



# 2010 Power List invited to Tea Party

*Partisanship will grip Indiana politics in 2010*

By **BRIAN A. HOWEY** and **MARK SCHOEFF JR.**

INDIANAPOLIS - After a year of economic crisis and turmoil - beginning with the possibility of a second Great Depression and ending with the closest brush to a terror attack since 2001 - 2010 has arrived in what could be the most partisan environment in memory.

Politics in America and Indiana is as polarized as we've ever seen it. A recent NBC/Wall Street Journal poll showed that despite the bitter divide between Republicans and Democrats, neither party is in good standing today. Only 35 percent viewed Democrats positively and a mere 28 percent liked what they saw of the Republicans. But 41 percent have positive feelings of the Tea Party movement.

HPI spent a good part of this week looking for



The Tea Party movement is the wild card in Indiana politics in 2010. Here is a scene from the April 15, 2009 Statehouse Tea Party. (HPI Photo by A. Walker Shaw)

Hoosier Tea Party leaders. What we've discovered are tribes of disaffected people lashing out. There are close to a dozen Tea Party websites based in Indiana, but no visible or charismatic leadership. A couple of Republican Indiana House candidates - Jim Lucas of Seymour and Wes Robin-

**See Page 3**

## Legislative timelines

By **KATIE COFFIN**

INDIANAPOLIS - As the Senate convened for the first time in 2010, President Pro Tempore David Long, R-Fort Wayne, said he expected the legislature to be in a "dead sprint" this short session and that he hoped for a "prosperous" year for the state. Leadership in the House has also implied that this could be an even shorter short session.

While there are some reasons why legislators would want to call it quits early, among them being the looming elections, some aren't buying into the hype.

Rep. Ed DeLaney, D-Indianapolis, said he would be "sorely disappointed" if the General Assembly hurries out of session in the middle of the greatest economic downturn since the Depression. He said he does not fore-



**“What’s so wrong with the system right now is it costs \$1.20 roughly to give away a dollar. We ought to devote the money we save to the poor people.”**

**- STATE REP. ED DELANEY, on his bill to abolish townships**



## **HOWEY POLITICS INDIANA**

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

**Brian A. Howey, publisher**  
**Mark Schoeff Jr., Washington**  
**Jack E. Howey, Editor**  
**Beverly Phillips, Associate Editor**

### **Subscriptions:**

\$350 annually HPI Weekly  
\$550 annually HPI Weekly & HPI Daily Wire

**Call 317-627-6746**

### **HOWEY POLITICS INDIANA**

6255 North Evanston Avenue  
Indianapolis, IN 46220

### **Contact Us**

**[www.howeypolitics.com](http://www.howeypolitics.com)**

[bhowey2@gmail.com](mailto:bhowey2@gmail.com)

Howey's Mobile: 317-506-0883.

Indianapolis Fax: 317-254-0535.

Washington: 202-256-5822.

Business Office: 317-627-6746.

©2010, **HOWEY POLITICS**

**INDIANA.** All rights reserved.

Photocopying, Internet forwarding, faxing or reproducing in any form, in whole or part, is a violation of federal law without permission from the publisher.

see early adjournment.

"We have people who can't get loans, we have people going bankrupt, we have a shortfall of funds for education, and we go home for Valentine's Day?" DeLaney said. "I would be embarrassed."

Sen. Karen Tallian, D-Portage, said she also doesn't understand the hurry. She thinks the rumor of Valentine's Day being the last day of business is coming from an idealistic notion of what occurred in the 1990s, where after a long budget session, the legislature adjourned on Feb. 14.

"In the little pool, I still have March 15," she said. "Obviously, there are a couple of big issues, but there are a lot of other smaller issues... and I don't know that we need to rush to get them all done by Feb. 14."

### **Tax caps**

The Senate is moving quickly on property tax caps legislation, aiming for second reading on Jan. 11 after inclement weather halted progress for Thursday. The House was deliberating on the second reading of tax caps at HPI deadline this afternoon. House Democrats were expecting to return from caucus at 1 p.m.

Tallian and DeLaney, however, said they aren't happy with the legislation, even though DeLaney said it is "almost certainly going to pass."

"Several of them (Sen. Democrats), including myself, think it's a really terrible idea, and I'm not afraid to say I'm voting no," Tallian said.

DeLaney's concern is that local government won't be as efficient and urban areas will find themselves running out of money for police and fire protection. He said he believes this will cause a series of financial crises on the local level.

He said this idea of "starving the beast" could be some Republicans' motive with the tax caps.

"I think the other party thinks there's no reason for any government; if they go broke or collapse, that's always good," DeLaney said. "I don't

agree."

If passed by the legislature and then voted on affirmatively by the people, this amendment would limit property taxes on homestead property to one percent of the gross assessed value, on residential property and agricultural land to two percent and other real property to three percent.

Senate Republicans are pushing forward for the measure, which would be on the next ballot for citizens to decide.

Sen. Beverly Gard, R-Greenfield, said it's a fair proposal that will greatly benefit taxpayers. She said getting this issue resolved will then allow the Senate to move on to other business.

"It gives the taxpayers an opportunity to vote on whether they think the tax caps are fair," Gard said. "It's certainly going to protect property tax payers from increasing property taxes like we've seen in the past."

### **Ethics**

Speaker Pat Bauer, D-South Bend, and Rep. Mike Murphy, R-Indianapolis, co-authored an ethics reform bill that Bauer said he hopes will put Indiana morally above other states and make the legislature more transparent.

The bill sets new guidelines for gifts from lobbyists; contributions hitting \$50 would now have to be reported under this bill. Elected officials would have to wait one year after their term expires to register as lobbyists. It also seeks to eliminate conflicts of interest between lobbyists and legislators.

"I am delighted that House Bill 1001 contains provisions that can help our state avoid the type of 'pay to play' relationships that have caused so much scandal in other states," Bauer said in a statement. "Despite what some may claim, these 'pay to play' reforms are not partisan. They will affect both future Democratic and Republican administrations. Reforms



are needed because we want to avoid the impression that public policy decisions are going to be based on political contributions, rather than the value of those policies."

The bill is indeed a bipartisan effort, with Murphy co-authoring. "All public servants, be they in the legislative or executive branches, need to maintain the highest standards of ethics," Murphy said in a statement. "There should also be more transparency between the Statehouse and the public so that ethical behavior will continue."

The House Rules and Legislative Procedures Committee unanimously approved this proposal in mid-December, and the House adopted the committee report on Jan. 5. HB 1001 is due for second reading when the House meets again today.

### **Redistricting**

Assistant President Pro Tempore Sue Landske, R-Cedar Lake, and Senate Majority Leader Connie Lawson, R-Danville, are spearheading redistricting reform that would impact state elections after the 2010 census.

"The census is done this year, and then next year we will have to redraw the legislative districts," Gard said. "We'll set the pattern of how we do that next year."

Senate Bill 80 spells out guidelines for drawing up districts, including that "districts must have simple shapes." Senate Bill 136 would take the task of redistricting out of the hands of the general assembly and instead create an

independent study commission.

"Objective principles like compactness, contiguity, preservation of counties and other political subdivisions, respect for communities and compliance with the Voting Rights Act should be paramount," Lawson said in a statement.

DeLaney said he would support handing this task over to an independent commission as long as the legislature had the ability to reject it if they didn't like it. "I'm a freshman, but I don't see a legislator giving up his power to redistrict," he said. He said the only feasible possibility that he sees is having an independent commission present a districting suggestion to the General Assembly that they could either accept or reject, not tinker with afterward. If they accepted it, the problem would be solved. If they rejected it, the legislature would have to start from scratch. That way, there would not be 150 hands trying to tweak their respective boundaries, but they would also not be tied down the commission's suggestion.

Landske's legislation would create a study committee to look into what redistricting processes have worked in other states and what ones haven't.

"The committee will openly discuss and report how the people, not the politicians, of Indiana can best be served in the future," Landske said in a statement. "This deliberation, in our judgment, could and should include the creation of an independent redistricting commission." ❖

## **Power 50, from page 1**

son in Indianapolis, as well as U.S. Senate candidate Richard Behney - have been associated with the local Tea Party movements, including the protest at the Indiana Statehouse last April 15. But the movement is not mature. As the Tea Partiers met on the south lawn, the Indiana Senate was passing a bailout of the Capital Improvement Board beyond their attention. The movement hasn't grasped the notion of the Kernan-Shepard recommendations that could increase government efficiencies and save taxpayer money.

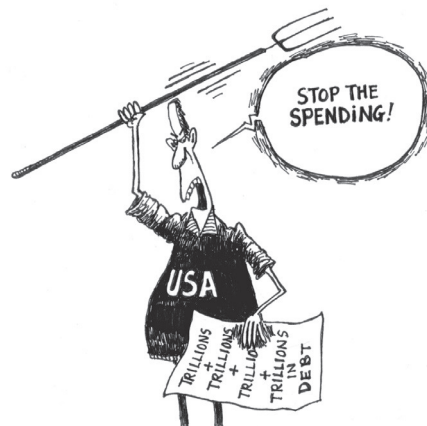
It is this environment - and a 9.4 percent jobless rate - that we create the 11th Howey Politics Indiana Power

50. The 2010 list is compiled not as a career assessment or a popularity contest, but on who will likely have the biggest impact on politics and public policy in the coming year. With critical Congressional and legislative elections coming up, the 2010 list is weighted with people who help determine who controls Congress and the Indiana General Assembly in 2011. And, we readily acknowledge, it is light on women (though two are in our top 10) and minority public servants. As Indiana heads into the second decade of this century, both political parties have much work to do to expand their diversity.

The list was compiled by HPI writers and contributors, subscribers and those reading [www.howeypolitics.com](http://www.howeypolitics.com).

**1. Gov. Mitch Daniels:** Through five years in office, the governor has meticulously laid the foundation for

LANCI © 2009  
Redistricting.com



YOU SAY YOU WANT A REVOLUTION...





his vision of reshaping Indiana except for one part - Republican control of the Indiana House. His relatively light legislative agenda this session, compared to 2005 or 2006, suggests he wants the property tax caps and is willing to wait until after November to get what he really wants: vivid education and local government reform, and a way to fund college scholarships. So beyond his two gubernatorial races, Daniels' role in regaining control to the House is paramount to the ultimate success of his governorship. The governor has other towering issues in his in-box. He and FSSA Commissioner Anne Murphy must bring a successful conclusion to the new "hybrid" system. And Daniels must keep up his pace on job creation, particularly in the quickly emerging electric car and wind power sectors where he's enjoyed considerable success. If the governor can bring conspicuous achievement in these areas, he could be well poised to consider a 2012 presidential run. A year ago, HPI thought the presidential talk was far-fetched. But with the national GOP floundering on every topic except saying "no" to President Obama, and no absolute heir apparent in the wings, the governor could be hearing a historic calling. This governor has run two state-of-the-art gubernatorial campaigns, as well as heading up a successful U.S. senatorial campaign effort. He and President Obama share many campaign traits, including they both write their own TV ads and speeches. A Daniels' challenge to Obama would be a sensationally riveting chapter in Hoosier and American politics.



**Gov. Daniels helped celebrate the arrival of the Think car to Elkhart on Monday. (Think Global Photo)**

**2. U.S. Rep. Mike Pence:** Achieving the third-ranking position among House Republicans has substantially boosted Pence's political profile. Although he has a strong platform from which to critique Democratic leadership, he and his fellow Republicans rarely influence the direction of the House thanks to rules that give the majority almost absolute authority over the legislative agenda. But Republicans are cohesive. When they hang together, they have a chance to lure enough moderate Democrats to their side to make votes



close—like the 220-215 tally on health care reform. During 2010, Pence can use his position to develop the GOP argument for increasing its House numbers. He skillfully kept his powder dry in the New York 23CD special election. He did not endorse the moderate Republican who was overtaken by the conservative candidate nor did he trash her. This year, he will have more chances to integrate the Tea Party rabble rousers into the Republican fold. Certainly Pence's strident opposition to health care reform is attractive to this bloc. But it's possible that resisting the House measure without offering a coherent alternative will turn off moderates and squander an opportunity for the GOP to make gains in the House.

**3. U.S. Sen. Dick Lugar:** The first year of the Obama administration was dominated by partisan struggles on Capitol Hill. A president who vowed to change the way Washington works has presided over the status quo when it comes to bipartisanship. That's what makes Lugar a potentially key Obama ally in 2010. He can put the GOP imprimatur on foreign, security and energy policy, if Obama turns to him for guidance and listens to his counsel, which rarely happened in 2009 despite campaign rhetoric to do so. Lugar is one of the few statesmen left on Capitol Hill. Obama should take advantage of Lugar's rare status.

**4. U.S. Sen. Evan Bayh:** Bayh is another Democrat who has brandished moderate credentials by voting against Obama spending bills. Like the House Blue Dogs, however, the group of Senate moderates that he has put together has not yet coalesced into a group that can make a consistent impact on legislation. Although Bayh took a Hamlet approach to health care—not stating his position for months until just before a crucial Senate procedural vote in late December—he was one of the people urging his Democratic colleagues to step up and support the bill in private Senate caucus meetings, according to a report in a Capitol Hill newspaper. He expressed misgivings about whether Congress would follow through with the cost savings required to pay for the health care measure but then pulled for it behind closed doors. If he had a well funded challenger, he might have to answer for such seeming inconsistency. As it is, he will likely coast to victory. This year he will have a chance to exert influence in domestic and foreign policy—advocating legislation that would create a commission to balance the budget and pressing Obama to get tougher on Iran.

**5. U.S. Rep. Baron Hill:** Probably no one in the House is looking forward to a White House pivot to deficit reductions in 2010 than Hill, the most vulnerable member of the Hoosier congressional delegation. He has had to take a couple votes for the Democratic team in 2009. First, he supported energy legislation—attacked by Republicans as a huge tax hike—that may not even get a Senate vote. Then in November, he backed a health care bill that costs more than \$1 trillion. The Congressional Budget Office said



that the bill ultimately will reduce the deficit, but still the price tag is formidable. Nevertheless, Hill has hung his hat on fiscal discipline—and doesn't have much to show for it this year. So far, Congress has not paid for much, starting with President Barack Obama's \$3.5 trillion budget.

Even though Hill is a leader of the conservative Blue Dog Democrats, the group has yet to form a solid bloc or articulate principles to which each member adheres. They go off in various directions on issues like health care reform. Hill stepped up and voted for health care in part because he is strengthening his ties to House leadership and the White House. White House chief of staff Rahm Emanuel is scheduled to appear at an upcoming Hill fundraiser. The risk for Hill is that votes that please Emanuel may not look so good to Hoosier voters in the 2012 gubernatorial primary.



**U.S. Rep. Baron Hill on the House floor.**

### 6. Speaker B. Patrick

**Bauer:** Politically, the Speaker is facing a daunting array of frontal assaults. The House Republicans intend to challenge 30 House incumbents. He is under intense pressure to allow a floor vote on the constitutional property tax caps. It has not been smooth sailing between him and the Black Caucus, the underpinning of his power. And the '08 class of freshmen - Ed DeLaney, Mary Ann Sullivan, Steve Stemler, John Barnes - are pushing for government reform. These D's are really not enamored of Bauer's leadership style/process/outcomes. Their discontent coupled with the Black Caucus' clout will make for interesting intra-party dynamics.

Every day the House is in session, Bauer augments the perception - that he is anti-progress and reform - that fuels the HRCC insurgency. You get the sense that Bauer will be content with passing his ethics package, hold his nose on the tax caps, and get his troops out of the city so they can start going door-to-door.



**7. Senate President David Long:** For the first time since ascending to the top Senate job, Long has taken some heat. Last April's Senate-passed budget was defeated by the House Republicans and half of the Democratic Caucus. He has had to back-pedal on the Unemployment Insurance trust deal that was initially hailed as a sound solution while the Indiana Chamber of Commerce and the Indiana Manufacturers Association saw only a job killing tax increase. And his reaction to Secretary of State Todd Rokita's redistricting reforms was uncharacteristically negative. None of this undermines the stealth job he's done in consolidating power after the fall of Bob Garton while balancing the various Senate factions. This is not to suggest any kind of erosion of power. It's the sign of the times.

**8. Education Supt. Tony Bennett:** The first-term superintendent is intent on profoundly changing education in Indiana and he's got ardent support from Gov. Daniels and surprisingly little outcry from traditionally staunch education supporters. Senate Minority Leader Vi Simpson called for dialogue, though she cited President Obama rather than Bennett, even though the two are reading off the same script. With little legislative education agenda, Bennett is intent on working through the State Board of Education and the Professional Standards Licensing Board. Bennett has also set steep goals for himself, vowing to take graduation rates up to 90 percent by the end of his first term in 2012. Teachers in the trenches are lamenting many of his changes - like the elimination of half-days for students - telling parents they can no longer have the traditional parent-teacher conference unless requested, because of Bennett.

**9. FSSA Commissioner Anne Murphy:** Other than the Governor, there is no one in state government in a more precariously conspicuous place than Murphy. She must take what is salvageable from the IBM/ACS privatization of FSSA, match it with the successes in combating fraud, and complete a "hybrid" social safety net without stirring a political hornet's nest between now and November, when her boss hopes to get a Republican House elected. She must do this with the jobless rate hovering between 9.4 and 10 percent. A spate of negative headlines on the FSSA hybrid plan in late summer or fall will give House Democrats fodder to bolster their reelection chances. While Murphy must drive wise public policy, the political implications of her equation are immense.

**10. Lt. Gov. Becky Skillman:** Informed and reliable sources are telling HPI that Skillman "in her very determined, low-key, effective way is making her move toward higher office." From the time she advanced from the Lawrence County recorder's office, she has made a career





of exceeding everyone's prediction on where her political road will end. Her responsibilities are large and she administers a huge amount of federal grant money (housing/energy/community development) which allows her constant statewide exposure and she is the Governor's lead legislative troubleshooter when the chips are down for him. Her influence with the Governor is stronger than most realize. All the tea leaves we're reading at the start of 2010 predict she will likely run for governor in 2012.

**11. U.S. Rep. Dan Burton:**

The dean of the Indiana Congressional delegation finds himself high on the list for dubious reasons. His primary showdown against four challengers reveals a serious erosion of support within the GOP establishment after nearly 30 years of an undistinguished Congressional career. You have to go back to 1994 to find as many prominent challengers taking aim at an incumbent congressman, such as Rep. John Myers. In that case, Myers survived, but quickly retired. The May Republican primary may be one of the first precursors as to the depth of the so-called "anti-incumbency" environment that is now gripping the nation. Burton had a close 7 percent victory over Dr. John McGoff in the 2008 primary and many observers believe it could have been closer had independents and Democrats not been attracted to the Barack Obama/Hillary Clinton primary. Burton realizes he's in a tough position. He began a rotation of TV ads this week that tee off on the Obama/Pelosi/Reid health care reforms.

**12. U.S. Rep. Joe Donnelly:**

Donnelly is as inconsistent in voting on fiscal measures as any other Blue Dog Democrat. He probably never really considered opposing health care reform because he knew how important it was to Obama and House leadership. His biggest asset is that he is a down-to-earth, blue-collar Democrat in the most blue-collar district in the state and he will get high marks for stepping up during the near collapse of Chrysler and General Motors. When he tells constituents in South Bend, Kokomo and Elkhart that he feels their pain



Gov. Daniels and Lt. Gov. Skillman (top) and U.S. Rep. Dan Burton with brother Woody and Senate candidate Richard Behney at the April 15 Statehouse Tea Party. (HPI Photo by A. Walker Shaw)

and is trying to help improve their economic lives, the messenger and the message complement each other nicely.

**13. U.S. Rep. Brad Ellsworth:**

It's difficult to understand Ellsworth's diffidence. He cloisters himself before major votes like health care, carefully parceling out his availability to the media. He seems to sweat out his decisions and seek abundant cover on policy stances even though he faces no particular threat in 2010. It would take a Republican wave—a gain of many more than 20 seats nationally—for Ellsworth to get swept away. So why isn't he more assertive? He's articulate, good looking and a former sheriff to boot. He once wielded a gun during business hours. Yet he gets wrapped around the axle on legislative matters. He was a key player in developing a crucial abortion amendment to the House health care bill. But he and all the other moderate Democrats who voted for it will have to swallow hard and accept the less stringent Senate language. Such is life as a House member—even in the majority. The Senate is clearly the upper body.

**14. House Minority Leader Brian Bosma:**

The Indianapolis Republican can rightly say he rebuffed the original budget bill and questioned the wisdom of the Unemployment Insurance tax increase that virtually everybody in the Statehouse is working to unwind this session. Both will be among some of the emerging fiscal claims House challenger candidates will use this fall as Bosma seeks to return to the speakership.

**15. State Sens. Luke Kenley**

**and Brandt Hershman:** As state revenues decline to the precipitous tune of \$1.8 billion, these guys will be the gatekeepers on the legislative front. They are also critical to the Unemployment Insurance tax rollback issue this session.

**16. OMB Director Ryan Kitchell:** Heading the Office of Management and Budget, Kitchell is a key figure in the recession-induced budget cutting the state is enduring.

**17. Evansville Mayor Jonathan Weinzapfel:**



The second term mayor appears to have weathered his secret tax increase when he deep-sixed the Vanderburgh County homestead tax credit. When it was acknowledged, many Democrats sympathetic to a Weinzapfel gubernatorial bid thought it was a near fatal error. We're not so sure. Weinzapfel has 12 to 18 months to get his house in order, build the new Evansville stadium, and develop a message. It will be interesting to see if he gets behind the proposed merger with Vanderburgh County. If Rep. Hill falters in his reelection bid next November, many Democrats will certainly take a second long look at Weinzapfel.

**18. Indianapolis Mayor Greg Ballard:** Yes, the Capital Improvement Board bailout was a wishy-washy low point and there was public backlash when he proposed selling off city park property. But those predicting a Ballard loss when he seeks re-election in 2011 are following flawed conventional wisdom. His scorecard includes he's reduced taxes, balanced budgets, landed a Super Bowl, merged police forces, continued fire consolidations and crime is down. HPI respects that he has never run a negative campaign ad. He's brought on Jennifer Hollowell, the uber-Republican consultant, to run his re-elect. If he can merge the water and sewer works and save taxpayers from future huge utility bills, he's got more than enough street cred to run on no matter what the naysayers expouse.

**19. Commerce Secretary Mitch Roob:** He moved from the troubled FSSA, where he left a mess, and to Commerce, where he could claim 150 transactions for new jobs in 2009, with 22,000 on the way. Both figures were nearly identical to the administration's top year of 2008. The state got off to a good start this year when it landed the Think electric car assembly plant in Elkhart.

**20. State Rep. Randy Borrer:** Probably no one in the legislature is closer to or has the ear of both the Governor and President Pro Tem Long, with whom he rooms while in the capital city. Borrer is very active with the administration in many behind-the-scenes ways. Borrer is also a key player on Ways & Means and budget issues.

**21. U.S. Rep. Pete Visclosky:** He has remained unscathed from the earmark scandal that has engulfed him and a former aide. Through the whole ordeal, Visclosky was the subject of only a handful of press releases from the National Republican Congressional Committee, which apparently has no plans to go after him. When HPI approached a normally loquacious GOP member of the Hoosier congressional delegation last

spring about the situation, the member demurred. With a wan smile, he noted that Visclosky is a good guy and that the earmark process can be a dangerous thicket even for the most experienced House member. His constituents will likely forgive any improprieties because Visclosky brings home so much money in an above-board way. It's difficult to get mad at Pete—and even harder to attack him.

**22. State Rep. Kreg Battles and State Sen. Connie Lawson:** They chair the House and Senate election committees from different parties and will put their stamps on what looks to be a rapidly changing dynamic on how legislative and congressional maps are redrawn in 2011 after the Census. Their actions could have a major impact on these races over the next decade.

**23. Secretary of State Todd Rokita:** The potential 2012 Republican gubernatorial candidate seized an issue from his portfolio - redistricting reform - and has taken it on the road, producing a number of headlines across the state while making the issue a credible one at the Indiana General Assembly. His proposal to make it a felony crime for using political data to draw district maps drew the ire of legislative Republican leadership. They believed Rokita was, as one observer put it, "driving in their lane." While some want to dismiss Rokita from the gubernatorial race, his tenure as SOS has been rock solid. He's passed Voter ID, seen it upheld in the U.S. Supreme Court, overseen the

modernization of the state's county-based election system, and created voting centers. It has also been a banner year for the enforcement of securities laws in the state with big cases like Stifel Nicolaus, the ISTA complaint, the work to get millions of dollars of bonds returned to Tipton County in the wake of the Getrag/Chrysler collapse, and of course everyone's favorite plane jumper Marcus Schrenker. Rokita moved penalties for two types of investment fraud - fraud against senior citizens and faith-based affinity fraud - from class C to B felonies.

**24. State Rep. Ed DeLaney:** The Indianapolis Democrat survived a brutal attack late last year that could have ended his life. He has resiliently recovered and is back at work, proposing legislation to abolish townships. It underscores a schism within the House Democratic Caucus. If Bauer's Democrats lose control of the House, some may look to DeLaney to bring the party back.

**25. Treasurer Richard Mourdock:** The former Vanderburgh commissioner is running for two offices - re-election this year and governor in 2012. His challenge to the Chrysler-Fiat merger was controversial, though it was lauded by Gov. Daniels and has earned him good



State Rep. Randy Borrer has the ear of Gov. Daniels and Senate President David Long. (HPI Photo by Katie Coffin)





marks from some elements of the GOP. Mourdock has won two 2012 gubernatorial straw polls in Howard and Harrison counties. He has also been actively courting the various Tea Party movements.

**26. Fort Wayne Mayor Tom Henry:** The first-term Democrat steered his city through the first phase of the tax caps and a brutal recession in pretty good shape. He has built the new downtown baseball stadium, is developing Renaissance Square where the city will take up quarters, and actually underspent his budget. At this point, Henry is setting up nicely for re-election even as fiscal storm clouds are rising over most Indiana cities.

**27. U.S. Rep. Mark Souder:** This Republican from the Class of '94 survived the Obama wave in 2008 and looks like he can serve in Congress as long as he wants. Since his re-election, Souder has offered up some of the most blistering criticism of the new president. He faces a challenge from Dr. Tom Hayhurst in 2010, who lost to Souder in 2006. Many believe that if Hayhurst had run last cycle, he might have taken Souder out. It's hard to see that happen any time soon.

**28. Earl Goode:** The Governor's chief of staff has been at the helm longer than Harry Gonso and runs a tight ship. You don't see many leaks from the administration, do you? Another interesting element about the administration: There has not been many defections at this point, while other second term governors have seen a steady exodus.

**29. Marty Morris:** The long-time chief of staff to Sen. Dick Lugar is the most influential man behind the scenes in Indiana politics.

**30. IMA President Pat Kiely:** The top manufacturers advocate was a consistent voice against the Unemployment Insurance deal that Gov. Daniels signed into law last spring. In addition to the more than 100,000 lost jobs and the potential auto sector collapse, it looked like a dismal year for Kiely. But he emerges in '10 having convinced the Governor and legislative leaders to delay the UI tax. He's also a steady voice for the need for Indiana to continue making things.

**31. ISTA President Nate Schnellenberger:** He's this high on the list for reasons not to be celebrated. The ISTA is facing a securities fraud probe and was taken over by the National Education Association. The securities problems will provide Republican House challengers with fodder for Democrats who take ISTA Uniserv funding. Yes,

the campaign funds are separate from the ISTA, but the fact that Democratic candidates will have to explain that is a regretful chapter in the long history of ISTA.

**32. Chamber President Kevin Brinegar:** The long-time Indiana Chamber chief is in a boat with Kiely in taking issue with Gov. Daniels on the Unemployment Insurance fund as well as the property tax caps. As with Kiely, give Brinegar high marks for actually getting the UI into a delay motion during this session.

**33. House Majority Leader Russ Stilwell:** He heads the House majority caucus and is Speaker Bauer's most powerful lieutenant.

**34. Senate Minority Leader Vi Simpson:** She begins her second legislative session as the first female caucus leader. Simpson faces the same challenge of her predecessor in 2010: expanding the small Senate Democratic caucus.

**35. Budget Director Chris Ruhl:** He's been a critical player as the state grapples with the worst economic downturn since 1982, a year when Gov. Bob Orr had to order a record tax increase. That didn't happen this time.

**36. Indiana Republican Chairman Murray Clark:** The former senator has minded the GOP store and brand for Gov. Daniels throughout his tenure.

**37. Indiana Democratic Chairman Dan Parker:** The long-time ally of Sen. Bayh has steered the Democratic ship through the turbulence of the Clinton-Obama primary, the Thompson gubernatorial meltdown, and the party's loss of personal license plates funding. He's provided critical leadership to maintain the Indiana House for two terms while picking up three U.S. House seats. He faces a daunting challenge this cycle to keep those houses.

**38. Mike Gentry, HRCC:** With the recruiting help of Gov. Daniels, Bosma and Michael Davis of the Chamber, Gentry has assembled perhaps his best class of candidates since he's been running the HRCC. It's definitely better than the 2008 class. It gives the GOP a good chance of regaining control of the House in what looks to be a challenging year for Democrats up and down the food chain.

**39. Kristen Self, House Democrat campaign:** She is Gentry's rival counterpart and has the towering task of guarding Fortress Bauer during President Obama's first mid-term election. Usually that's a recipe for losses for the party. Add to the mix Gov. Daniels' urgency in retaking the House and financing GOP challengers and Self has her



House Majority Leader Russ Stilwell is Speaker Bauer's powerful lieutenant. (HPI Photo by Brian A. Howey)





work cut out for her.

#### **40. Betsey Burdick and**

**Eric Holcomb:** These two long-time operatives are Gov. Daniels' enforcers. Holcomb (along with Gov. Daniels on his Harley) are also Tea Party calendar hunks.

#### **41. Mike Sodrel and Todd**

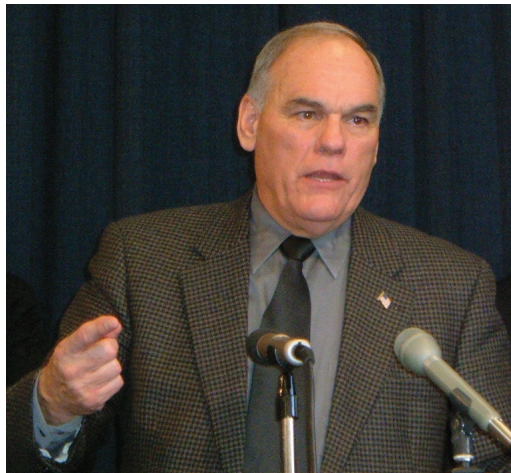
**Young:** He's baaaaack. Sodrel wants to challenge U.S. Rep. Baron Hill for the fifth time. Sodrel will face Bloomington attorney Todd Young in the Republican primary. That race in itself will be fascinating after there was a bloody battle for the 9th CD chair that saw Erin Houshour defeat Larry Shickles last March, with Sodrel speaking for Shickles right before he was defeated. The 9th CD old guard has been outspoken in its opposition to Young. But Young has been endorsed by Lt. Gov. Skillman, Treasurer Mourdock, Attorney General Greg Zoeller, Supt. Bennett, State Auditor Tim Berry, and Secretary of State Rokita. Will 9th CD Republicans go with the familiar Sodrel, or switch to a new GOP brand? Whoever wins will find himself in a race against Hill will likely attract national attention.

#### **42. Marion County Prosecutor Carl Brizzi:**

His decision in the next week or so whether to seek a third term will be 2010's first big one. Brizzi has been caught up in the federal probe of his buddy, Tim Durham. The Indianapolis media has been relentless in its guilt by association and Brizzi has suffered significant political collateral damage. It will be interesting to see whether this media siege - which reminds us of similar situations involving Hoosier titans like Steve Hilbert, Tony George and Jimmy Irsay - actually results in any legal, moral or ethical misconduct. It never materialized in those cases. Obscured by all the media hype is the fact that Brizzi has been trying and winning big cases (Hamilton Avenue massacre and the shooting of IMPD Officer Fishburn), and his office had more than a 90% overall conviction rate for murder trials last year (above the national average of 71%).

#### **43. Matt Greller, Indiana Association of Cities**

**& Towns:** The IACT chief represents a constituency under the gun and it will be that way for the next couple of years. IACT opposes the property tax caps and is seeking to make a case for more local flexibility on taxation. Gov. Daniels recently signaled he's open to such flex, but whether Greller can get such home rule moved up on the agenda this session remains to be seen. While the Great Recession of 2009 has been brutal on cities, the caps and recession-induced loss of revenue that won't fully materialize until



**Greenwood Mayor Charlie Henderson is overseeing a looming merger with White River Township. (HPI Photo by Brian A. Howey)**

2011 and beyond are storm clouds for mayors, controllers and council representatives across the state

**44. Greenwood Mayor Charles Henderson:** With the property tax caps looming, the long-time Republican mayor is supporting a consolidation with White River Township, which will make the city one of the state's 10 largest population-wise. He is asking that any referendum take place in November as opposed to the May primary. This is what Gov. Daniels intends for the tax caps to do, using merger tools passed by the 2006 Indiana General Assembly to consolidate layers of redundant government. A similar merger was recently completed between Zionsville and two

adjacent townships.

#### **45. U.S. Rep. Andre Carson:**

The first term Democrat represents the 7th CD and is the highest ranking African-American public servant in Indiana and thus represents a powerful constituency in Indianapolis. But Carson's congressional portfolio has been anemic since he succeeded his grandmother. So this is a case where the constituency is more important than the leader thus far.

#### **46. Hammond Mayor Thomas McDermott**

**and Lake Sheriff Rogelio Dominguez:** The Lake County Democratic chairman seized control of the party last March from Gary Mayor Rudy Clay and vowed power sharing and openness as he openly flirted with a 2012 gubernatorial run. But it has been a tumultuous year, as he has battled his city council and Lake County Sheriff Roy Dominguez, another candidate for governor who has traversed much of the state building a grassroots campaign. McDermott and Dominguez were rivals well before their gubernatorial aspirations. A pot arrest by one of McDermott's precinct captains and then a showdown at a December Hammond caucus when SWAT officers barred Dominguez and Lake Prosecutor Bernie Carter, have sprayed gas on this smoldering fire. Fireworks on the big lake, anyone?

#### **47. Attorney General Greg Zoeller:**

He bucked the Daniels' administration and defeated its candidate at the 2008 convention and has since closed ranks with the Governor. Some see Zoeller as in line for bigger things, but right now all eyes are on whether he joins other Republican attorney generals in challenging the "Cornhusker Kickback" that U.S. Sen. Ben Nelson got for supporting the Senate health care reforms, as Sen. Lugar and 5th CD challenger Brose McVey asked him to do earlier this week.

#### **48. Ways & Means Chairman William Craw-**



**ford:** There's much speculation that Crawford is nearing the end of his tenure. The fact that he lost 25 Democrats on the April biennial budget vote reveals a weakening hand.

**49. Farm Bureau President Don Villwock:** The FB chief has his hands full in battling Gov. Daniels on the property tax caps and Robert F. Kennedy Jr.'s group taking aim at Indiana CAFOs.

**50. State Reps. Scott Pelath and Jeff Espich:** The Michigan City Democrat is considered the heir apparent to Crawford on Ways and Means. Espich is the ranking Republican who could regain the Ways & Means helm if the GOP retakes the House. Both are extremely influential in their caucuses.



Ranking Ways & Means Republican Jeff Espich. (HPI Photo by Katie Coffin)

### POWER ANNEX

These are future candidates; trusted media reporters, editorial writers and columnists; staffers who represent their bosses as well as the public; influential lobbyists who help shape public policy; and in the final category, the people who help make Howey Politics Indiana one of the most influential sources of news and commentary in Indiana. Any of these people could find themselves in a future Power 50 List

### Top 2010 Challenger Candidate Watch List

- State Rep. Mike Murphy, R, 5th CD, (Rep. Dan Burton)
- Luke Messer, R, 5th CD, (Burton)
- John Hostettler, R, U.S. Senate (Sen. Bayh)
- State Sen. Marlin Stutzman, R, U.S. Senate (Bayh)
- State Rep. Jackie Walorski, R, 2nd CD (Rep. Donnelly)
- Dr. Tom Hayhurst, D, 3rd CD (Rep. Souder)
- Dr. Larry Buschon, R, 8th CD (Rep. Ellsworth)
- Tom Mckenna, D, secretary of state
- Vop Osili, D, secretary of state
- Charlie White, R, secretary of state
- Judge Tom Webber, D, HD4 (Rep. Soliday)
- Francis Ellert, R, HD17 (Rep. Dembowski)
- Mike Karickhoff, R, HD30 (Rep. Herrell)
- Kevin Mahan, R, HD31 (Rep. Pearson)
- Kim Builta, R, HD36 (Rep. Austin)
- Kyle Hupfer, R, HD37 (Rep. Reske)
- Heath Van Natter, R, HD38 (Rep. Clements)
- Bob Heaton, R, HD46 (Rep. Tincher)
- Jud McMillan, R, HD68 (Rep. Bischoff)
- Shane Gibson, D, HD72 (Rep. Clere)
- Cheryl Musgrave, R, HD77 (Rep.

- Riecken)
- Wendy McNamara, R, (Rep. Van Haaften)

### Top 2011 Candidate Watch List

- Melina Kennedy, D, Indianapolis mayor
- Councilman Jose Evans, D, Indianapolis mayor
- Brian Williams, D, Indianapolis mayor
- Allen County Councilwoman Paula Hughes, R, Fort Wayne mayor

### News Media

- Eric Bradner, Evansville Courier & Press
- Greg Garrison, WIBC-FM
- Kevin Rader, WTHR-TV
- Jack Colwell, South Bend Tribune
- Niki Kelly, Fort Wayne Journal Gazette
- Sylvia Smith, Fort Wayne Journal Gazette
- Eric Berman, WIBC-FM
- Doug Ross, Times of Northwest Indiana
- Abdul Hakim Shabazz, WXNT
- Marianne Holland, Indiana Public Radio

### Blogs We Recommend

- Blue Indiana, Hoosier Access, Hoosier Pundit, Frugal Hoosiers, Indiana Barrister, Indianapolis Times.

### Lobbyists

- Chip Garver, Baker & Daniels
- Paul Mannweiler, Bose Associates
- Dan Seitz, Bose Associates
- Joe Loftus, Barnes & Thornburg
- Bob Grand, Barnes & Thornburg
- Jim Purucker, John Frick Associates
- Jennifer Simmons, IACT
- Dan Clark, ISTA
- Jim Newland Jr., NiSource
- Mark Lawrence, Indiana Chamber
- Cam Carter, Indiana Chamber
- Brian Burton, Indiana Manufacturers Assn.
- Grant Monahan, Indiana Retail Council
- Bob Kraft, Indiana Farm Bureau
- Karl Berron, Indiana Association of Realtors
- John Hammond III, IceMiller
- Bob Kuzman, IceMiller
- Bill Moreau Jr., Barnes & Thornburg
- Lacy Johnson, IceMiller

### Staffers

- Scott Minier, Senate Majority Caucus





Joe Heerens, Gov. Daniels (chief legislative counsel)

Ann Valentine, Gov. Daniels (legislative director)

David Rozmanich, Sen. Bayh state director

Mike Copher, Rep. Buyer

Bill Smith, Rep. Pence

Andy Fisher, Sen. Lugar

John Schorg, House Democrats

### Party Chairs

Charlie White, R, Hamilton Co.

Keith Clock, D, Hamilton Co.

Tony Long, D, 8th CD

Butch Morgan, D, 2nd CD

Vidya Kora, D, LaPorte

Mike Jones, D, 9th CD

Ed Treacy, D, Marion Co.

Tom John, R, Marion Co.

Steve Shine, R, Allen Co.

Nick Hermann, R, Vanderburgh Co.

Craig Dunn, R, Howard Co.

Mark Owen, D, Vanderburgh Co.

Dean Boerste, Democratic Central Committee

Sandi Huddleston, R, Johnson County

### Up and coming Local Elected Officials

Fort Wayne Councilman Mitch Harper

Indianapolis City-Council President Ryan Vaughn

Elkhart County Council President John Letherman

### Publisher's Perogative

John Krull Morton J. Marcus

Dave Kitchell A. Walker Shaw

Mark Schoeff Jr. John McClain

Lisa Kobe Cam Carter

David Galvin Shaw Friedman

Beverly Phillips Jack E. Howey ❖

## Democrats push township reform

By RENEE BRUCK

INDIANAPOLIS--Last year, Republicans in the Indiana General Assembly tried to reform local government by eliminating township trustee positions and township advisory boards. That bill failed to get out of a House committee. This year, a Democrat is trying something similar.



Rep. Ed DeLaney of Indianapolis introduced a new bill for this session that would do away with townships, trustees and township advisory boards. across the state of Indiana. DeLaney said his reform could save taxpayers money by making the system of providing support for the poor more efficient.

**"What's so wrong with** the system right now is it costs \$1.20, roughly, to give away a dollar. There is no charity in the state of Indiana that would survive for very long if they [did this]," he said. "So we're wasting taxpayer money and to the extent there is a greater need, we ought to devote the money we could save to the poor people."

DeLaney said some townships in Indiana hold as much as \$50 million in financial reserves, and statewide, townships hold an estimated \$200 million in reserve. He said these figures do not include properties owned by the townships. His plans would include using the financial reserves townships hold to help with poverty in the state of Indiana.

DeLaney's proposal calls for one county advocate for the poor, moving fire management into a county entity and splitting township reserves among programs throughout the state.

"My proposal would give 25 percent of the reserves to the county legislature for property tax relief. I would give 25 percent to the state to work on alleviating poverty, not just giving someone a coat or a pair of shoes or paying a light bill, but making grants and doing some serious things about poverty. And then I would give one quarter to Indiana State University and one quarter to IU Northwest, to do studies and grants on alleviating poverty," said DeLaney.

**His proposal already** has run in to opposition. Debbie Driskell, president of the Indiana Township Association, said that the current township system is more cost-effective than allowing counties to take over the responsibilities now held by trustees. Andrew Berger, Legislative Director of the Association of Indiana Counties, also said that DeLaney's proposal will not save the state money. He said Indiana is not ready for the complete elimination of townships across the state.

Revamping the township and township trustee system was among the the ideas generated by the commission to reform government in Indiana that former Gov. Joe Kernan and Chief Justice Randall



Rep. DeLaney

**HOWEY**  
*Politics Indiana*

When Chris Gilliza of the Washington Post posed the question to readers across the nation - Who's the most influential political journalist in your state? - the answer in Indiana was this: Brian A. Howey of *Howey Politics Indiana*. Since 1994, *Howey Politics Indiana* has provided news, analysis and commentary from throughout Indiana and Washington D.C. Howey reaches the most influential insiders with his newsletters and the masses with his weekly newspaper column and [www.howeypolitics.com](http://www.howeypolitics.com).

Photo: Howey with Richard Lugar and Sam Nunn in Russia.

**The Washington Post**  
SATURDAY, DECEMBER 26, 2007

**"The Best Indiana Political Reporter: Howey Politics Indiana editor Brian Howey."**



Shephard co-chaired.

DeLaney said his proposal is more complete and precise than last year's unsuccessful bill.

Committee chair John Bartlett, D-Indianapolis, said rural communities were not well represented within the committee in 2009. He also commented that there are too many differences between rural and urban areas to combine the townships under county control.

DeLaney said that he ensure that rural areas were represented in township reform process. ❖

### **Bill recovers child support from gaming**

INDIANAPOLIS - Hoosier parents who are behind on their child support payments will forfeit some of their gambling winnings if a measure before the Indiana Senate becomes law. The bill is one of Gov. Daniels' top priorities for the session. Senate Bill 163 would allow the state to collect contact information for winners at gaming sites so that courts could intercept the money if those winners have not met their child support obligations. A similar measure in Colorado provided the model for the proposal. The president of the Casino Association of Indiana, Mike Smith, wants the interception language of the bill removed. "While we believe parents should take responsibilities and pay their child support and be responsible for their children, we would prefer not to have to be forced to take over a government function; such as, an intercept," said Smith. James Payne, director of the Indiana Department of Child Services, said the state has a duty to track down parents who have not made child support payments. "We recognize this is a burden on the gaming institution, but it is no different then many of the other initiatives we have; we have banks, who regularly will check their accounts for those individuals who owe child support, and virtually every bank in the country does that and they receive and administrative fee for that." - **Rachel Lemon** ❖

### **SB30 would spur FD retirements**

INDIANAPOLIS--The struggling economy has prompted some public employees to work past their expected retirement age, which has increased costs for municipalities and resulted in layoffs in some places. Senate Bill 30, won the endorsement of the Senate Pensions and Labor Committee on Wednesday, attempts to make it easier for public employees to retire. The bill passed out of the Senate Pensions and Labor Committee Wednesday. If SB 30 becomes law, it would allow Indiana some public employees and teachers with certain qualifications to remove money from their annuity savings accounts more quickly. Logansport Mayor Michael Fincher said the bill

would help police officers and firefighters in his community. "The economic situation is difficult right now, and in Logansport we have 17 firemen and 15 policemen under retirement aid," said Fincher. "This may encourage them to take an early retirement which would help us in a lay-off situation by keeping us from laying off our younger firemen." - **Steffane Christian** ❖

### **Bill would create Allen County executive**

INDIANAPOLIS - Allen County would move to a single-county executive form of government - and possibly provide a testing ground for the rest of the state - under a bill to be filed in the General Assembly. Rep. Phil GiaQuinta, D-Fort Wayne, has drafted legislation that would eliminate the county's three commissioners and move to a system with just one county executive starting in 2015 (Kelly. Fort Wayne Journal Gazette).

The proposal stems from a 2007 report on streamlining local government. But the idea has had trouble gaining legislative traction on a statewide basis because of its varying effects on counties with different demographics. "Overall I think the idea of a single county executive just makes sense. Why do we need three CEOs?" GiaQuinta asked. "We have to start somewhere." Under the plan, the County Council would also become the legislative body in addition to its fiscal duties. Logistically, the two commissioners elected in 2010 would serve typical four-year terms. A third elected in 2012 would serve a truncated two-year term. Then, in 2014, there would be an election for the new county executive, who would serve a four-year term. "I am very much in support," Allen County Commissioner Nelson Peters said. "I may be the only one, but I think it makes a lot of sense. I've always been a fan of one point of accountability."

GiaQuinta has spoken to Rep. Randy Borrer, R-Fort Wayne, about being a co-author on the bill, although Borrer hasn't yet committed. "I need to review the bill, but there is a strong likelihood I will be on the bill," he said. "I personally would like a statewide initiative, but it might be easier to pass it for just one county to start." Commissioner Linda Bloom, the longest-serving of Allen County's three commissioners, said she was surprised by the news after believing the issue was dead. "Certainly we would have to have a referendum," Bloom said. "I just think its taxation without representation." ❖

### **Reardon elected to Latino post**

INDIANAPOLIS - State Rep. Mara Candelaria Reardon was elected Nov. 21 as the treasurer of the National Hispanic Caucus of State Legislators in Santa Monica, Calif.





## Indiana third worst in growth of worker pay

By **MORTON J. MARCUS**

INDIANAPOLIS - Our legislators are reconvening in Indianapolis to "do the people's business". What they do actually is send tremors through the fiscal foundations of our state. Households and businesses can not figure out our tax structure or our spending priorities. Year after year, stability is sacrificed for electoral expedience.



Morton Marcus  
Column

Is fiddling with the property tax so important that legislators can ignore our state's long-term problems? Among those problems are the state's infrastructure and the educational content taught in our schools. What we know and can do determines how we work and what we earn.

Let's look at what happened in the seven years from 2001 to 2008 to the average Hoosier worker's compensation. This figure includes wages and salaries as well as employers' contributions to public and private health and retirement benefits.

Indiana workers had an increase in average compensation of \$9,600, going from \$38,500 to \$48,200. Other than the apparent difference that arises from rounding the numbers, this sounds good. Doesn't it? Read on.

That \$9,600 Hoosier increase compares with a \$12,600 advance by the average worker in the U.S. Furthermore, our worker's real increase, after adjusting for inflation, was 4.8 percent over 2001 compared to an 8.3 percent advance nationally. Our average compensation ranked 28th among the 50 states in 2001, we fell to 33rd in 2008. During this period, Indiana had the third worst rate of growth in compensation in the U.S.

**These dismal figures** demand attention. We need to provide workers with the skills and companies with the infrastructure required by a modern economy. If workers choose to leave Indiana, we can take pride in helping our citizens do well wherever employers are seeking appropriately educated workers.

Instead of focusing on the economy, legislators seek to freeze property taxes at some percent of property's assessed value. The idea is to deny "free-spending" local officials the power to determine how much money should be raised from a local tax to support local services.

This battle to defeat local democracy presumes

that spending and taxing decisions for counties, cities, schools, and libraries are best made by the legislature leadership not by those elected by the people of Indiana in their many and diverse communities.

How do you destroy local government? Take away its power to raise money for its necessary activities and load it up with unfunded mandates to meet the whims of the legislature. Of course, it is necessary to give individual places exemptions when there are horses to be traded (think Lucas Oil Stadium).

**A few years back**, the Indiana Supreme Court rightly ruled that our methods of property assessment were unconstitutional. How did legislators respond? They adopted a system of re-assessment based on the assumption that when your neighbors sell their properties, your house will bring the same results when put on the market.

The fallacy here is that housing is not an undifferentiated commodity. Each bushel of barley sells at the same price but not houses in the same neighborhood. However, our legislators jumped at this new system which treats all of us equally in an unfair fashion. They wouldn't just simplify the system, eliminate the credits and exemptions, and let it be to see how things go.

**Today, property taxpayers** have no idea what will happen next. The one percent cap for home owners, even if put into the constitution, will be violated by future interventions by the General Assembly. At the same time, the political leaders of those 150 men and women will squeeze local governments until Indiana sinks farther behind the nation in the education, environmental, communication, and transportation needs of contemporary life.

Can a people ill-prepared for the future expect a good economy in the years ahead? It's time for the General Assembly to take an oath to do no harm and then go home until they are ready to face our real problems. ❖

**Mr. Marcus is an independent economist, speaker, and writer formerly with IU's Kelley School of Business. Contact him for speaking engagements at [mortonjmarcus@yahoo.com](mailto:mortonjmarcus@yahoo.com) or 317-626-8853.**



**David Brooks, New York Times:** The United States opens this decade in a sour mood. First, Americans are anxious about the future. Sixty-one percent of Americans believe the country is in decline, according to the latest NBC News/Wall Street Journal survey. Only 27 percent feel confident that their children's generation will be better off than they are. Second, Americans have lost faith in their institutions. During the great moments of social reform, at least 60 percent of Americans trusted government to do the right thing most of the time. Now, only a quarter have that kind of trust. The country is evenly divided about President Obama, but state governments are in disrepute and confidence in Congress is at withering lows. As Frank Newport of the Gallup organization noted in his year-end wrap-up, "Americans have less faith in their elected representatives than ever before." Third, the new administration has not galvanized a popular majority. In almost every sphere of public opinion, Americans are moving away from the administration, not toward it. The Ipsos/McClatchy organizations have been asking voters which party can do the best job of handling a range of 13 different issues. During the first year of the Obama administration, the Republicans gained ground on all 13. The public is not only shifting from left to right. Every single idea associated with the educated class has grown more unpopular over the past year. The educated class believes in global warming, so public skepticism about global warming is on the rise. The educated class supports abortion rights, so public opinion is shifting against them. The educated class supports gun control, so opposition to gun control is mounting. The tea party movement is mostly famous for its flamboyant fringe. But it is now more popular than either major party. According to the NBC News/Wall Street Journal poll, 41 percent of Americans have a positive view of the tea party movement. Only 35 percent of Americans have a positive view of the Democrats and only 28 percent have a positive view of the Republican Party. ❖

**Mark Kiesling, Times of Northwest Indiana:** Rather than look back, I want to look forward with my top five predictions for the area for 2010, which, if you are up and about, you may notice already has crept upon us while we weren't looking. One: The Michael Jackson Museum will not be built in Gary. A city that has trouble paying police, fire and public works employees has no business in going into the adoration of a deceased pop star who tried his best to forget he ever came from the Steel City. Two: Hammond Mayor and county Democratic Party Chairman Tom McDermott Jr. will get into a public feud with a top member of his own party. In 2009, it was Sheriff Roy Dominguez. And in 2007, it was Clerk Tom Philpot, whom McDermott called a



"jerk." Or Hammond Councilman Bob Markovich, whom in that same year he said "hit a new low in my already low opinion of him." Or Hammond Councilman Anthony Higgs, whom he called "a bad guy with a lot of political baggage." Now that Philpot and McDermott are best friends, who's going to be the target for 2010? Three: The city of Hammond will be unable to find a home for the almost life-sized foam Statue of Liberty it accepted as a gift and now has in storage in pieces -- and which it will not show to nosy reporters because, well, it's our stupid statue, and we don't have to show it to anyone we don't want to. It could be worse. The city could have proceeded with its original plan to put it on an island in Wolf Lake, with its beacon of hope pointed toward Indiana and its gigantic green buttocks pointed toward Chicago. Four: East Chicago fixer Bob Cantrell, sentenced this year on a public corruption conviction, will continue to run Lake County politics from federal prison in Ashland, Ky. I mean, I can't prove this, but how else do you explain that the party has not already disintegrated? Bob was the only guy around who knew how to keep it together by all means necessary. He's gotta be whispering in someone's ear somewhere. I can't think of anyone else who could keep that group of wildcats all herded in the same direction. Five: Neither the Cubs nor the White Sox will win the World Series. ❖

**Sylvia Smith, Fort Wayne Journal Gazette:** What now for Evan Bayh? According to a Washington political analyst, Bayh has cooked his goose in terms of getting the Democratic presidential nomination in some far-off election year. Rising in the internal Senate Democratic leadership clearly isn't the path Bayh ought to pursue. There are examples of senators who have gone on to substantial Senate careers after they exited the stage of presidential aspirations or put those ambitions on a long-term hiatus. John Kerry is chairman of the Foreign Relations Committee and a vigorous advocate of climate change legislation. John McCain has resumed his anti-earmark role (to the irritation of both parties). In both cases, what seems to have sustained them after getting the electoral boot is a passion for a cause or idea. Kerry and McCain are obviously disappointed at the way the 2004 and 2008 elections turned out, but they still have an enthusiasm for their niches of public policy. Others seemed to lose their legislative steam after their presidential prospects petered out. Our junior senator could be a perfectly fine representative for Indiana without embracing an issue that becomes "his." The question is: Would he want to? He needs to zero in on an issue or two that captivate him and then crank it up a couple of notches.

❖





## **Education reforms up for vote today**

INDIANAPOLIS - A state board will meet in Indianapolis today to make final revisions to a long list of teacher licensing reforms and then finally vote to adopt them (Dits, South Bend Tribune).



Officials with Indiana's Department of Education say they've adjusted their original list of reforms, introduced in July, to reflect concerns from hundreds of educators and others who sounded off at three public hearings and on the Internet. "The changes represent significant compromise from all involved," Indiana Superintendent of Public Instruction Tony Bennett has said. "Yet, these revisions don't at all compromise the effectiveness of our proposal. In fact, it's a better document now than it was in July." Teresa Meredith, vice president of the Indiana State Teachers Association, agrees that many of her union's and other educators' concerns are reflected in the revisions. For example, she likes the new flexibility that teachers would have in renewing their licenses. A major theme in the changes is greater emphasis on teachers knowing the subjects they teach — not as much on teaching methods. Bennett has said the reforms create flexibility, allowing "a new generation of educators" to be trained via less traditional paths. He has also said the changes could make Indiana more competitive in seeking federal Race to the Top dollars. The state's application for that award is due Jan. 19.

## **Obama favors high end insurance tax**

WASHINGTON - President

Barack Obama signaled to House Democratic leaders Wednesday that they'll have to drop their opposition to taxing high-end health insurance plans to pay for health coverage for millions of uninsured Americans (Associated Press). In a meeting at the White House, Obama expressed his preference for the insurance tax contained in the Senate's health overhaul bill, but largely opposed by House Democrats and organized labor, Democratic aides said. The aides spoke on condition of anonymity because the meeting was private. House Democrats want to raise income taxes on high-income individuals instead and are reluctant to abandon that approach, while recognizing that they will likely have to bend on that and other issues so that Senate Majority Leader Harry Reid, D-Nev., can maintain his fragile 60-vote majority support for the bill.

## **Gary called 'third world city' at DUAB hearing**

INDIANAPOLIS - Gary officials asked the state for continuing relief from property tax caps Wednesday, while Gary residents told the same state board the Steel City should be allowed to die (Times of Northwest Indiana). Armed with a roadmap from the city's fiscal monitor to get Gary in compliance with tax caps by 2012, Mayor Rudy Clay and Controller Celita Green asked the state's Distressed Unit Appeals Board for permission to continue charging the state's highest property tax rates in the meantime. "We need relief," Clay said. When fully implemented, state-mandated property tax caps will reduce Gary's property tax revenue from about \$60 million a year to about \$30 million. The city's fiscal monitor, Dean Kaplan, has created a plan he describes as "tough, but workable," to adjust government services to conform to the new reality of property tax caps. The plan includes closing excess fire stations, requiring city workers to pay higher health insurance premiums and

transferring many city services to Lake County. "Under the tax cap numbers, it's not possible for the city to continue spending what it has been spending," Kaplan said. Clay said many of Kaplan's recommendations are already in the works. "We have cut 446 jobs and that was in 2009, so we're headed in the right direction," Clay said. This is the second year in a row the city of Gary has petitioned the distressed unit board for relief. The city's petition was joined this year by the sanitary district, stormwater management district and airport district. In 2009, the board granted Gary \$23.5 million in relief. As a result, Gary property owners currently pay tax rates that are about one-third higher than the rest of Indiana. Approximately 50 of those taxpayers came to Indianapolis on Wednesday to tell the board they're sick of paying more. Ann Gallagher, of Gary's Miller neighborhood, called Gary a "dying city" and compared it to a Third World country dependent on outside aid in order to get by. "Throwing good money after bad is only prolonging its inevitable death," Gallagher said.

## **DLGF threatens Calumet takeover**

INDIANAPOLIS - The state is threatening to take over assessment work of the Calumet Township Assessor's office to get the coming year's property tax bills out on time (Carden, Times of Northwest Indiana). Timothy J. Rushenberg, commissioner of the Indiana Department of Local Government Finance, said Wednesday his office would investigate the accuracy of Calumet Township's recent real estate assessments unless Township Assessor Booker Blumenberg finishes his office's self appraisal -- known as a ratio study -- by mid-January. Calumet Township occupies the city of Gary, the town of Griffith and an unincorporated area between the two. Rushenberg wrote county officials this week. "We gave (Blumenberg) a deadline



of Jan. 15 to complete his work in a satisfactory manner or we are coming into Calumet Township to complete the assessment work for 2009-pay-2010. ... This process of DLGF conducting the assessments in Calumet Township would be the same process we used in LaPorte County for 2008 and 2009 assessments and Porter County for 2009 assessments. It requires us to develop 'trending' factors and conduct a public hearing to give members of the public an opportunity to be heard on our proposed factors." Rushenberg had complained Blumenberg's ratio study should have been finished months ago and warned Blumenberg's "untimely and error-riddled work" will delay Lake County's tax bills next year, forcing local government agencies to borrow -- at public expense -- money needed to pay bills while waiting for late taxes. "It's a shame," Lake County Council President Larry Blanchard, R-Crown Point, said Wednesday. "But I'm glad to have a state commissioner willing to exercise some muscle and show that county-level officials aren't at fault here."

## State revenues close to December target

INDIANAPOLIS - State revenue in December was very nearly in line with the state's revised revenue forecast (Carden, Times of Northwest Indiana). Indiana took in \$989 million in December, just \$5 million less than budget forecasters had predicted. However, that total is still down 10.6 percent from December 2008, and is the sixth double-digit decline over the last 12 months. Both sales and income taxes, the state's two main revenue sources, were down 3 percent from the same period last year. Meanwhile, riverboat wagering taxes continued to be a bright spot, bringing in \$2.8 million more last month than predicted. State Office of Management and Budget Director Ryan Kitchell said it's still too soon to know if the new forecast will be reliable. "I don't want to make

too big a deal of one month, but if we see a few more months like that then it would tell me at least that we will have a known revenue number that feels like the forecast is a little more on track, where we've been playing catch-up," Kitchell said.

## Obama lauds Indiana math, science program

WASHINGTON - An Indiana program that places highly qualified math and science teachers in public schools is being expanded to at least two other states (Indianapolis Star). President Barack Obama announced Wednesday that programs similar to the Woodrow Wilson Indiana Teaching Fellowship will begin this year in Ohio and Michigan and up to two other states. The program began in 2008 with financial support from the Lilly Endowment and state funds. Prospective teachers who take part in the fellowship program get \$30,000 in exchange for agreeing to spend a year in exemplary teacher education programs and teach for three years in low-income rural and urban secondary schools.

## Daniels sees purple at Evonik plant

LAFAYETTE - Gov. Mitch Daniels joked Wednesday that purple is his new favorite color (Lafayette Journal & Courier). "We have Lilly red and Indiana blue," he said. "And I think when you put them together, you get purple." Purple is the color of the logo for Evonik Industries AG, the company that recently bought the Tippecanoe Laboratories facility from Eli Lilly and Co. The sale was complete as of Jan. 1.

## Pence calls for free market health reform

MUNCIE - Rep. Mike Pence, R-Ind., attacked the health-care bill making its way through Congress during

a Town Hall meeting at Ball State University's Alumni Center (Indianapolis Star). He said it will result in an unwieldy bureaucracy that leaves generations financially burdened. "I think we ought to scrap the bill we are driving through today," Pence told the crowd of about 150 on Wednesday. Pence said he favors health-care reform based on free-market philosophies. Pence wants to put federal limits on malpractice suits -- similar to those in place in Indiana -- and let Americans purchase health insurance across state lines, like auto insurance.

## Zoeller studying health reforms

INDIANAPOLIS - At the request of some Indiana Republicans, Indiana Attorney General Greg Zoeller is reviewing the constitutionality of the health-care overhaul bill passed by the Senate last month (Indianapolis Star). Several Republican senators say the bill's requirement that most people buy insurance or face a penalty violates the Constitution's ban on taking private property for public purposes without just compensation. Republicans also say a provision that could treat some insurance companies in Nebraska and Michigan differently violates the 14th Amendment's equal-protection clause. "This little-known provision in state law was intended for a circumstance such as this, where proposed federal legislation could have a sweeping impact on state government," Zoeller said. Lugar said the review would help lawmakers as they work to resolve differences between House and Senate versions of the bills. Zoeller, a Republican, said Reps. Dan Burton, R-Indianapolis, and Mike Pence, R-Columbus, made similar requests, as have some state legislators and voters. ❖