S. Sen. Dick Lugar

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Indianapolis, IN 46240 | 317-202-0210



HOWEY POLITICS INDIANA

is a nonpartisan news-letter based in Indianapolis and published by NewsLink Inc. It was founded in 1994 in Fort Wayne.

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Subscriptions:

\$350 annually HPI via e-mail;
\$550 annually HPI & HPI Daily
Wire.

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People in Elkhart were anxious at the town hall with President Obama on Monday. That happens when a city has 17 percent unemployment. (HPI Photo by A. Walker Shaw)

gas prices and frozen credit that would produce the epic recession already overshadowing the dark days of 1982 has assaulted this city where one of every six workers sit idled, waiting.

Coming to hear Obama, I was struck by the emptiness of a city I called home for more than a decade. The Monaco Coach complex my step-daughter worked at along with hundreds of others now sits empty. Driving through downtown – which had made a decent recovery from the days of '82 following President Reagan's 1981 jump start - found a greeting for the new president on the Elco Theater marquee, and another one half a block away at Civic Plaza, inviting jobless workers to come to the Tolson Center where they could file their unemployment claims. Store fronts were boarded up. Winter's gray only compounded a feeling of desolation.

I had perverse thoughts. As President Obama made his plea for a stimulus, all but three congressional Republicans would be voting against it. Only three on the package that would confront a nation jarred by the profound collapse of energy, housing and capital – the nexus that made Elkhart a grand Hoosier city. Why, that

next election is less than two years away. These politicians have become born again fiscal conservatives. It was like Keith Richard lecturing us on drug abuse, John Daley on binge drinking or Bobby Knight on anger management.

So President Obama reminded folks here in Elkhart County – where he received only 44 percent of the vote and found 15 percent unemployment upon his return - "I have not forgotten."

"First of all, when I hear that from folks who presided over a doubling of the national debt, then, you know, I just want them to not engage in some revisionist history," Obama would say Monday night in his first press conference. "I inherited the deficit that we have right now and the economic crisis that we have right now." Indeed, President Bush came to office in 2001 with a \$400 billion surplus and left Obama a \$1 trillion deficit.

It was something Obama repeatedly reminded Americans in Elkhart, at the White House during the press conference, and in Fort Myers on Tuesday. At the presser, he said, "I would love not to have to spend



money right now," adding more irony on "this notion that somehow I came in here just ginned up to spend \$800 billion. That wasn't how I envisioned my presidency beginning. But we have to adapt to existing circumstances."

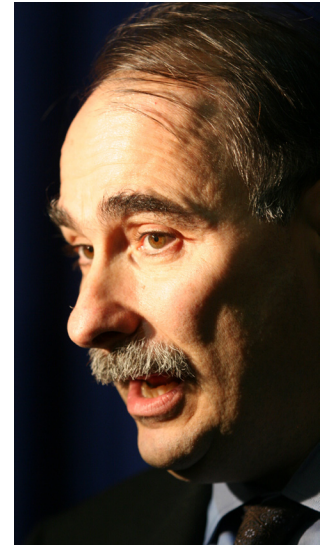
And Elkhart became the first rallying point of his presidency, just as Indiana had been the scene of his final campaign stop on Election Day. He called inaction on his stimulus package – which U.S. Rep. Mark Souder is advocated less than five miles away in Goshen – something "the people in Elkhart can't afford."

Earlier, Obama said, "What I'm trying to underscore is what the people of Elkhart already know: this is the worst economic crisis since the Great Depression." His response is a plan that included 60 percent spending and 40 percent tax cuts (going to 95 percent of us), which Republicans had advocated.

At his press conference, with his head panning right to left and back, Obama talked of his efforts to prevent a "crisis becoming a catastrophe" before looking straight into the camera, saying to Congress what he had heard in Elkhart: "People are waiting for us to lead."

Why now? Drive through the RV belt from Elkhart to Wakarusa to Nappanee. Or stop by a bank conference room where someone with good credit can't get an RV loan. Check out a WorkOne office or the Faith Mission. Then tell us how long you want to wait.

Elkhart Mayor Dick Moore has identified more than 20 "shovel ready" projects that could put 2,300 people back to work at a cost of \$92 million in 120 days. Moore said this crisis is worse than the early 1980s. "What's happening is these companies buy one of these companies here in Elkhart and have a home office somewhere else. Today, they close a plant here and move it to Oregon. It used to be it would go down, but all the guys who owned them were local and they came back."



David Axelrod, (right) the White House strategist who designed the Obama campaign, told me Elkhart "is emblematic of the crisis we are facing and so it was an appropriate place to come back and talk as Congress comes back and debates this critical piece of legislation."

So on this day – at a time when the Great Depression provides apt scale – only a little less than half the politicians are forgetting Elkhart. ❖

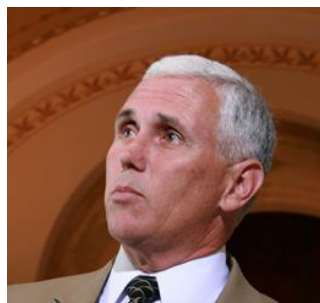
Obama-Pence, from page 1

dent of the United States, the ideas, the worn-out ideas that the American people are tired of is runaway federal spending," he said. "I believe the American people rejected that under Republican control, and I believe that's the reason why support for this stimulus bill is collapsing by the hour. The American people know we can't borrow and spend and bail our way back to a growing economy. This bill - the only thing this bill's going to stimulate is more government and more debt."

At least one poll - Gallup - begged to differ with Pence. Released Monday, it showed that people approve by 67-25 percent of President Obama's handling of the stimulus debate. Asked if they approve of Republican conduct on the stimulus, 31 percent approved and 58 percent opposed. It appears to be dangerous territory for Republicans ... now.

At a time when many Americans hoped for bipartisan cooperation, the fact is that in the early weeks

of the Obama presidency, a high stakes political game is underway. Republicans, who controlled the White House and Congress for six years and saw a \$400 billion surplus in 2000 balloon into a \$1 trillion deficit when President George W. Bush left office last month, are trying to regain the fiscal conservatism they lost in epic fashion.



U.S. Rep. Mike Pence at a "Republican revolt" presser in the U.S. Capitol in 2008. (Pence Photo)

Obama responds

And then there was President Obama, who seemed to respond to some of Pence's criticism over the past couple of weeks. In the Jan. 17 HPI Interview, Pence noted, "The failure of the New Deal wasn't the failure to spend enough. I much more associate my thinking with economist Amity Shlaes, who has the view that excessive government spending and higher taxes and an unpredictable regulatory regime in the 1930s extended and worsened the Great Depression. Schlaes points out in her recent book *The Forgotten Man* the recession had abated by the middle of the 1930s in the West with the exception of the United States."

During his first presidential press conference Mon-



day night, Obama took on what he called "revisionist history." Obama explained, "Some of the criticisms really are with the basic idea that government should intervene at all in this moment of crisis. Now, you have some people, very sincere, who philosophically just think the government has no business interfering in the marketplace. And, in fact, there are several who've suggested that FDR was wrong to interfere back in the New Deal. They're fighting battles that I thought were resolved a pretty long time ago."

Obama continued, "Most economists almost unanimously recognize that, even if philosophically you're wary of government intervening in the economy, when you have the kind of problem we have right now -- what started on Wall Street, goes to Main Street, suddenly businesses can't get credit, they start paring back their investment, they start laying off workers, workers start pulling back in terms of spending -- when you have that situation, government is an important element of introducing some additional demand into the economy."

Ideology on Meet the Press

On Meet the Press, Pence pushed ideology and noted a recent newspaper ad featuring 300 economists against the stimulus: "I strongly opposed the banking bailout last fall. I opposed the president of my own party and the leaders of my own party, because I don't believe we can nationalize every bad mortgage in America. I don't believe we can nationalize every failing bank in America. What troubles me about the impending announcement by the Obama administration is it just seems to be more of the same, more taxpayer dollars being shoveled from Main Street to Wall Street."

At one point, when pressed by Meet the Press host David Gregory about the credit crisis, Pence said, "There is an enormous amount of capital in the system." That would be a news flash in Elkhart. U.S. Rep. Barney Frank responded by saying, "They believe nothing should be done" before

Pence snapped, "You misrepresent my point."

During the town hall meeting in Elkhart, Obama described the reality he's dealing with. "When we say that we've lost 3.6 million jobs since this recession began, nearly 600,000 in the past month alone; when we say that



President Obama at Concord HS in Elkhart on Monday. It was his first major public trip outside of Washington since assuming the presidency. (HPI Photo by A.

this area has lost jobs faster than anywhere else in the United States of America, with an unemployment rate of over 15 percent, when it was 4.7 percent just last year; when we talk about layoffs at companies like Monaco Coach, and Keystone RV, and Pilgrim International -- companies that have sustained this community for years -- we're not just talking numbers, we're talking about Ed," Obama said of laid off Monaco worker Ed Neufeldt. "We're talking about people

in the audience here today. People not just in Elkhart, but all across this country. We're talking about people who have lost their livelihood and don't know what will take its place."

Then he addressed the Wall Street versus Main Street argument Pence raised. "We've got to get the banks stable and lending again," Obama said. "Part of what's happened in terms of the RV industry, for example -- I was talking to Congressman Donnelly about this -- is basically people who want to buy an RV can't get financing right now even if they've got good credit. So what we're going to be trying to do is to set up a whole new mechanism for helping people get consumer credit. We're going to help small businesses and medium-sized businesses get credit. And instead of just pumping that money directly into Wall Street, we're going to make sure that a lot of that money is going directly to consumers, and the money that does go into Wall Street is going to come with some strings attached."

Pence complained that Obama had taken a partisan route. He called Obama's Williamsburg speech a week ago to Congressional Democrats a "harsh, partisan speech" and added, "The President doesn't seem to be interested in other ideas any more."

Pence also pounded away on what Obama has called the "size and scope" of the stimulus - once at \$838



billion after it passed the Senate on Tuesday. "But the question here is how do you most effectively release those dollars into the American economy?" Pence asked. "Do you do it by giving working families and small businesses the opportunity to invest in ways that will create jobs, or do you pull out - which is what the Democrats have done here, and the American people know it - pull out a tired old wish list of liberal spending priorities and, and, and pass a bill that in one fell swoop is the size of the entire discretionary budget of the United States of America?"

The partisan divide

After the stimulus plan passed the House without a single Republican vote, Obama was asked Monday night whether he had failed to overcome the partisanship he identified during the campaign as part of America's descent into economic turmoil. "First of all, when I hear that from folks who presided over a doubling of the national debt, then, you know, I just want them to not engage in some revisionist history," Obama said. "I inherited the deficit that we have right now and the economic crisis that we have right now."

It was something Obama repeatedly reminded Americans in Elkhart, at the White House during the press conference, and in Fort Myers on Tuesday. At the presser, he said, "I would love not to have to spend money right now. I'd love -- you know, this notion that somehow I came in here just ginned up to spend \$800 billion. That wasn't how I envisioned my presidency beginning. But we have to adapt to existing circumstances."

Pence also was critical of a lack of GOP input into the House plan. When President Obama met with House Republicans, Pence described it as a "rude awakening" when he told Obama that there was no minority input.

During the White House press conference, Obama insisted there was collaboration. "Now, just in terms of the historic record here, the Republicans were brought in early and were consulted," the President said. "And you'll remember that, when we initially introduced our framework, they were pleasantly surprised and complimentary about the tax cuts that were presented in that framework. Those tax cuts are still in there. I suppose what I could have done is started off with no tax cuts, knowing that I was going to want some, and then let them take credit for all of them, and maybe that's the lesson I learned. But there was consultation; there will continue to be consultation."

Obama also reminded Americans that there will be

three Republicans in the cabinet, which he called "unprecedented."

When NPR's Mara Liasson asked Obama if it would be difficult to forge bipartisanship, Obama responded, "I think that old habits are hard to break. And we're coming off an election, and I think people want to sort of test the limits of what they can get. You know, there's a lot of jockeying in this town, and a lot of who's up and who's down, and positioning for the next election."

Obama then brought it back to Pence's home state. "What I've tried to suggest is that this is one of those times where we've got to put that kind of behavior aside, because the American people can't afford it. The people in Elkhart can't afford it. The single mom who's trying to figure out how to keep her house can't afford it. And whether we're Democrats or Republicans, surely there's got to be some capacity for us to work together, not agree on everything, but at least set aside small differences to get things done."

'Back room deal'

After House and Senate conferees came to an agreement Wednesday afternoon, Pence called it a "back room deal" while seeking to clear the air that Republicans "wanted to do nothing."

"House Republicans know we are in a serious recession," Pence said. "The American people are hurting. And, despite the claims by some in the Administration and some here on the House floor, House Republicans know that Congress must act and must act

now to deal with this serious economic downturn affecting America's businesses and families. Despite the accusations of some that Republicans want to do nothing, that this is somehow a choice between one party that wants to do something and another party that wants to do nothing, I was struck, Mr. Speaker, this morning when even The Washington Post called that allegation a straw man."

Pence added, "This is an argument about what would be the best solution to deal with these challenging economic times. Republicans oppose this bill because this back room deal is simply a long wish list of big government spending that won't work to put Americans back to work. It won't create jobs. The only thing it will stimulate is more government and more debt. And it will probably do more harm than good."

Time will tell. ❖



Pence and U.S. Rep. Barney Frank on Sunday's Meet the Press on NBC. It was Pence's first appearance on the show.



Mike Pence just doesn't get it

By **SHAW FRIEDMAN**

LaPORTE - Congressman Mike Pence must be pretty proud of himself. Though the President extended the hand of bipartisanship to the ideologically driven U.S. House Republican Caucus, Pence helped keep all Republicans in lockstep in their opposition to the President's stimulus package.



Hard to imagine the hubris and mock outrage that the President's critics in the U.S. House spout when one considers the ideology they have long adhered to – unfettered, unregulated markets combined with carte blanche tax cuts for the rich – lies in tatters and their seeming obliviousness to the country's economic plight led them to

unmitigated disaster at the polls in November.

This gang of Republicans doesn't get it. The public isn't interested in ideology. They want practical solutions that aren't tied to some hidebound ideology that has proven itself utterly incapable of spurring long-term economic growth and a fair sharing of the pie. How's Pence's message playing? The most recent Gallus Poll shows that people approve by 67-25 percent the President's handling of the stimulus debate. Asked if they approve of Republican conduct on the stimulus, only 31% approve while 58% are opposed.

Pence and his ilk can keep trumpeting Adam Smith's invisible hand, but what the public sees and understands is that as the regulatory walls have come tumbling down, the economy has collapsed with it. For instance, Pence and his friends pushed hard for the repeal of the Glass-Steagel Act, the Depression-era laws that separated the casino gambling components of investment banking

from traditional, highly supervised and regulated commercial banking. With trillions of toxic assets now on the banks' books because of high flying speculation, can Pence and his allies still contend it was a good idea to repeal these regulatory protections?

The public understands that the old bromides prescribed by Pence and crew, such as tax cuts for the wealthy, have only deepened the national debt from \$5 trillion when Bush came to office to nearly \$11 trillion now. And yet Mike Pence goes on national TV spouting tax cuts for the wealthiest Americans as if that will somehow jumpstart an economy that is in the tank. Check the bipartisan CBO report, congressman. Tax cuts are far behind stimulus spending as a means of increasing GDP. Simply put, your prescription of more tax cuts for the wealthy is a dog that won't hunt.

Americans also see House Republicans opposing much-needed aid to cash-strapped state governments. That's the kind of aid that can provide a quick boost to the economy while serving essential services. The original Obama plan also included \$16 billion of badly needed spending on school construction.

If Mike Pence is the future of Republicanism, taking orders from the new ad hoc party chairman, Rush Limbaugh, Democrats may be in for a much longer run in federal government than first expected. This gang of Republicans is unrepentant, unchastised and committed to the same reckless, ideologically driven agenda that sank our boat in the first place. It's as if the White Star Line declared they'd raise the Titanic from the sea bottom and run it the same way, at the same speed and the same route as last time. Only a different crew this time around manning the bridge! ❖

Shaw Friedman is a LaPorte attorney and regular contributor to HPI who is former legal counsel to the Indiana Democratic Party.

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Government reform debate taking place in the Indiana Senate

By **BRIAN A. HOWEY**

INDIANAPOLIS - First, if you're looking for "change" in the Indiana General Assembly on the government reform front, it's coming in the Senate. House Speaker B. Patrick Bauer has his thumb on most of the Kernan-Shepard legislation proposed there. Even bills by Democratic State Reps. Win Moses, Phil GiaQuinta and Ed DeLaney on ideas like the single county executive - which



Bauer characterized as being on the "front burner" last summer - have been snuffed.

On Wednesday in the Senate chambers, the most vivid debates over

government reform - whether we should have townships, vestiges of the 16th and 19th centuries - took four hours of testimony. SB512 would essentially move the two biggest remaining functions, poor relief and fire protection, to the counties. At the end of a long day, State Sen. Connie Lawson deferred a vote to work on legislation. It may have been testimony from fire officials who sent reform-minded lawmakers back to the drawing board.

The legislation, which would have been a tough sell in ordinary times, comes when Indiana is facing its most troubled economic times in three decades, and perhaps since the Great Depression. The state has also suffered from a series of floods and tornadoes, some of which township officials stepped up in vivid fashion.

Indiana Chamber President Kevin Brinegar, who also serves as chairman of MySmartGov.org, presented the groundwork for change. He called townships "archaic" more appropriate "when people traveled in buggies." With the biggest tax burdens coming in the poorest townships, the township system is inequitable. There

is little interest in the office, with 76 percent of trustees running unopposed in the last election. They serve a "tiny percent of the population" and they are "rife with mistakes, neglect, sloppiness and criminal behavior." [private]

Brinegar revealed a litany of nepotism, embezzlement, and double dipping with trustees loading up township advisory boards with buddies, a lack of bidding and contracts transparent to the public, and failing to fill out conflict of interest forms. He talked of "sloppiness, overdraws at banks and rampant failure to comply with state and federal tax laws.

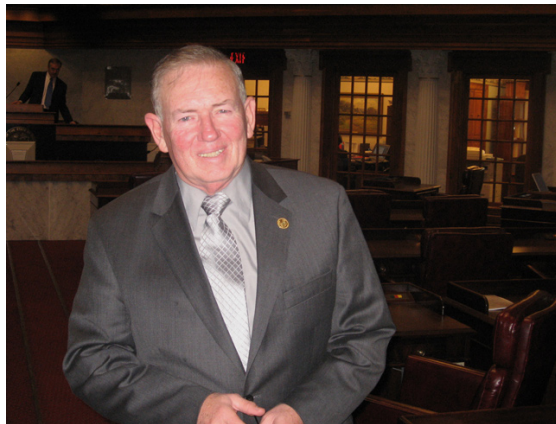
"A no vote on SB512 is a no vote against waste, fraud, malfeasance," Brinegar insisted.

Ball State Prof. Michael Hicks talked of his recent study which concluded that Indiana taxpayers could save

\$620 million by consolidating township and "removing the redundancy from the township level to the county." Hicks added that "If you adopt the best case or best practices from the other end, we think the savings could be two or three times larger. That translates to about \$150 per family per year just by consolidating practices.

And there was Deanne Durant representing the Montgomery County League of Women Voters who after study agreed with Kernan-Shepard. She noted that a recent county commissioners meeting received above-the-fold coverage in the two Crawfordsville newspapers. But of the township trustees, only four of 11 were listed in the phone book; only two had signs in front of their offices. Four townships were in violation of state and federal tax codes.

Portage Township Trustee Joyce Webster supported the bill, saying she ran and won the trustee office that oversees a \$3 million budget. "I believe in consolidating township government," Webster said. "I walked into the disarray left over from the good ol' boys. They employed families



State Sen. Richard Young (top) and Sen. Mike Young pressed township critics at Wednesday's hearings. (HPI Photos)



and friends. They have a free-for-all in spending. The low level of oversight perpetuates these problems."

And former State Rep. Joe Micon, a West Lafayette Democrat, noted that the trend is for consolidation. Townships, he said, were suited for 1572 Elizabethan times, not 21st Century Indiana. He noted that in 1932, the state reorganized road construction and maintenance, followed by schools in 1959, text book assistance in 1986, and assessing duties in all but 13 townships in 2008. "The sweep of Indiana history is with this bill," he said.

And then came the opposition. Debbie Driskell of the Indiana Township Association, insisted she was not opposed to local government consolidation. "Those decisions are best made at the local level with local input," she said. "We don't believe that the same level of service can be delivered at the county level. Offices will be needed throughout the county. Are we exchanging an elected official with a bureaucrat not accountable to voters?"

Driskell said that the Government Reorganization Act of 2006 already allows for consolidation. One problem is that most townships don't know about the law or how it works.

Larry Curl of the Indiana Volunteer Firefighters Association, representing 20,000 firefighters, complained that it wasn't until "three weeks ago" that Budget Director Chris Ruhl invited him and other firefighters into the process. "We have not been invited to participate in this change," Curl said. "SB512 addresses county fire services. It so rightfully talks about those members in a career paid service today. We talk about pensions and benefits. I haven't seen anywhere that it talks about how the volunteers are going to be brought in.

"We think that could be valuable if we had the right input, as opposed to being handed a bill. We would rather have a seat at the table to help with the meal as opposed to having a meal."

But the biggest problem with SB512 is the economic crisis that has engulfed the state. North Township Trustee Frank Mrvan Jr. noted that he served 27,000 families in 2007, 31,000 in 2008, and January of this year was 35 percent ahead of a year ago.

Mrvan talked of the floods caused by Hurricane Ike. "We serviced 3,500 people," he said, noting that Homeland

Security and the governor's office worked through his office during the crisis. "In big counties you're going to create bigger government," said Mrvan, whose office services East Chicago and Hammond. "In my county, with tax crisis, we have a transportation crisis."



Indianapolis Mayor Greg Ballard pushed for the elimination of townships in his city. (HPI Photo)

In a related bill - SB482, which would consolidate Marion County townships - Indianapolis Mayor Greg Ballard told the committee, "This is Multi-Gov, not Unigov. Township boards try to oversee these multi-million dollar departments. The city has learned to do it right and it's time to complete that job. The mayor should be responsible for public safety and it's as simple as that."

Ballard added, "Our city government is local government and it works. This is not about politics. Our predecessors from Lugar and Peterson championed government streamlining."

Public Safety Director Scott Newman told the committee that just this week, the Perry Township board is on the verge of voting to merge with IFD. "There is a patchwork of services," he said of EMS

service involving Wishard Hospital, IFD and various townships. He said there "are variations around the county" on how insurance institutes rate risk.

But State Sen. Mike Young noted that after the IFD consolidations with Washington and Wayne townships, the budget went from \$52 million in 2008 to \$63 million in 2009. "That's a 17 percent increase. Everyone said we're going to save money and I look at each one of these, you don't."

Newman said, "It varies by township and by long term and short term. In Warren Township, we had pay parity. Savings can be documented there."

Here are how other Kernan-Shepard bills are faring:

SB506: It creates two options for replacing county boards of commissioners: an elected county executive with the county council acting as the legislative body, or a combined board of commissioners and council forming a board of supervisors who would then hire a county manager. If passed, there would be a two-week window for counties to choose, which would then trigger a referendum. However, more than 15 amendments would exempt some 25 counties, many in Southern Indiana. This would create



the patchwork quilt of government. There is strong support to maintain the status quo. This bill has cleared committee and is headed to the floor.

SB452: The election bills which would move school board elections from spring to fall, keep police and firefighters from serving on councils, and create more vote centers. Prospects for this bill look good after passing out of committee by an 8-3 vote.

SB348: This is the library bill, which would set standards for each county with Marion County exempted. It creates a county by county process to see how they could meet those standards by the state for library service and cost effectiveness. It creates a process, not a direct mandate. It is headed to Appropriations for fiscal impact analysis.

SB521: The school corporation consolidation bill seeks to merge school administrations between 500 and 1,000 students, well under the 2,000 kernan-Shepard recommendation. This bill creates a lot of emotion in the "basketball mentality."

SJR-7: Would make county recorders, coroners, surveyors, and treasurer appointed, though there will be efforts to take coroners and surveyors out of the mix.

Indiana General Assembly

HOUSE PANEL INCLUDES WATERED DOWN SMOKE BAN BILL: An Indiana House panel tried to make everyone in the statewide smoking-ban debate happy Wednesday by approving a heavily amended bill that excluded bars and casinos (Indianapolis Star). As a result, few were pleased with the bill that's now headed to the House floor. Proponents said the measure was considerably watered down, and they were especially angered by an amendment that would prevent local communities from enacting stronger regulations unless they act quickly and put their measures into effect by January. In short, they said, the reconstituted bill wouldn't do much to change the smoking picture in Indiana, while two dozen states have adopted outright bans. Casino industry interests did not like its latest version, either. The bill exempts casinos, though it requires them to designate about 20 percent of their gaming positions for nonsmokers.

PORTER SPIKES SCHOOL START TIME BILL: Several parents made a pitch Wednesday for a proposed state law that would prohibit traditional public schools in Indiana from starting their year earlier than late August (Columbus Republic). Parents from schools that started this school year as early as Aug. 11 said earlier start dates that many schools have turned to mean higher building cooling costs and rob their kids of longer vacations that would leave them rested and ready for class. "Now days our kids

return to school crabby and restless," said Brenda Swank of Granger in far northern Indiana. She said her two children started this school year on Aug. 13. The parents favored a bill by Rep. Ryan Dvorak, D-South Bend, that would prohibit traditional public schools from beginning their school year any earlier than the last Monday in August. But critics said it would result in less teaching time and tarnish Indiana's education image. After about 45 minutes of testimony, Democratic Rep. Gregory Porter of Indianapolis announced that his House Education Committee would not vote on the bill because there were too many uncertainties about it.

'WORST BILL' PASSES 88-11: House Bill 1656, authored By Rep. Terri Austin, D-Anderson, passed out of the House on Tuesday by a vote of 88-11.

This was the bill Gov. Mitch Daniels described several weeks ago as the "worst" of the session. However, the bill no longer raids Major Moves money, but does hit the Next Generation Fund that was established with Major Moves money.

House Bill 1656 provides \$1 billion in funding to help local units of government complete scores of new construction and other improvement projects.

"It was an overwhelming vote in the House," said Austin. The bill now goes to the Senate where it may be altered before coming back to the House.

"Indiana is at a crisis point right now," Austin said in an earlier press release. "With more than 266,000 Hoosiers out of work, we must take bold action to get them jobs that can pay them a decent wage and help their families face the challenges of everyday life."

Expect substantial changes once the bill gets to the Republican-dominated Indiana Senate. ❖

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Kernan cites 400,000 without library services

By **JOE KERNAN**

SOUTH BEND - Imagine if your library were suddenly plucked from your community. Most of us would feel a terrible loss.

Unfortunately, nearly 400,000 Hoosiers need not imagine; they do not have access to a public library.

That, to me, is unconscionable. Libraries are vaults of information, gathering places, town centers, windows to the world. We visit them to read, to research, to meet, to listen, to expand our minds and our lives. English poet Owen Meredith said - correctly, I think - that it was not to a museum or lecture hall or school but to the library "that we must go for the completion of our humanity."

Libraries' roles have evolved as they have adopted electronic media - videotapes, DVDS, CDs and computers - in addition to books, magazines and reference materials. Some people may consider libraries less valuable because they can access information on home computers that used to be found only in the library.

But there is something fundamentally shaky about a society that would deny some of its residents access to one of the very tools that would make them good citizens.

Former first lady Lady Bird Johnson put it this way: "Perhaps no place in any community is so totally democratic as the town library. The only entrance requirement is interest."

The Indiana Commission on Local Government Reform, which I chaired with Chief Justice Randall Shepard, recommended that library districts be reorganized to establish 92 countywide systems with an option to create multi-county districts. Since then, critics have said that some unserved Hoosiers do not want library service.

I don't buy it. Creating a library system may not be top-of-mind for Hoosiers struggling with keeping their jobs, feeding their children and paying for health care. But we ought to afford every Hoosier family the equal opportunity to access the marvelous things that a library can bring into their lives.

Other critics of our proposal have said these Hoosiers could get library service if they wanted it. But, depending on the library, it costs as much as \$272 for a family not covered by a library district to get a library card.

The case for establishing 92 countywide systems is not merely to serve every Hoosier, as important as that is. It's also to better serve all Hoosiers, including those who already enjoy fine library service.

Clearly there are efficiencies to be had. Indiana libraries employ twice as many staff members per 10,000 population and spend 47 percent more for operations per resident than the national average. The cost to circulate a single item varies wildly, from \$95.32 at the York Township Public Library in Benton County to a little more than 70 cents at the Crawford County Public Library. And the

rate at which residents of library districts are taxed also varies, even within a county such as Elkhart County, where patrons of Nappanee Public Library pay 22 cents per \$100 of assessed valuation but those of Bristol Public Library pay a bit more than 3 cents. Locally, West Lafayette library district residents pay almost 18 cents per \$100, while those in the Tippecanoe County district pay less than 6 cents.

Beech Grove Public Library, with the state's 11th highest library tax rate (20.72 cents per \$100), recently deemed itself a "distressed unit" and petitioned to be exempted from the property tax cap imposed by the 2008 legislature. Wouldn't consolidation with Indianapolis-Marion County Public Library, which surrounds Beech Grove and levies a tax rate of only 8.95 cents, make more sense?

Let's be clear: We're not saying we have too many libraries. We have too many library districts, too many administrators and too much overhead. By reducing the number of districts and ensuring that they cover every corner of every county, we can save money while guaranteeing that each Hoosier can access a library.

Let me leave you with one more quotation. Business author John F. Budd said that "the dissemination of knowledge is one of the cornerstones of civilization." That explains why we need universal library access; it also is reason for you to tell everyone you know, especially your state legislators, that it's time we change local government, including library systems, in Indiana. ❖

Kernan was Indiana's 48th governor.



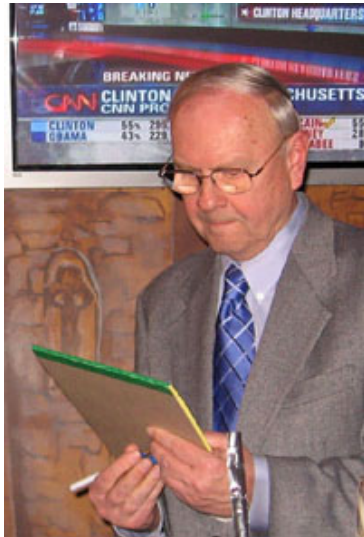


Pork is in the eye of the beholder

By JACK COLWELL

SOUTH BEND - Let's talk turkey about pork. After all, pork is talked about a lot these days by critics of the economic stimulus bill. They claim pork is the main course on the spending menu.

And they're not lauding it the way the nation's pork producers sing the praises of "the other white meat." In political lingo, pork is some wasteful appropriation placed in a bill for projects or causes to benefit certain areas or special interests and to curry political favor for legislators who insert the appropriation. It often is said that this is done with an "earmark," another term now regarded as derogatory, unless of course the money is earmarked for something you like. That's the trouble with these terms.



There's widespread disagreement, in Washington and among

voters, about what is waste and what is essential. For example, when a group known as Citizens Against Government Waste listed Rep. Mike Thompson, a California Democrat, in its "Pig Book" for channeling \$742,764 for olive fruit fly research, the congressman told CNN: "The olive fruit fly has infested thousands of California olive groves and is the single largest threat to the U.S. olive and olive oil industries." So, what some would call pork, folks in the olive industries would call essential.

What if Congressman Joe Donnelly somehow got an earmark for funding U.S. 31 from South Bend to Indianapolis? It would be labeled as pork by the Texas delegation, which would like the money to go instead to promote oil drilling. But Donnelly's 2nd District constituents would hail him for finally getting a fair share of federal funds for an essential project that should have been accomplished back when the interstates were built.

Members of both parties like pork and denounce pork. They earmark it and like it when it's for their projects and denounce it when it's instead for the projects of those on the other side.

In Congress, Democrats who are now in control

defend what Republicans denounce as pork in the stimulus bill.

But back when Republicans controlled Congress and President Bush wouldn't veto any of their spending, Democrats denounced earmarks and GOP leaders were as happy as pigs in mud. Sen. Ted Stevens, the Republican from Alaska who headed the Senate Appropriations Committee, once pushed through some \$320 million in earmarks for that Bridge to Nowhere.

Actually it wasn't to Nowhere. It was to Gravina, population 50. Would some Democrat try to fund a Bridge to Somewhere, a little Somewhere like little Gravina? As Sarah Palin would say, quite accurately in this case, "You betcha."

There certainly is such a thing as government waste. But not all that is labeled as pork is necessarily bad.

Sen. Thad Cochran, a Republican from Mississippi who has opposed any pork for the auto industry in the Midwest, once defended the \$892 million in pork that resulted in Cochran being listed in that Citizens Against Government Waste "Pig Book" as an egregious oinker. He said he rejected that group's claim that "any and all federal spending not specifically requested by the executive branch is wasteful and irresponsible." Cochran is right about that. Not "any and all," just some.

The quality of pork is in the eye of the beholder.

Help for Elkhart County? Cochran would oppose it. But Indiana's senators, Republican Dick Lugar and Democrat Evan Bayh, would join in an effort to help their constituents in economically troubled Michiana

It's said that pork was first used as a term for a gift to a specific group back before the Civil War when slave owners occasionally gave their slaves a barrel of salt pork for some approved conduct.

References to government pork barrel spending initially were in praise of legislators bringing home the bacon. Then pork became a negative term as one party criticized the other or one area criticized another for spending that wasn't deemed tasty by the denouncers.

Will the stimulus bill contain pork? Yes. Will it be waste or provide vital nourishment for a weak economy and beleaguered Americans? It may well be some of both. The goal is to build a Bridge to Recovery, help for the whole nation, not just for 50 Alaskans in Gravina. ❖

Colwell has covered Indiana politics for more than five decades for the South Bend Tribune.



Doug Ross, Times of Northwest Indiana: Doug Ross, Times of Northwest Indiana: If ever there were a poster child for government consolidation, it would be Lake County. So when I heard that Lake County could be exempted from government streamlining legislation, I was dismayed. I can understand excluding Marion County from Senate Bill 506, which calls for replacing the three county commissioners with a single county executive. Because of Unigov, Marion County is a different breed from Indiana's other 91 counties. Indianapolis and Marion County are essentially the same entity under Unigov. But exempting Lake County? It's the same species as all the rest, even if most counties have fewer people than a single Lake County township. Yet state Sen. Sue Landske, R-Cedar Lake, asked the Local Government Committee for special treatment. "The county is extremely unique in many respects," Landske said. "I'm asking that Lake County receive the same treatment that Marion County receives." What treatment would that be? Unigov? Somehow, I don't think that's what Landske is proposing. State Sen. Connie Lawson, R-Danville, agreed with Landske on excluding Lake County from SB 506. "They've also got a very diverse population, and they're very worried about their representation," she said. The diverse population has nothing to do with it. The single most common complaint I've heard from people opposed to replacing the three commissioners with a single county executive boils down to a fear of consolidating so much power in a single person. I'm not discounting that fear. Lake County has plenty of examples of corruption, enough to score points for the adage that power tends to corrupt. But having a single county executive doesn't mean giving absolute power to a single person. Just ask any mayor whose city council controls the mayor's budget. ❖

Rich James, Post-Tribune: There's a doozy of a race shaping up for the chairmanship of the Lake County Democratic Central Committee. The players are incumbent chairman and Gary Mayor Rudy Clay, county Surveyor George Van Til and Hammond Mayor Tom McDermott. While I will take a deeper look at this race in the coming weeks, the interesting thing is that this is the first time town and city precinct organizations are gathering to hear the candidates and issue endorsements. Never, in my 30 years of covering Lake County politics, have the precinct organizations met with the intent of endorsing in a chairman's race. You've got to wonder why now. In fact, this is only the second Democratic chairman's race that really has been contested in those 30 years. The other one was in the 1980s when Stephen R. Stiglich took on Chairman Robert A. Pastrick and lost. Stiglich became chairman when Pastrick stepped down in 1997. The state Democratic

Committee sucker-punched Stiglich when it arbitrarily took away the chairmanship and handed it to Clay in 2005. So disturbed was then-Gary Mayor Scott King that he immediately resigned from the Democratic Party. ❖

Matt Tully, Indianapolis Star: If you can't sell an economic stimulus package here, in this land of laid-off RV workers and an ever-skyrocketing unemployment rate, you probably can't sell it anywhere. So President Barack Obama appeared onstage at Elkhart's Concord High School gymnasium Monday afternoon, pitching his massive stimulus plan to a struggling but supportive audience and attempting to shift the debate over the plan from the halls of Congress to the hurting heartland. Over the course of an hour, Obama talked about extending unemployment benefits and investing in renewable energy, and about health care and the nation's infrastructure. He talked about plenty of things, and it all generated applause. But nothing got the crowd more revved up than when he directly tied his policy ideas to the day's bottom-line issue. That's jobs, of course. And while the crowd turned out to see a president, they also wanted assurances that the nation's new chief executive has a winning plan. That point was made clear when the man opening Monday's program, an unemployed local resident, told the crowd Obama was eager to see Elkhart residents back at work. "So what are you going to do about it?" a man in the crowd shouted toward Obama. In other words, the campaign is over. Now it's time for results. About 600 miles to the east in the nation's capital, a typical partisan fight has broken out over the stimulus package. If you only watched the cable shout-fests, or even C-SPAN, you'd think America was in a national knock-down over the stimulus. In reality, most people don't live for partisan battles. Most people just want to believe they'll have a job a year from now. ❖

Mark Bennett, Terre Haute Tribune-Star: Brad Ellsworth gets some credit for fortitude. All of those goofy National Republican Congressional Committee attack ads in 2006, painting the then-challenger for the 8th District seat as a Democratic puppet of House Speaker Nancy Pelosi, look even more pointless now. Ellsworth, who won that race and re-election last fall, just displayed some independence reminiscent of, well, his predecessor, John Hostettler. In some instances, that could be considered praise. Hostettler frequently stood with only a handful of dissenters in House votes during his six terms. In a few cases, the conservative ideologue proved prophetic, such as his opposition to sending U.S. forces into Iraq. Other times, Hostettler's stands simply left the 8th District on the fringes of important national decisions. Ellsworth notably bucked his party 12 days ago. ❖





Feds raid Visclosky fundraiser office

WASHINGTON - U.S. Rep. Pete Visclosky is pledging cooperation -- if requested -- after a federal raid last fall of a powerful Washington lobbying firm that has long been the Northwest Indiana congressman's top campaign contributor (Times of Northwest Indiana). "If any wrongdoing is proven, Congressman Visclosky will take appropriate and responsible action, including returning contributions," Visclosky spokesman Jacob Ritvo said Wednesday. Reports surfaced this week that the FBI last fall raided The PMA Group, of Arlington, Va., a firm that has spun a web of political cash throughout Northwest Indiana. The U.S. Justice Department declined to comment on the situation Wednesday. The firm focuses on winning defense earmarks for its clients and has channeled hundreds of thousands in donations to Visclosky, D-Ind., and Rep. John Murtha, D-Pa., longtime colleagues and both members of the House Defense Appropriations Subcommittee.



Obama promises oversight

SPRINGFIELD, Va. President Barack Obama promised unprecedented oversight and transparency for the \$790 billion economic stimulus bill Wednesday but acknowledged that not every local project funded will please critics who are predicting frivolous spending by local governments. In a news conference with 16 reporters from across the country, including The Indianapolis Star, the president declined to comment specifi-

cally about a proposed \$2.5 million water slide and wave pool that the mayor of Carmel, Ind., has included on his wish list of ready-to-go projects. The Democrat-controlled Congress and the White House agreed Wednesday on a compromise economic stimulus bill designed to create millions of jobs. Obama could sign the measure within days. The water slide has been one of the local projects that Republicans have seized on to criticize the bill. "I don't want to offer an opinion on various projects that I have not seen, haven't heard about," Obama said. "I suspect if you look on the lists of whatever mayors have put out, you can always find something that sounds like it might not make sense. But overall, what I've seen from mayors and governors is a great deal of seriousness about the kinds of projects that are going to be funded." "We're probably putting more transparency, oversight and safeguards into this process than any single public works or recovery package of this sort in the history of the United States," Obama said.

RV, big pickup credit expected to loosen

WASHINGTON - People who want to buy a pricey RV or a Silverado -- but who can't get a bank loan even though they have good credit ratings -- might have an easier time getting the keys to a new vehicle in the next few months (Smith, Fort Wayne Journal Gazette). Recreational vehicles and light trucks have been added to the list of loans that can be bundled by banks, sold to investors and backed by the government. That kind of security, said Jim Sheldon, chairman of the Recreational Vehicle Industry Association, is expected to help free up bank loans that have stagnated. The Federal Reserve said this week it plans to put up to \$1 trillion into a program to increase consumer lending. The money will be added to \$200 billion that Congress approved last year.

Hannity invites Elkhart woman for a beer

ELKHART - In the space of two days, Tara Nisley had the ear of President Barack Obama and conservative talk show host Sean Hannity (Elkhart Truth). Nisley asked two questions of Obama during Monday's town hall meeting at Concord High School. On Tuesday she appeared on Hannity's self-titled program to discuss the event. Nisley asked the president about the ethics of his administration, including how two of his initial cabinet appointees were revealed not to have paid taxes. She also challenged Obama to take Hannity up on his invitation to sit down and chat over a beer. Obama said he was unaware of Hannity's offer, but that he "is always good for a beer." On his Tuesday show, Hannity announced he had gone to the store for a six pack of Great American Beer and that he was good for Bud as well. Hannity then introduced Nisley and told her she could expect a case of beer sent to her.

Rosebush eyes race with Donnelly

WASHINGTON - Up in the 2nd District the rumor mill is churning about possible Republican congressional candidates for the 2010 election (Hoosier Access). Of course there has been some speculation that Luke Puckett will throw his hat in the ring again, but there has been little movement towards that end lately. The newest name to surface is that of Lee Rosebush, a pharmacist and attorney currently working in D.C. who calls Mishawaka his home town. At age 28, Rosebush is a young gun with impressive academic credentials. He is focusing on becoming acquainted with Republican party leaders and activists in the district and he looks to be serious about considering a bid against Joe Donnelly this cycle.