



## GOP Senate race begins taking definition

### Rep. Paul's nod to Hostettler, Coats on air, FEC reports

By **BRIAN A. HOWEY**

FRANKLIN - Indiana's Republican U.S. Senate race took on distinct definition over the past 24 hours. Dan Coats began the first paid media and reported raising \$378,799 on his first quarter FEC report. John Hostettler was awaiting the endorsement of Libertarian Republican U.S. Rep. Ron Paul, which he hopes will open enough wallets to pay for his own TV campaign. State Sen. Marlin Stutzman said he, too, would begin a TV ad campaign and left open the possibility that he might use personal funds to finance a late push.

And, of course, there was the phantom poll that showed Coats with a mere 3 percent lead over Hostettler.

The Coats campaign noted that 91 percent of all its donors are from Indiana, as well as 96 percent of small donors. "The numbers speak for themselves," said Coats spokesman Kevin Kellems. "When 91 percent of all donors are Hoosiers and 96 percent of small donors are Hoosiers,



U.S. Senate candidates (from left) Dan Coats, John Hostettler and Marlin Stutzman enter the WXNT debate last Thursday at the Indiana War Memorial. (HPI Photo by Steve Dickerson)

this is a campaign of, by and for Hoosiers."

The only other FEC numbers came from Stutzman, who said during last week's WXNT debate he will report \$125,000. Stutzman told HPI he has raised \$15,000 since then.

The Paul endorsement throws an interesting twist into the mix. Rep. Paul has, at times, been a voracious fundraiser and Hostettler, who at this point is planning a statewide radio campaign atop what he calls a burgeoning volunteer movement, hopes that carries through in Indi-

**Continued on page 4**

## A Tea Party in the township?

By **BRIAN A. HOWEY**

FRANKLIN - The question I began asking in 2002 was this: Do we need townships?

Thus far, it is an answer that no one has adequately addressed, though the Kernan-Shepard Commission recommended their demise.

There are, of course, suspicions that the township system is riddled with inefficiencies, corruption and a lack of accountability. The last several weeks have added to the anecdotal evidence that there are huge problems.



**"I loved being governor, but I've got no political plans. I literally have not decided what I'm going to be doing next year, political or otherwise."**

**- U.S. Sen. Evan Bayh, to The Hill**

**PRESS**

**BRIAN HOWEY**  
Howey Politics Indiana  
Publisher

**HOWEY**  
Politics Indiana

Howey Politics Indiana | P.O. Box 40265  
Indianapolis, IN 46240 | 317-202-0210



## Howey Politics Indiana

is a non-partisan newsletter based in Indianapolis and published on the campus of Franklin College. It was founded in 1994 in Fort Wayne.

**Brian A. Howey**, Publisher  
**Mark Schoeff Jr.**, Washington  
**Jack E. Howey**, editor  
**Beverly K. Phillips**, associate editor

### Subscriptions

\$350 annually HPI Weekly  
\$550 annually HPI Weekly and HPI Daily Wire.  
☎ Call 317.627.6746

### Contact HPI

Howey Politics Indiana  
6255 N. Evanston Ave.  
Indianapolis, IN 46220  
**www.howeypolitics.com**  
bhowey2@gmail.com  
☎ Howey's cell: 317.506.0883  
☎ Washington: 703.248.0909  
☎ Business Office: 317.627.6746

2010, Howey Politics Indiana. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, whole or part, is a violation of federal law without permission from the publisher. ❖



News Item: HALF OF U.S. HOUSEHOLDS PAY NO FEDERAL INCOME TAX....

Let's deal with the big one that came out earlier this month when reporter Eric Bradner of the Evansville Courier & Press revealed that the surpluses of the 1,008 townships rose from \$215 million in 2008 to \$263 million after the latest State Board of Accounts report. And this increase comes after the Great Recession of 2009-10 when one would have expected a sizable increase in poor relief for a state where the jobless rate has hovered around 10 percent for most of that time span.

Either the townships aren't helping that many poor, or they are simply taxing and hoarding too much.

Then there are more incidents of bad behavior.

The former Knight Township trustee in Vanderburgh County Linda Durham was arrested for theft and official misconduct after it was determined she spent taxpayer dollars on concert tickets and utility bills, according to the Courier & Press. In neighboring Warrick County, Boon Township Trustee Richard Pryor was arrested on a drug charge after a traffic stop, but the Courier & Press reported that

Indiana State Police are investigating unauthorized reimbursements of \$69,000 uncovered by an SBA audit.

And there was the Jefferson Township Trustee Angela Jones in Brown County who was asked by her board to show her books for the first time in 20 years. Two decades! The Brown County Democrat revealed that she had built a shelter on her property, ostensibly for township fire department fundraisers, though the fire department didn't even know it existed. This township, with less than 4,000 population, had a \$781,000 surplus in 2008.

In Washington Township in Indianapolis, Trustee Frank Short spent \$20,000 to deny a \$700 poor relief request.

These are just recent revelations.

We also learned in the Fort Wayne Journal Gazette that township offices that were once largely uncontested, are now brimming with candidates. The speculation there is two-fold: that this is the beginning of a widespread defense of this archaic strata of government, or more party





foot soldiers are getting a whiff of the abundant cash and the fact that you can make \$5,000 by attending four to six meetings a year.

When township reform came up during the 2009 Indiana General Assembly, proponents for their demise stood in the Senate and revealed the mismanagement and corruption, but could provide no metrics as to how widespread the problems were. This came as we learned of dozens of cases of theft, lack of phone numbers or signage at township offices, nepotism and other irregularities. Center Township in Indianapolis spent more money on its own utility bills for buildings no one really knows what they are used for than what was spent helping the poor with their bills. Most of Marion County's townships failed to meet even basic state required financial reporting.

In 2010, House Ways & Means Chairman Bill Crawford offered up a bill requiring referendums on whether individual townships should exist, and it was seen as the ruse it was. It got nowhere.

But I have questions that scream for answers:

1. Why aren't Democrats - particularly those in the African-American caucus who represent the poorest Hoosiers - expressing outrage over the inefficiencies and high costs of administration per dollar?

2. Why isn't Attorney General Zoeller demanding that all townships comply with financial reporting requirements? And why doesn't he file suit against those who don't comply?

3. Why hasn't Gov. Daniels and his reform allies compiled the appropriate metrics that would allow us to see how the township tier of government stacks up as far as corruption and inefficiencies with towns, cities and counties that are under stringent guidelines?

4. Why can't the Indiana General Assembly take even a modest step and have county council's explore and sign off on all township budgets? This small change would be a quantum leap in restoring some integrity and accountability to the system.

5. Why has the Tea Party movement - who vow to defend the citizen from paying high taxes - been silent on this most local of issues with huge and unjustified surpluses?

Since I began asking the question of whether townships should exist, I've actually retreated from the notion that we should wipe out the entire layer. Like cities, I believe a 21st Century Indiana should have classes of counties. In some counties, it might make more sense to have poor relief handled in the townships by a trustee who reports to the county council.

I had lunch with Mishawaka Mayor Jeff Rea and South Bend Mayor Stephen Luecke and asked them if their cities were equipped to handle poor relief. Neither wanted to handle the task, though both were interested in

combining fire services, noting that city and township fire stations were sometimes just blocks away from each other. Both were reluctant to push too hard, fearing the "Unigov" power grab accusation.

Looking at how counties are struggling just to get tax bills out on time - costing Hoosier taxpayers hundreds of millions of dollars in loans schools and municipalities have to take out to cover costs - I am now skeptical that counties in this new tax cap era can handle the extra burden.

So my thinking has evolved to this: abolish the urban townships that already have city and county layers of government. Keep the rural townships in "second or third class counties" (first class counties would be mostly urban; second class would be suburban; third class rural) for poor relief, but, as Kernan-Shepard recommends, bring them into a county confederation for public safety. The notion in Crawford's "reform" ruse to allow township-by-township referendums would have created a bizarre patchwork that in some cases would have been counter productive to economic development. Abolish the township advisory boards and make the trustee accountable to county councils.

Here's another observation: Gov. Daniels made a big mistake in not having township or county representation on the Kernan-Shepard Commission. It just left him and reform proponents open to the whole "power grab" argument.

Since buying property in Brown County, a key thing I've learned is that particularly in rural Indiana, you get nowhere when there's the perception that Big Brother is trying to ram something down your throat from Indianapolis. There has to be a buy-in from the locals who still embrace the Jacksonian principles that were there when many Indiana counties were created.

In the case of the township system, not only has there been no buy-in, but just about every player in the mix - be it the reformers or the stasists protecting the status quo - have done a poor job in making the case for reform or seeking even incremental changes in accountability that would make a reasonable case for keeping the things the way they are.

Perhaps the biggest question is, where is the Tea Party? ❖



ana. "Ron has been able to raise a lot of money across the nation," Hostettler told HPI Wednesday morning. "We hope he can do that here in Indiana."

Asked if Rep. Paul would campaign in Indiana for Hostettler, the former congressman said, "We haven't got that scheduled, but we're looking into it." Hostettler said that he and Paul became friends while serving in Congress. "Ron and I worked together on a number of issues as part of the Liberty Caucus. Both of us agree we have to get the nation back on a Constitutional framework, which he described as a "more limited scope of national government."

A Rasmussen Reports national poll of likely voters shows potential 2012 matchup between President Obama and Rep. Paul a 42-41 percent affair favoring the incumbent.

The Hostettler campaign has to be looking to Kentucky as Exhibit A in the Paul political prowess. An April 12 SurveyUSA poll in the Kentucky Republican U.S. Senate race shows Rand Paul - the congressman's son - leading Secretary of State Trey Grayson, 45-30 percent. Paul has double digit leads among conservatives, pro-life voters, gun owners, those without college degrees and those with lower household incomes.

And then there are the issues that will probably define the homestretch themes, including how Coats voted on past Supreme Court justices. That issue, along with the past and future use of the U.S. military will almost certainly surface in Monday's noon debate at Franklin College and Tuesday's at WFYI-TV in Indianapolis as the debate sequence finally arrives in the state's largest media market. Coats began this sequence on Wednesday with a statewide broadcast and cable TV buy that the campaign hopes separates him from the pack.

Coats is attempting to accentuate his "Hoosier values" after two months as a target of both the Democratic Senatorial Committee and his four primary opponents that questioned whether he was even a Hoosier. "As a conservative senator, I fought against higher taxes and big spending and I stood up for life and the 2nd Amendment," Coats says in the ad. "I never thought I'd run for office again, but with the direction President Obama has taken the coun-

try, Marsha and I decided we had to stand up - to reduce spending, repeal health care, and create jobs for our kids, grandkids, and for Indiana."

Stutzman told HPI he would begin a \$60,000 TV buy next week. Asked if he would commit some of his own personal wealth to the race in order to up his TV ad campaign, Stutzman replied, "We'll see. We've got that arrow in



Dan Coats listens for John Hostettler and the WXNT debate last Thursday. Expect the two to lock horns in the Franklin College and WFYI debates next Monday and Tuesday. (HPI Photo by Steve Dickerson)

the quiver. We will if we need it and it makes sense."

The Coats ad came in contrast with a video Hostettler put out last week taking Coats to task over his vote for Associate Justice Ruth Bader Ginsburg, who he called an "extremist" when it comes to abortion. While the video generated some media coverage, it will pale in the context of the Coats media buy, which the campaign would not comment on its cost. Hostettler vowed to push the Supreme Court nomination process in the upcoming debates where he will need to "differentiate" himself with Coats. Hostettler criticized Coats at the IUPUI debate last Saturday after the Coats campaign suggested that he and 43 other Senate Republicans voted for Ginsburg in an attempt to end the "boring" of candidates that characterized the late 1980s and early 1990s. "When he says the president would be allowed to appoint who he wants and he voted for Ginsburg, that was news to Clarence Thomas," Hostettler said of the grueling confirmation that the first African-American justice endured two years prior to Ginsburg. "Coats also voted against Stephen Breyer."

Marlin Stutzman was critical of Dan Coats' record on Supreme Court justice nominations. Stutzman stated in a press release, "Mr. Coats is simply wrong on this crucial



issue of our time. If the founding fathers intended the President to have unchecked authority on judges, why do we have the judicial nominees approved by the Senate? Conservatives need a fighter now more than ever. We don't need a Senator who will give cloak room deals to the other party and vote for more liberal justices. This is really an issue that separates me from my opponent."

The Coats campaign characterized the Ginsburg vote as an attempt to stop the blood letting that began with President Reagan's attempt to nominate Robert Bork in 1987. The failed nomination set off an intense sequence of partisan warfare over high court nominations that quickly ended following the Ginsburg ascension.

### The phantom poll

Hostettler's campaign began shopping a poll last week that showed Coats with as 29-26 percent lead, with Stutzman coming in third at 18 percent. The name of the polling firm was never identified, nor were the questions. Hostettler's operatives suggested it was leaked from the Coats campaign.

Kevin Kellems, speaking on behalf of the Coats campaign, was asked if was an internal Coats poll. "Absolutely not," he said. He speculated that the poll first reported on a southern Indiana based Hoosier Advocate blog. "That's the reason no one's claiming it," Kellems said. "What size was it? Was it weighted statewide? We don't know. I've seen nothing close to it. It could have been something done on the cheap, trying to get a blogger to bite. But I haven't seen anything to validate it."

Hostettler begged to differ. "We know the poll is credible," he said. "We have other sources."

### Campaign strategies

The Coats campaign is exhibiting an air of confidence. The campaign says its grassroots network, which helped the former senator file 4,500 ballot qualifying signatures in 17 days last February, is second to none. The campaign also believes that the debate sequence has been a "good fit" with Coats "comfortable." And it had \$400,000 left over from the senator's days as an incumbent to begin with.

Last Thursday's WXNT debate at the Indiana War Memorial found only Don Bates Jr. taking shots at Coats and Hostettler as former Washington insiders. At the IUPUI debate Stutzman and Hostettler became more animated.

Stutzman took Coats to task for raising the debt ceiling during the Clinton administration. "It's time to send a fresh set of eyes to look at the problem," Stutzman said. Coats responded that he cast the vote in order to keep the Federal Aviation Administration monitoring planes.

Both Hostettler and Stutzman blasted him on the Ginsburg vote. "It was a mistake. If I had that vote again, I would vote differently," Coats said.

"Why have a confirmation hearing?" Stutzman said. Hostettler has been conducting his town halls mostly outside of the 8th CD he represented for 12 years. He told

HPI he has a significant volunteer organization, including 2,000 volunteers in Northwest Indiana, as well as extensive organization in southwestern and northeastern Indiana. "We have a significant presence all over the state," Hostettler said. His strategy appears to be relying on a solid 8th CD base, his affiliation with Right to Life, 9/11 and Second Amendment groups, and the Tea Party, to which Rep. Paul is a hero. The Paul endorsement could be a gateway to the cash Hostettler needs to ignite a late TV buy and allow him to close any gap that exists.

Stutzman claims he has a vivid grassroots organization. "They can't match us on volunteers," Stutzman said on Wednesday. He also has the endorsements of 51 Republican legislators. Asked if his colleagues are out campaigning for him, Stutzman said, "A lot of them are. They are boots on the ground."

The two campaigns most consider to be below the three contenders - Don Bates Jr. and Richard Behney - face a critical hurdle today with their FEC reports. If their anemic fundraising is the story, they are almost certainly toast. "If America gives us another opportunity to lead, we're going to have to do so with courage and conviction," Bates said during the WXNT debate. "We've got to do a better job of communicating with the American people."

The problem for Bates is that it's tough to communicate in a state with 6.3 million people without money to reach them.

As for Behney, the candidate who talked of cleaning his guns and taking to the streets before an Evansville patriot group last winter, peppered his comments during the WXNT debate with terms of violence. It was almost as if Bang-Bang Behney had the Rolling Stones' "Street Fightin' Man" playing in his head. ❖



Richard Behney kept making references to violence at the WXNT debate. (HPI Photo by Steve Dickerson)





## Soundbites from the GOP Senate debate

By **BRIAN . HOWEY**

INDIANAPOLIS - We are now in the primary debate (and soundbite) season.

In talking with former congressman John Hostettler earlier this week, he told me his campaign has been hosting town halls across the state because debates along with TV and radio ads reduce most of the discourse into soundbites ranging from 30 to 90 seconds. Candidates do get opening and closing statements of two to three minutes. But Hostettler says - and I agree - the issues ranging from the health reforms to climate change, immigration and arms control are all extremely complex.

This past year I've spent hours learning about health care and the cap and trade legislation and feel like I've covered perhaps 5 percent of the territory. The health reform debate and now post-signing post-mortem is perhaps the most complex issue facing Americans in decades. But the soundbites that formed most American opinions are often crude, misinformed and stunningly simple.

Thursday's Republican U.S. Senate debate at the Indiana War Memorial is a case in point. I don't want this to be construed in any way as criticism aimed at Dan Coats, Don Bates Jr., Richard Behney, Marlin Stutzman and Hostettler, but instead of weaving a narrative that would ultimately capture only a tiny percentage of what the candidates know, I thought I would present some soundbites.

In doing so, I certainly recommend you go to the candidate websites (you can access them at [www.howeypolitics.com](http://www.howeypolitics.com)), where most of the candidates have detailed policy positions. Coats, for instance, released a fairly detailed plan on his health reforms if the law President Obama signed in March is repealed.

The other necessary ingredient here is for the press to mine these complex issues and provide perspective, depth, contrast while confronting some of the fallacies soundbites perpetuate.

Opening statements:

**Bates:** It cannot be business as usual.

**Behney:** Over our dead bodies, we have to take back our liberties.

**Coats:** I couldn't stand idly by. I want to get into the fight.

**Hostettler:** America is going in the wrong direction.

**Stutzman:** Government doesn't create jobs, the private sector creates jobs.

WXNT moderator Abdul Hakim Shabazz asked the candidates what part of the \$4 billion stimulus Indiana

received has worked.

**Behney:** We shouldn't have taken stimulus money at all. Hoosiers can take care of Hoosiers.

**Coats:** The stimulus has proven to be a mistake.

**Hostettler:** I can't name one. One hundred percent of the money is borrowed and 100 percent won't be paid back.

**Stutzman:** What they should have done is let the people keep the money. Government doesn't create jobs.

Another question was what cuts would the candidates make to stem the deficits? There was very little specificity here.

**Behney:** My business is down 60 percent.

**Coats:** We have to stop the bleeding, stop the spending. We fell one vote short of the two-thirds needed on the balanced budget amendment.

**Hostettler:** This is no Democratic candidate talking about cuts of any type. Everything should be on the table except national defense.

**Stutzman:** Look at the earmarks.

**Bates:** Republicans have spent as much as Democrats. We need to end automatic pay raises for Congress.

And here's the big one, repealing health reforms.

Here are the soundbites on perhaps the issue that will likely drive the U.S. Senate race throughout the cycle.

**Coats:** We need to repeal the current bill because it doesn't address the needs. It taxes the American people and it takes small business. We have to do more than say no.

**Hostettler:** We must put a Republican in the Senate from Indiana.

**Stutzman:** I'm the only candidate who signed the pledge to repeal.

**Bates:** Let's lead with courage and conviction. We must fix Medicare and Medicaid. (Note: Bates said that he also signed the pledge to repeal.)

**Behney:** Over my dead body. We're going to kill older people and children.

This is just a sampling of what the candidates said and so much more is needed. Here are some general observations about the debate. First, other than Bates,



State Sen. Marlin Stutzman has

pledged to repeal health reforms. (HPI

Photo by Steve Dickerson)



who consistently criticized past Republican administrations and Congresses for contributing to the staggering debt and deficits we now face, the field did not gang up on Coats as the perceived frontrunner as some had speculated. At one point, Bates noted the 2001-2006 period when the GOP controlled Congress and the White House and stated, "We didn't lead."

Behney, who talked of cleaning his guns and taking to the streets before an Evansville patriot group last winter, peppered his comments with terms of violence. It was almost as if Bang-Bang Behney had the Rolling Stones' "Street Fightin' Man" playing in his head.

The biggest contrast between the candidates came with immigration where Bates backed U.S. Rep. MIKE Pence's Ellis Island Centers in Mexico plan. Coats had, perhaps, the most poignant moment of the debate when he talked of his immigrant parents, quoting his mother telling the family, "We are now Americans. I don't want to hear another word of Swedish." Hostettler took the most strident tone, saying not only would he back sanctions against employers hiring illegal immigrants, but would back a "whistleblower" law where employees would turn in their bosses for doing so.

There was also diversity over President Obama's plan to repeal the military "don't ask, don't tell." Hostettler said he wouldn't allow "homosexuals in the service." Stutzman said it was not an issue that "people are concerned about" given the current economic climate. Bates didn't favor the law, but doesn't back a repeal. Behney said he served in the Navy with gay men and women. "If you wish to serve your country ... you should be allowed to serve."

Three more debates are coming up: at 10 a.m. Saturday at IUPUI; noon April 19 at Franklin College; and 8 p.m. April 20 at WFYI-TV in Indianapolis.

## **Poll shows declining support for reforms**

A new Associated Press-GfK poll finds Americans oppose the health care remake 50 percent to 39 percent. Before a divided Congress finally passed the bill and Obama signed it at a jubilant White House ceremony last month, public opinion was about evenly split. Another 10 percent of Americans say they are neutral.

Disapproval for Obama's handling of health care also increased from 46 percent in early March before he signed the bill, to 52 percent currently — a level not seen since last summer's angry town hall meetings.

Nonetheless, the bleak numbers may not represent a final judgment for the president and his Democratic allies in Congress.

Only 28 percent of those polled said they understand the overhaul extremely or very well. ❖

## Thousands expected at Statehouse Tea Party

INDIANAPOLIS - Thousands of people are expected to gather on the west side of the Indiana Statehouse at 3 p.m. today for the second Tax Day Tea Party.

Speakers include Richard Mourdock, Indiana Treasurer of State, Greg Garrison, WIBC-93.1 FM radio talk show host and attorney. Political candidates who support the movement also will attend to meet and greet attendees.

State Rep. Mike Murph will attend the rally. Last year, U.S. Rep. Dan Burton appeared at the rally with current U.S. Senate candidate Richard Behney and a number of Indiana legislators. "I am looking forward to the opportunity to meet the Hoosiers that come to this great event, and discuss the topics they feel are important," said Murphy. "I'd like to thank the Indianapolis Tea Party for being a leader in providing a platform where voters can discover the plans for change that their candidates have put forth in this election."

Murphy remains the only candidate in the race, including Dan Burton, who has successfully eliminated a tax for Hoosiers. Murphy eliminated the inheritance tax for all Hoosier estates of \$100,000 or less—nearly half of all Hoosier estates. Murphy also supports the Fair Tax as part of his campaign policy platform. Mike remains the only candidate in the race with a substantive roadmap of policy solutions to create jobs for Indiana's 5th Congressional District. This roadmap is known as "The Murphy Plan."

Carlos May, seeking the 7th CD nomination, will also have a booth at the Tea Party.

Mitt Romney has a message to Tea Party candidates nationwide: If you lose your Republican primary bids, stay on the sidelines. The former Massachusetts governor has warned the grassroots movement not to mount third party efforts in general elections, which he said would siphon votes from Republican nominees.

"If there is a conservative candidate that runs in the general election, then obviously, divide and fail is the result," Romney said in an interview with the conservative Web site Newsmax. "Hopefully Tea Party candidates will run in respective primaries and they will either win or lose. And if they win, they will go into the general. If they lose, they won't, and they will get behind the more conservative of the two finalists."

Romney explained that "dividing our conservative effort in the general elections" would "basically hand the country to Barack Obama and Nancy Pelosi and Harry Reid." and that would be very sad indeed." ❖



## Sodrel, Young trade barbs in only 9th CD debate

By **BRYAN AULT**  
and **BRIAN A. HOWEY**

NORTH VERNON - Mike Sodrel and Todd Young shook hands and exchanged a brief smile before sitting down to debate and dissect the issues on Saturday night. The gloves were off shortly thereafter. Their first and lone debate, held at the Jennings County Fairgrounds, became a down-and-dirty political hotbed.



Young criticized Sodrel for "cowering away" from previous debates in his opening statement. He was just getting started.

He slammed Sodrel's view that Vietnam-era sensors should be upgraded to protect America's borders. "Study after study shows those sensors aren't working, Mike," he said. Young blasted Sodrel on the economy and his voting record while serving as the 9th district representative from 2005-2007. "Sending Mike to Washington to cut spending is like sending Baron Hill to teach anger management classes," Young said.

He also added that the cost of President Barack Obama's health care bill "pales in comparison to Mike Sodrel's spending in Congress." By the time Young was done with his criticism of Sodrel, some of the 300 in the audience reacted as if the Bloomington Republican had over played his hand.

Sodrel fired back with zingers of his own. "When you're running third in the polls, you have to do something outrageous," he said. "I expect my Democrat opponent to act like one. I didn't expect my Republican opponent to act like one." Sodrel and Young, as well as a passionate Travis Hankins and an unemployed Rick Warren, followed lock-step in Republican opposition to the health care bill. "We must not focus on health insurance cost, but health care cost," Hankins said. "We must get back to the basics with paying with cash. Cash lowers costs for everyone. We must get the federal government completely out of our health care system and put it back in the hands of the people, where it belongs." Immediately after health care, attention shifted to the economy and national security.

Sodrel advocated for drilling offshore and ridding dependence on foreign oil. "We need to drill here and we need to drill now," Sodrel said. "That creates jobs here in the United States. Americans have not lost their work ethic.

We can compete with anybody on the planet."

Sodrel of New Albany and Travis Hankins of Columbus say they're launching television ads Wednesday in their bids for the GOP nomination in the 9th congressional District (Louisville Courier-Journal). They follow Todd Young of Bloomington, who started airing his first ad nearly two weeks ago. All three are advertising on cable, although Sodrel intends to be on network TV by the end of the week, said Sodrel campaign spokesman Jeff Canada. Sodrel uses his new ad to criticize Democrats, accusing them of refusing to listen to constituents who are concerned about federal spending, particularly in the recently passed health care bill.

"Mike Sodrel will fight wasteful health care spending with reforms that increase competition, provide more options and make health care affordable without high taxes and huge spending," the ad says.

### **GOP leads Rasmussen generic**

For the second straight week, Republican candidates hold a nine-point lead over Democrats in the latest edition of the Generic Congressional Ballot. A new Rasmussen Reports national telephone survey finds that 45% would vote for their district's Republican congressional



Mike Sodrel makes his point in the only scheduled debate last Saturday)(HPI Photo by Bryan Ault)





candidate, while 36% would opt for his or her Democratic opponent. But support for both parties is down two points from last week. Still, since the beginning of the year, the Republican lead hasn't dipped below seven points. Just after Congress' passage of the national health care plan, voter support for Democrats reached its highest level measured since early December 2009, while GOP support matched the highest level measured since weekly tracking began in early April 2007. Forty-six percent (46%) of voters not affiliated with either major party now prefer the Republican candidate, while 19% like the Democrat. Support for Republicans among unaffiliated voters has held steady from last week, but support for Democrats is down five points. Three weeks after Congress passed its new national health care plan, support for repeal of the measure has risen four points to 58%. That includes 50% of U.S. voters who strongly favor repeal. A Rasmussen Reports telephone survey of likely voters nationwide finds 38% still oppose repeal, including 32% who strongly oppose it. For the previous two weeks following passage of the controversial plan, 54% of voters have favored repeal and 42% have opposed it. But only 38% of voters think it is even somewhat likely that the health care bill will be repealed. Fifty-one percent (51%) see repeal as unlikely. Those figures include 11% who say it's very likely to be repealed and 18% who say repeal is not at all likely. House Republican Conference Chairman Mike Pence said Republicans heard something different. "The American people aren't happy," Pence said. "They are not happy with all of the big government spending and the borrowing and House Republicans returned for this seven-week stretch firmly on the side of the American people." Pence, speaking to reporters after a closed-door GOP conference meeting, promised Republicans will push to repeal health-care overhaul legislation immediately. "House Republicans will not rest until we repeal Obama care lock, stock and barrel and replace it with health care reform that will lower the cost of health insurance without growing the size of government," said Pence, who is calling for a new GOP "Contract with America."

## **Daniels, Pence take aim at Dems**

The Indiana Republican Party has had enough with "Change you can believe in." At the 2010 GOP state dinner in Indianapolis Thursday night, Gov. Mitch Daniels said Republicans should replace President Barack Obama's campaign slogan with a better one: "Change that believes in you" (Carden, Times of Northwest Indiana). "We believe you, the people of this state, can and should and must be trusted to keep more of their own dollars. We trust them to spend those dollars more wisely, for their own benefit, and ultimately the benefit of society, than the government can, ever," Daniels said. The Republican governor said government should not dictate where children go to school or

how people get health care. Instead, he said, government should empower and trust individuals to educate themselves and make those decisions on their own. That is what he has tried to do in his six years as governor, Daniels said. "I think the people of Indiana have proven to themselves and to the nation that democracy still works and that we can bring important changes if we believe in the people who put us in public office in the first place," Daniels said. Rep. Pence told the 730 dinner guests that the best way to put Daniels' words into action would be to repeal the recently enacted federal health care reform law. But first, Republicans need to win back control of Congress, the Columbus resident said. "The Democrats may have had their say on the third Sunday in March, but the American people are going to have their say on the first Tuesday in November," Pence said, referring to the date Congress voted for health reform and Election Day. In addition to giving money and volunteering for GOP candidates for Congress, Pence also urged Republicans at the dinner to work to win control of the Indiana House. Republicans already control the state Senate. "We have to do everything in our power to give this governor a Republican majority in the Indiana General Assembly," Pence said.

## **2ND CD: Walorski kicks off TV ads**

State Rep. Jackie Walowski kicked off her 2nd CD TV ad campaign with a bio ad which talks about her being the daughter of a South Bend firefighter, founding "a mission to serve the poor" before going to Indianapolis to keep government "accountable." If AndyMark Inc., takes advantage of Congressman Joe Donnelly's proposed bill, the Kokomo business will not only make money, but companies doing business with the mobility robotics and truck-accessory company will make money as well (Jackson, Kokomo Tribune). New jobs are needed in Donnelly's 12 county congressional district; a district classified as "economically distressed." Donnelly said the classification is given to counties with an unemployment rate of 8.5 percent or higher. Thursday, Donnelly spoke at Inventrek Technology Park about his Targeted Job Creation and Business Investment Act, HR 4965. The bill — which Donnelly helped to design with north central Indiana businesses in mind — is scheduled to be presented to the U.S. Ways and Means Committee next month. "I want to keep American jobs for people," said Donnelly. "The small and mid-size businesses have fewer employees, but private businesses and the entrepreneurial spirit in this area drives America. I hope to get this passed as quickly as possible." If passed, Donnelly's job creation tax credit would: • Refund 15 percent of new-wage costs in 2010 and 10 percent of new-wage costs in 2011, thereby protecting and encouraging new job creation in his district. • Make the research and development tax credit permanent, allowing American businesses to be competitive in a



global marketplace. • Allow a bonus depreciation and make enhanced expensing deductions permanent.

### **3RD CD: Hayhurst reports \$234K**

Democrat Tom Hayhurst has built up a campaign war chest of nearly \$234,000 for his second run at northeast Indiana's congressional seat held by Rep. Mark Souder, R-3rd (Blue Indiana). If Souder wins the GOP May 4 primary, it will be a rematch between the two; Hayhurst challenged Souder in 2006, a race Souder won with 54 percent of the vote. In that race, Hayhurst raised and spent \$708,000; Souder raised \$622,000 and spent \$642,000.

### **5TH CD: Burton begins TV**

U.S. Rep. Dan Burton began his TV ads on Wednesday, airing on broadcast and cable. The ad features a number of people advocating Burton's reelection. "Lots of people say they are conservative, but Dan Burton has been a consistent conservative voice for us."

### **8TH CD: Tea Party leary of Bucshon**

Before he decided to run for Congress in the 8th District this year, Larry Bucshon says the only time he had spent in Washington, D.C., was as a tourist (Langhorne, Evansville Courier & Press). But in the tea party-influenced politics of 2010, Bucshon - a first-time candidate for public office on any level - finds himself cast as the candidate of the Republican establishment in a field of eight contenders for the GOP's nomination. Among local Tea Party activists and Bucshon's primary opponents that are aligned with them, there is suspicion that the Newburgh heart surgeon is too dependent on support from national and local GOP officials to be the sort of bold, revolutionary conservative in Congress that the movement prefers. "We stand for not tolerating party politics as usual, and to have a party pick our candidate for us is not sitting well with us," said Warrick County Freedom Makers organizer Sarah Seaton, whose organization turned out 250 people for a debate of 8th District GOP candidates on Friday night. Seaton said Tea Party activists in her group suspect Bucshon's support from Republican Party officials and congressional leaders derives from "money and the ability to generate money - not what he stands for." "I don't think this race is going to be politics as usual," she said. "All across the country, we're seeing that the grass-roots movement is fighting back against the machine, the political machine, whether Republican or Democrat." There is evidence that Seaton, who supports candidate Kristi Risk in the May 4 GOP primary, is not alone in tea party circles. In a straw poll held after Friday's Freedom Makers debate, Bucshon finished third in a field of six contenders. Risk won.

### **9TH CD: Hill gives bonuses to staff**

Rep. Baron Hill is making no apologies for giving

his staff members tens of thousands of dollars in year-end bonuses, despite the tough economic times. WRTV's Kara Kenney reported last month that Indiana congressmen doled out more than \$600,000 in bonuses from 2006 to 2008. With the exception of Rep. Andre Carson, D-Indianapolis, local representatives declined to submit to a sit-down interview or provide detailed information as part of the original investigation. Hill, D-Seymour, who Kenney caught up with at a news conference in Nashville, Ind., gave out tens of thousands in bonuses in 2007 and 2008, some up to 11 percent of the employee's salary, according to Legistorm, a Website that compiles legislative salaries. For example, Hill field representative Adam Dickey received a \$5,000 bonus in 2008, while records show that Hill staff members make between \$40,000 and \$50,000. "The people who work for me don't make a whole lot of money. They work very hard, long hours - a 12-hour day is a short day - so the bonuses were justified based on the amount of work they produced," Hill said. "As long as we can do that, I think the bonuses are justified," he said. "I think it's justifiable, and we'll continue to do it."

### **HD19: Nasty letter circulates**

An anonymous letter sent to a Republican precinct committeeman slamming the campaign of Fran Katz, one of two Republican candidates for House District 19, may harm the party and brings up old memories, GOP officials said Wednesday (Times of Northwest Indiana). The letter addressed to the precinct committeeman's family showed up in his mailbox Tuesday and was discussed at the precinct meeting Tuesday night, Crown Point Republican Party Chairman John Moos said. The letter is written in all capital letters with poor grammar and calls the recipient and others a variety of derogatory names. Also included in the letter are a number of e-mails between Lake County Republican Chairwoman Kim Krull and Mike Gentry, the executive director of the Indiana House Republican Campaign Committee, discussing the candidacy of Katz and Dan Klein, who also is running for the nomination.

Moos, Krull, Gentry, Katz and Klein said Wednesday they have no idea who sent the letter. "I'm furious, absolutely furious," said Moos who called the letter "junior high tactics." Katz called the letter "sophomoric. It's the kind of thing kids do. It won't have much of an effect on the people who go to the polls. It might keep a few away because they're so disgusted by it," she said.

Voters next month will see the same two names on the ballot in the Democratic primary for House District 19 that they saw two years ago (Times of Northwest Indiana). After it became apparent that state Rep. Shelli VanDenburgh, D-Crown Point, defeated Dennis Meeks in the primary in 2008, Meeks said his name would appear on the ballot again. So the two will face off a second time. VanDenburgh hopes to strengthen the relationships and successes she's



built over the past three years in office. Meeks says he is ready to give the district a fresh start. VanDenburgh, 40, of Crown Point, was appointed to the seat in 2007 when Crown Point Democrat Bob Kuzman stepped down. Since then, VanDenburgh has considered the office her full-time job, and believes in the past three years she's learned how to navigate the sometimes frustrating system of getting a bill approved. Next session, along with helping to craft a state budget, VanDenburgh plans to reintroduce an ethics bill for local governments that didn't make it through this past session. She says she wants to fight for keeping the education budget from more cuts.

Meeks said he wants to run again because he's frustrated with officials, including VanDenburgh. "I want to go down there and see if I can make a difference," he said. Meeks said he wants to sponsor a bill to get financial literacy taught in schools. "How much science have you used in the last week?" he asked. "Now, how many financial decisions have you made?"

### **HD21: RTL endorses Councilman Wood**

Indiana Right to Life Political Action Committee has endorsed a second candidate in the Republican race for the state's House District 21 (Elkhart Truth). Dave Wood, a Mishawaka City Council member, released his letter of endorsement Monday. His opponent, Timothy Wesco, announced his endorsement by the PAC last week. "Please note that we have granted dual endorsements in your contest due to the pro-life position on your challenger," wrote Mike Fichter, chairman of the PAC, to Wood in a letter dated April 7. The primary is May 4. District 21, now represented by Jackie Walorski, includes a portion of Elkhart County.

### **HD30: Van Natter seeks Clinton support**

Heath VanNatter has crunched the numbers throughout HD38 (Peloza, Frankfort Times). The Republican challenger – and former state representative in the district – thinks he needs 20 percent of the vote in Clinton County to win his May 4 primary against incumbent Rep. Jacque Clements. District 38 encompasses all of Clinton County, portions of Boone and Hamilton Counties and roughly a third of Howard County – where VanNatter has resided all of his life. It also figures to provide his strongest base of support. "I need 20 percent to win," VanNatter said, "and I think I can get 30 or more." VanNatter served as the HD38 representative for a portion of the 2008 session when Jim Buck vacated the seat to fill one in the State Senate. A caucus was held in Frankfort with two votes – one to choose who would finish Buck's term and the second to choose who would go on the general election ballot. VanNatter won the first vote to finish Buck's term. However, the second vote, which was to select a name for

the general election ballot, was won by Clements. Howard County GOP leaders accused Clinton County GOP leaders of backroom politics in order to strong-arm Clements onto the general election ballot. Whatever the reason, voters will now decide between the two on who to send to the statehouse in the anticipated primary matchup. "It's already tense," VanNatter said. "I hold no grudges with anybody. Everybody did what they did for a reason and that's fine. I'm just looking to the future."

### **HD50: Leonard mailer questioned**

Ron Fusselman, Republican candidate for the House District 50 seat, called on his opponent last week to repay the taxpayers of Indiana for the cost of a recent mail piece sent by the Indiana House less than 30 days before the primary (Fort Wayne Journal Gazette). Rep. Dan Leonard, R-Huntington, along with all House Republicans recently sent a jobs update card to members of his district. But he didn't break any rules in doing so. Both Republicans and Democrats in the House abide by the same rules regarding state-paid mailers. They are allowed to send a limited number each year. And during an election year, none can go out after July 30. But there are no limitations before the primary election. And Fusselman should expect to see another such piece soon – a post-session newsletter again being sent out on behalf of all House Republicans. The Session ended March 12, but Tory Flynn, media director for the House Republicans caucus, said the process to get a mail piece written and approved takes several weeks.

### **HD70: 2 Republicans eye Robertson**

A former local government official and a political newcomer are facing off in the May 4 Republican primary for the right to take on incumbent Rep. Paul Robertson, D-Depauw, in Indiana House District 70 this fall (Louisville Courier-Journal). Rhonda Rhoads, 59, of Corydon, a retired elementary school teacher who served two years on the Harrison County Council, said she's seeking the legislative seat because the district needs "a more conservative voice." Brett Loyd, 46, of Greenville, a UPS pilot making his first bid for public office, said he's running because he's unhappy the country "has taken a left turn." The winner will challenge Robertson, a 32-year incumbent who serves as House majority whip. He is unopposed for the Democratic nomination. Both Republicans say Robertson has been at the Statehouse too long. "It's time to let someone else do the job," Loyd said. "Thirty-two years is sufficient." ♦



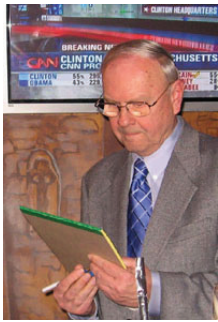


## Walorski begins to define her campaign

By JACK COLWELL

SOUTH BEND - Jackie Walorski begins running TV ads this week, starting with "a positive message," aimed not at primary election opponents but at defining herself before the opposition defines her in a different way in a heated fall election campaign.

Walorski, a Republican state representative who suits Tea Party activists to a T, is challenging Congressman Joe Donnelly, a Blue Dog Democratic moderate traveling in the potentially dangerous middle ground, in Indiana's 2nd District.



While Walorski has opponents for the Republican nomination for Congress - three of them - only one, Bremen School Board President Jack Jordan, seeking to provide a "non-politician" alternative, is a serious contender. One of the others, Martin Dolan, endorsed Jordan after complaining that GOP leaders were stacking the deck for Walorski. The other is Tony Zirkle, a candidate who pops up each spring like

crab grass.

Well, Walorski is endorsed by just about all the party leaders in the district. The National Republican Congressional Committee urged her to get in the race. State GOP leaders also want her as the nominee.

Party leaders support their choices. That's politics.

They expect Walorski to win big in the primary. If she doesn't get way over 50 percent of the vote against the field or depletes her campaign treasury in winning the nomination, it will be a bad sign for her fall election chances.

So far, Walorski is pleased with fund raising, especially with a spurt that came after Donnelly voted for health care reform legislation. With that vote, she changed a \$15,000 goal for an online fundraising effort at the end of March to \$20,000 and topped that, collecting over \$25,000.

**In a federal finance report due** Thursday, reflecting funds raised through the end of March, Walorski will report raising over \$280,000, according to her campaign manager.

Not a bad start. Not nearly enough.

"We probably need to raise \$2 million, somewhere in that ballpark," Walorski says.

She doesn't expect to match Donnelly in funding and says she doesn't have to because of reliance on grass roots organizing. OK, just about every candidate claims to

have a grassroots campaign. Walorski insists that she really does, with the Tea Party enthusiasts expanding support beyond the Republican political base.

But Walorski knows she must reach a certain plateau of funding for success in a sprawling 12-county district, stretching from the Michigan state line to Kokomo. It takes money to raise money. If she doesn't impress NRCC strategists with her initial fundraising efforts, they won't target the race and pour in resources, even though they persuaded her to enter the race.

**The Club for Growth**, even though headed by former Republican Congressman Chris Chocola, the man Donnelly beat to get to Congress, won't go all out in endorsement unless it determines that Walorski is positioned to win.

Nor will conservative political action committees and independent expenditure groups pour in resources unless they think it can bring victory. They don't give just because they like a candidate. They set pragmatic priorities.

Walorski, a political realist, knows this and says she won't be surprised if some support never materializes. That's why, she says, she will campaign frugally and not empty campaign coffers in the primary. Donnelly has no primary opponent.

The health care vote that added some zip to Walorski's fund raising also added some enthusiasm to the Donnelly campaign.

Donnelly and Congressman Brad Ellsworth, who will be the Democratic nominee to replace Evan Bayh in the Senate, were loudly applauded and praised repeatedly for courage in voting for health care reform at the West Side Democratic & Civic Club on Dyngus Day. No back lash.

**The Democratic base** now is more energized, important for a Blue Dog moderate who needs to keep party support while venturing into uncertain middle ground in a quest for independents and moderate Republicans.

Walorski has signed a pledge to seek repeal of the health care legislation.

Donnelly says that legislation has constituents split "about half and half" now but will become more popular as actual provisions for better health care and better health become clear to dispel rumors of "death panels" and such.

It will affect the political health of the candidates, one way or the other. ❖

**Colwell has been covering Indiana politics over five decades for the South Bend Tribune.**



## Behind the failed Dawn Johnsen nomination

By **CHRIS SAUTTER**

WASHINGTON - Dawn Johnsen's withdrawal last week as President Obama's nominee to head the Department of Justice's Office of Legal Counsel put an end to more than a year of neglect of a first-rate nomination. It was obvious the Obama administration had given up on Johnsen's nomination when the President declined to include her among his 15 recess appointments the week before. The administration's failure to secure Johnsen's confirmation demonstrates both the effectiveness of Republican extreme partisanship in the Senate and the degree to which the



Chris Sautter  
Column

White House had lost interest in the nomination.

Johnsen's nomination was one of dozens that had been blocked for months by Senate Republicans. The Republican strategy has been to construct procedural roadblocks to virtually all Obama administration nominations, including moderate and non-controversial ones. Republicans hope to keep as many positions open as long as possible to disrupt the President's agenda and, hopefully, force Obama to nominate candidates more agreeable to conservatives. Johnsen's nomination was among a handful that especially drove the Republican right wing into a frenzy.

Johnsen's credentials are indisputably impeccable. The daughter of a letter carrier, she graduated 2nd in her high school class and won scholarships to Yale College. At Yale Law School, she served as Articles Editor of the Yale Law Review. After earning her JD, she clerked for a judge on the 7th Circuit U.S. Court of Appeals. She had served as acting head of DOJ's Office of Legal Counsel in the Clinton administration. Currently, she is a nationally respected constitutional law professor and scholar at Indiana University in Bloomington. A bi-partisan group of former OLC chiefs endorsed her nomination for, among other things, her "independence of mind."

**Despite her stellar qualifications,** Johnsen became a poster child to right-wingers obsessed with keeping "liberals" out of top government positions. Republicans focused on an early stint as general counsel to the pro-choice group NARAL as well as her principled criticism of the Bush Administration's policies, particularly its discredited "torture memos." Republican rhetoric on Johnsen was so overblown as to be ridiculous.

Conservatives were equally agitated about Craig Becker's nomination to serve on the National Labor Rela-

tions Board. Becker was associate general counsel of the Service Employees International Union. He was opposed by business groups because of SEIU's advocacy of the Employee Free Choice Act, which allows for the certification of a union without an election if more than half of employees sign cards. In February, Becker's nomination failed to win a cloture vote, falling short of the 60 votes needed to allow it to come to an up-or-down vote. Two Democrats—Ben Nelson and Blanche Lincoln--joined Republicans to block his confirmation.

**Meanwhile, Johnsen's nomination** languished in the Senate. The easy explanation for the failure to move on the nomination is it didn't have the votes. Under the new math in the Senate, it takes 60 rather than 51 votes to win passage of anything. While Democrats nominally had 60 votes after Al Franken was seated in July 2009, the illnesses of Ted Kennedy and Robert Byrd still deprived them of the ability to overcome Republican filibuster threats.

Further, at least two Democrats couldn't be counted on to break filibusters. Richard Lugar, the gentlemanly Hoosier who believes in supporting the deserving nominations of constituents irrespective of party, endorsed Johnsen. But Democrat Ben Nelson opposed the nomination. Arlen Specter had come out against the nomination before he switched parties. But eventually he assured Democratic leader Harry Reid that he would not support an effort to block a confirmation vote.

By the time Democrats had the numbers to beat back a Republican filibuster, they were pre-occupied with passing health care reform. Obama re-nominated Johnsen in January believing there would be an opportunity to break cloture after health care reform passed. But then Scott Brown's election shortly thereafter handed Republicans a stranglehold on the Senate. Johnsen's nomination was dead unless Nelson changed his mind, an unlikely prospect.

**But it rankles Johnsen's** supporters that she did not win a recess appointment while the equally controversial Becker did. There are two explanations for the disparate treatment. First, Becker and Obama had a personal relationship going back to Obama's days as an Illinois state senator. Further, SEIU had been a huge supporter of Obama's presidential campaign, and lobbied hard for a recess appointment for Becker.

Secondly, internal White House politics played a role. Johnsen never had a champion within the White House advocating for her. Her nomination had been approved by former White House counsel Greg Craig and supported by Attorney General Eric Holder. But Chief of Staff Rahm Emanuel was not enthusiastic about the nomination. When Craig was forced out by Emanuel, Johnsen lost her only ally inside the White House. New White Counsel Bob Bauer had no reason to take up her cause. To some top aides in the White House, Johnsen was a reminder of



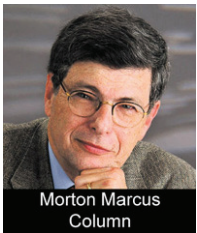
the mishandling by Craig and Holder of the Guantanamo closure. Johnsen's case shows how little real clout progressive have within the Obama administration. While organized labor could insist on a recess appointment for Becker, progressive and civil rights groups backing Johnsen got nowhere. But the reality is progressive groups made very little effort to insist she be included among the recess appointments.

Dawn Johnsen's failed nomination is not just the administration's loss. It is a loss for the country. Her honesty, intelligence, and uncommon courage to speak the truth without regard to politics are precisely the qualities needed to head up the Office of Legal Counsel. It will not be easy for the administration to find a successor as well regarded and qualified. ❖

## How much money is too much pay?

By **MORTON J. MARCUS**

INDIANAPOLIS - Last week, as you watched the gallant Butler basketball team uphold the honor of the Hoosier state, did you wonder about the compensation of college basketball coaches and the future NBA stars performing on your TV? I wanted to focus on the game, but Cousin Candy Marcus was sitting there asking her usual question, "Now how much does that one get paid?"



Morton Marcus  
Column

She wanted to know about the compensation package for Coach K of Duke and that cute boy who coaches Butler. She had heard that Coach Crean

of IU made more than the IU president and was filled with wonder about others associated with basketball.

"Is it all supply and demand?" Cousin Candy asked, drawing on her vast knowledge of catch phrases.

"Yes," I replied, determined to watch a key free throw and not to be drawn into a discourse on economic intricacies.

"But," she continued, "basketball coaches are not all the same, not like tons of coal, not - as economists would say - homogeneous factors of production. They are different, one from the other, and the circumstances under which they will have to perform in their future jobs are likely to be dissimilar from those of their past positions. Aren't the information costs in such circumstances unknown and incalculable?"

"Yes," I mumbled as an inbound pass by Duke turned into an easy layup.

"As I see it," Cousin Candy proceeded, "the pay people get for their jobs is still a mystery despite two centuries of work by economists."

"True," I replied, after prying my teeth from my bleeding tongue.

"**You economists like to** teach that compensation is set by the value of the addition to output provided by the last worker added by the firm. How does that work

in sports, or entertainment, or any part of the real world?" she said.

"It's a concept," I blurted as a time-out was called. "It's a simplified way of understanding complex relationships involved in many diverse interactions."

"But," Cousin Candy insisted, "how does any employer know what the value of something will be in the future? How does the board of a corporation know what added profit will be generated by a new CEO? How does the general manager of a football team know what a new running back will do for the team? Wouldn't it be better to base pay on accomplishments rather than the uncertainties of expectations? And how does the boss separate out the contribution of an individual from that of the team?"

"Experience!" I cried in desperation.

Cousin Candy smiled and said quietly to emphasize my outburst, "Oh, I know all about experience; it's what you gain from making mistakes."

**All was silent in the room** except for the TV announcers and the crowd's frenzy at Lucas Oil Stadium. Then Cousin Candy spoke softly as to herself:

"Seems to me that these are the central questions of our times. How much should teachers, doctors and politicians be paid and on what basis? What is appropriate compensation for executives compared to workers? What part of the revenues of a firm should go to the owners now as dividends and what part should be put aside for debt reduction, product or efficiency improvements, or societal concerns?"

"Let the market decide," I whispered, exhausted by the both the game and her incessant interruptive questions.

"Isn't that the problem?" she asked. "We have stopped asking these questions and given the default answer that the market should decide. Isn't that admitting we don't have any standards or set of values? Letting the market decide means accepting a form of chaos, yielding to a quasi-religious belief in a mysterious supernatural power. Is that what you are saying?"

"Candy!" I lost control. "I'm not saying anything! I'm watching a basketball game! Let me do that in peace!"

But she would have the last word, "There won't be any peace until we find a better way of determining who gets what in this world." ❖





**Sylvia Smith, Fort Wayne Journal Gazette:** The conventional wisdom is Hoosier Republicans will pick Dan Coats as their nominee for the Senate race. Does conventional wisdom always hit the mark? Of course not. And you're right to be suspicious when the subject is politics and the words are "conventional" and "wisdom." Nonetheless, unless something unexpected happens, the expected result will occur. That's true in most endeavors, it's true in politics generally, and it's true in the Indiana GOP Senate primary. When political handicappers look at any campaign, they ask a few basic questions: How well known is the candidate among voters? How much money does the campaign have? A subset of the money question includes questions about the competence of staff, the experience of an advertising team, the ability of the candidate to travel around the state. Does the candidate have voter appeal (a clear and memorable answer to "why should I vote for you?")? What kind of baggage does the candidate have? For most of those questions, Coats has the advantage over the four other candidates in the Republican primary. He's been a statewide officeholder, albeit more than a decade ago, and a lot of people may have a "Dan who?" reaction. But none of the other candidates has run or won a statewide race. They may be well known in pockets of Indiana – John Hostetler in the Evansville area he represented in Congress, Marlin Stutzman in the northern area he represents in the statehouse – but none has solid name recognition statewide. So even if Coats' recognition factor has dimmed in the years he's been removed from Indiana, he has more of it than the others. The other candidates could erase that advantage. But it takes money. We won't know until late this week how well the candidates have done in fundraising. But only three of them raised any money last year, and none of them had even \$7,000 to start 2010 with. Seven grand would be nice in your bank account or mine, but it is diddly-squat in a statewide election. ❖

**Abdul Hakim Shabazz, Indiana Barrister:** The Indiana Pacers are sending their strongest signal yet that if the city of Indianapolis doesn't come up with \$15 million a year to take over the operational costs of Conseco Fieldhouse, they'll leave and go to another city. In an interview with the Indianapolis Star, Pacers President Jim Morris said the team would look at "all of its options" if it can't reach a deal with the city within the next 30-40 days. No offense to Pacers and their fans, but I don't think you're living in the same world as the rest of us. The City of Indianapolis is dealing with economic challenges that are the result of a slow economy and property tax caps.

Throw in some infrastructure needs, public safety, parks and libraries and the fact the Pacers suck as a team and you might see how shelling out \$15 million a year to a bad basketball team might not be a priority for the rest of us. Now if you want to leave, I can respect that because you've got a business to run. Just leave that check for at least \$50 million on the table before you go. Under the terms of the agreement the Pacers would pay a penalty if they terminate their lease early which, depending on how you do the math, involves the Pacers leaving a nice bit of pocket change on the table. At the very least that gets the city through the next three years with no main tenant. Now if you decide to stay, let's work something out. If you want the city to pick up the \$15 million operating tab of Conseco, then I'm sure you won't mind giving up that \$7-\$9 million in non-Pacer revenue from events at the Fieldhouse. ❖

**Mark Kiesling, Times of Northwest Indiana:** Should he have inside information that U.S. Sen. Evan Bayh will run for Indiana governor in 2012, it's no wonder Lake County Sheriff Roy Dominguez would express strong interest in the lieutenant governor spot. Ever since Bayh announced earlier this year that he will not seek re-election to the Senate, expressing a mild disgust with an inability to get things done within the Beltway, his name has been on the short-short list of those who could lead Democrats back into the Indiana governor's mansion. Let's be honest: No Democrat campaigning for the spot has ignited much enthusiasm among the party loyalists statewide, who all are forced to grip hands and grin for photos but remain lukewarm at best when talking about chances of regaining the governorship after two terms of Republican Gov. Mitch Daniels. Prior to Bayh's surprise, Dominguez had been crisscrossing the state, spending more than \$13,000 in an attempt to woo party leaders, particularly those downstate who never had heard of him, to support him in a run for governor. Now, with Bayh a potential contender, Dominguez says he would be content to be the second banana and accept a lieutenant governor position in a Bayh administration. Why not? It's an excellent decision and one that makes an awful lot of sense if you connect the dots from their political past. Bayh grew up literally on the knee of former East Chicago Mayor Bob Pastrick, who was a close friend of Bayh's father. Dominguez, too, is a Pastrick product, having served as corporation counsel for the city. He was in that legal consulting position during the 1999 mayoral campaign that resulted in the Sidewalk Six concrete-for-votes scandal. It sunk the careers of a number of Pastrick allies but left Dominguez untouched, although he did testify before a federal grand jury. ❖





## 85 counties get tax bills out on time

INDIANAPOLIS - Hoosier property taxpayers are seeing something in their mail they are not accustomed to seeing in the spring – their property tax bills. The Department of Local Government

Finance today announced that for the first time since 2002, property tax bills in at least 85 counties will be mailed in

spring, or have already been mailed, resulting in the normal May 10 due date. Only two counties – Kosciusko and Owen – billed on-time in 2009, while no county achieved on-time billing in 2008. On-time tax bills mean lower costs for the State's 2,691 cities, towns, townships, schools, libraries, and other special districts. "It took too long to get here, but a great cooperative effort has brought this process current," Gov. Mitch Daniels said. "The result is our cities, schools and libraries will get their funding in a timely manner and will no longer have to borrow while they wait on a check." State and local officials together made great strides in returning the tax billing cycle to normal after several years of adjusting to the new system. A total of 87 budget orders were certified by the Department on average 118 days sooner than last year. The first step in the assessment to tax billing process is the completion of the property assessments, which culminates with the submission of a ratio study by the county assessor. A ratio study is a comparison between property sales prices and assessed values in the county to ensure that market values are being used to determine assessed values. County assessors submitted 2010 ratio studies on average 94 days sooner than last year. (To facilitate on-time billing, the Department conducted at least part of



the assessment work in three counties – Lake, LaPorte, and Porter.) Once the Department approves the ratio study, the county assessor sends the gross assessed values to the county auditor, who applies exemptions, deductions or abatements to determine the net assessed values – the values upon which tax rates are based. County auditors in 87 counties submitted certified net assessed values on average 139 days sooner than the previous year. Late tax bills have been costly to local units of government, which rely on property tax revenue to operate. While a total dollar figure paid in interest due to late tax bills is not known, the Indiana Bond Bank stated that borrowing by local government units reached nearly \$950 million in calendar year 2008, \$518 million in 2009, and \$133,000 so far for 2010. According to the Indiana Department of Education, schools borrowed over \$42 million in calendar year 2008 and over \$13 million in the first half of 2009. "With more local government units returning to normal billing and collection cycles, the need by these entities to borrow will more than likely continue to return to normal levels as we have witnessed over the past year and a half," State Treasurer Richard Mourdock, who serves as Chairman of the Indiana Bond Bank, said.

## Mourdock seeks to recoup pension \$\$

INDIANAPOLIS - Indiana State Treasurer Richard Mourdock hasn't given up the fight to recoup millions of dollars lost to Indiana's pension funds after the federal government forced automaker Chrysler into bankruptcy last year (Hayden, CHNI). In the latest court filing, which has received little public attention, attorneys for the Indiana state worker pension funds are asking a federal appeals court to vacate a bankruptcy court's order that cleared the way for Chrysler to sell its

assets to a purchasing group led by Italian carmaker Fiat, the U.S. government and the automakers union. Mourdock, who oversees the Indiana pension funds, says he's not asking the court to undo the Chrysler sale. Instead, the petition asks the court to allow the pension funds to challenge the way the sale proceeds were distributed, and, potentially, the terms of the carmaker's liquidation plan scheduled for a hearing on April 20. Attorneys for the carmaker and the United Auto Workers, which owns a 55 percent stake in the car company under the bankruptcy plan, contend that vacating the court order could unravel the sale and undermine the carmaker's attempt to regain financial stability. Mourdock and his staff say they're obligated to continue a legal fight launched last summer as a secured creditor in the bankruptcy case. "We're just trying to get our money back," said Jim Holden, general counsel and chief deputy in Mourdock's office. Last week, attorneys for Chrysler, the United Auto Workers, and the Presidential Task Force on the Auto Industry – which helped engineer the Chrysler asset sale – responded to the petition urging the appeals court not to wade back into what had been a contentious legal battle.

## Only Stutzman makes disclosure

WASHINGTON - State Sen. Marlin Stutzman is the only candidate seeking the Republican nomination in Indiana for the U.S. Senate to meet a deadline for disclosing income and financial holdings. The reports were due April 4 at the Public Records Office of the U.S. Senate. A staffer there says the other four GOP candidates have not filed their reports. The campaign secretary for former U.S. Sen. Dan Coats says he got faulty information about the deadline and will ask for an extension. Financial adviser Don



Bates of Winchester told The Journal Gazette of Fort Wayne on Wednesday that he forgot about it and would file it promptly. The Associated Press left messages with the campaigns of Fishers businessman Richard Behney and former Congressman John Hostettler.

## **Massa wouldn't finish Brizzi term**

INDIANAPOLIS - As Marion County Prosecutor Carl Brizzi dodges accusations of improprieties, the candidate calling for his resignation shoots holes in Brizzi's theory of why he is a target (WIBC) "It's purely political," Brizzi says. "If I were to resign, then the person who would take my place is the Republican candidate for prosecutor." But Republican candidate for Prosecutor Mark Massa says he would not accept appointment to finish Brizzi's term. "I don't want to get in the side door. I want to get elected and not appointed. If there were to be a vacancy, I think it would be best filled by (Former Republican Prosecutor) Scott Newman or retired Judge Patricia Gifford," Massa told The WIBC Morning News Wednesday.

## **Lugar, Leahy seek Haitian zone**

WASHINGTON - U.S. Sens. Dick Richard Lugar (R-IN) and Patrick Leahy (D-VT) today introduced legislation that would lead to the establishment of the "Haitian-American Enterprise Fund," to focus on strengthening the private sector in post-earthquake Haiti. The legislation will help to empower the private sector to create jobs and sustainable revenue streams.

## **Ethanol tariff urged by coalition**

INDIANAPOLIS - A University of Missouri study shows that Indiana

would suffer significant job losses and a severe decline in economic activity if the tariff on foreign-subsidized ethanol is allowed to lapse at the end of the year. The University of Missouri analysis found that Indiana would see job losses of 2,747 in the first year after the tariff lapses, 7,752 in the second year, and 10,610 in the third year. The year-to-year economic declines in Indiana would reach \$618 million in the first year, \$1.7 billion in the second year, and \$2.3 billion in the third year after the tariff lapses. The study results were released by Growth Energy, the coalition of U.S. ethanol supporters.

## **Daniels in grand opening**

COLUMBUS - Gov. Mitch Daniels will participate in the grand opening of Techtop Motor LHP's 60,000 square-foot logistics center at Woodside Northwest Industrial Park at 11:40 a.m. Thursday. Daniels will be joined by a Chinese delegation from Ningde City, Mayor Fred Armstrong and executives from China-based Shanghai Top Motor, parent company to Techtop Motor LHP.

## **Skillman to head mission to China**

INDIANAPOLIS - Lt. Governor Becky Skillman will lead an agriculture economic development trade mission to China in June, she announced Wednesday before a Women In Agriculture luncheon at Dow AgroSciences. Dow will be one of nearly 20 agriculture leaders throughout the state making the trip from June 1 through June 10. Lt. Governor Skillman, who serves as Indiana's Secretary of Agriculture, will be in Zhejiang, Indiana's sister province, from June 3 to June 5. She will then travel to Beijing for the remainder of the trip. The full trip agenda will be released at a later

date. "Indiana is ninth among states in ag exports," Lt. Governor Skillman said. "This administration is devoted to expanding the reach of Hoosier products throughout the world, and numerous business opportunities await in China." In 2008, Indiana exported \$3.77 billion of food and agriculture products, including nearly \$670 million to China. Since 2005, Indiana has seen more than 4,000 new jobs and \$4 billion in capital investment from food and agriculture producers.

## **Bennett commends teacher unions**

INDIANAPOLIS - Supt. of Public Instruction Dr. Tony Bennett offered the following remarks regarding recent contract negotiations for Indianapolis Public Schools and West Lafayette Community Schools: While we sometimes see examples of disagreements between school districts and teachers' unions in the news, this week we've seen some terrific examples of these two groups working together to do what is best for the students in their communities. Specifically, I commend Indianapolis Public Schools and their teachers' association for taking strong steps to weaken the influence of seniority in reduction-in-force decisions. Likewise, I was pleased to learn the local teachers' union in West Lafayette voluntarily and unanimously agreed to forgo salary increases to save money and jobs. Stories like this highlight the potential for cooperation between administrators and teachers' unions. I am hopeful we'll learn of more such examples in the coming weeks as stakeholders come together to do what is best for Indiana students in these challenging economic times.