



Battle for House takes shape

Parties test outlier races, economy as Daniels engages

By **BRIAN A. HOWEY**

RISING SUN - The ad for Attica Clerk-Treasurer Sharon Negele blipped up on Terre Haute and Lafayette TV last week. It is the first tangible electronic signal in the coming House Wars - the battle for the lower chamber which will play a huge role in creating the reapportioned Congressional and legislative maps for the coming decade.

"She's more than just our neighbor," the voiceover states as it shows Negele greeting neighbors, standing in front of an Attica fire truck and working in her candy factory. "She's someone we can count on. Instead of a career politician, let's send a trusted friend to represent us. After 22 years, isn't it time to have a new voice for west central Indiana?"

Of the 25 five or so Republican chal-

Continued on page 3



Attica Clerk-Treasurer Sharon Negele (left) is challenging House Majority Caucus Chairman Dale Grubb (top) in a race HPI viewed as a lower tier challenge. The HRCC is running TV to drive her name ID up, hoping the race becomes competitive if the economy in languishing in the fall and a wave develops. (HPI Photo by A. Walker Shaw)

How does Brad win?

By **DAVE KITCHELL**

LOGANSPORT - What is it exactly that a recent poll on the Indiana Senate race is expected to tell us?



The Rasmussen poll, which trends Republican, tells us former Sen. Dan Coats, a Republican who has not served in Congress in more than a decade, has a 51-30 lead over Brad Ellsworth, a Democrat who has been there for the past four.

There are probably many takes on that poll right now, but for the sake of honesty, let's be blunt: This could be the worst Senate race Indiana has



"This election is going to be a referendum on the borrowing, spending, bailouts and take-overs of this liberal Democratic Congress and administration." - U.S. Rep. Mike Pence



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

Brittany Brownrigg, intern

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. ❖

LANG © 2010
RightToons.com



ever had. It may not be the fault of either candidate because if Sen. Evan Bayh had chosen to run again, there would probably be a well-organized token opposition to the most popular Democrat the state has ever produced. As it is, both Coats, who has been a Washington lobbyist and hasn't even lived in the state recently, is back in the hunt for a congressional job solely based on name recognition, and Ellsworth is the Democrat the party has pushed forward in the food chain to retain a seat in the majority for the party.

What the poll only tells us is who the likely voters are, and in Indiana, there are more Republicans than Democrats. The 51-30 split is roughly along that party chasm, but what both campaigns have to get, and get soon, is this: Tell us why Congress matters.

If they want to win, they're going to have to tell us why they can do a better job than Bayh, or a better job than the Democratic majority. They're going to have to tell us if they would vote in lockstep with Richard Lugar, the most popular Republican

the state has ever produced, or vote against him.

They're going to have to tell us if the federal stimulus package should be doing more for Indiana, or if discretionary funding left up to the governor isn't going far enough.

They're going to have to tell us if Congress is helping what was the most unemployed county in America – Elkhart County – or hurting it.

They're going to have to tell us if federal funds should be doing more to promote economic development and job training, doing the same thing or nothing at all.

They're going to have to tell us if Indiana should be doing more to promote its position regionally in rail networks to promote passenger and freight lines, and for that matter, shortlines that open up access to remote areas.

They're going to have to tell us why we should hire them for a six-figure job that is one of the most important ones this state has – a job that's vital for a state with 10 percent unemployment.



They're going to have to show us how polished they are on matters such as foreign policy, the war in Afghanistan, the BP spill, global warming and clean energy. They may want to refresh our memories on issues such as tort reform, Social Security's viability and Supreme Court nominees.

They should be able to tell us what they would do as members of the majority, or minority, to benefit the state, as well as the country.

They should be able to tell us what they can do to promote Indiana as a candidate for more research dollars at some of the nation's best universities.

They should be taking stands and not making promises they can't keep. They should be showing their hands instead of playing close to the vest. They should be making names for themselves in this election instead of rid-

ing on name recognition in the places that know them best.

It should be happening, but it just isn't. In fact, Illinois probably garnered more recognition in its last Senate appointment, Roland Burris, because Burris was appointed by a soon-to-be-impeached governor, than Indiana has had with Ellsworth and Coats.

Voters should demand more from both candidates, and the candidates should stand and deliver.

This race shouldn't be about fundraising on a shoestring, but raising issues that matter with voters, and matter enough to get them to realize one vote, particularly in the U.S. Senate where there are only 100, really matters, especially to the rest of the country. ❖

House, from page 1

lenger campaigns aimed at retaking the House for a crescendo final two years of Gov. Mitch Daniels term, HD42 doesn't leap off the page as a top priority.

But it is symbolic since Negele is taking aim at House Majority Caucus Chairman Dale Grubb, who at the mid-April pre-primary reports had a \$20,231 to \$2,819 cash-on-hand lead over Negele. Other races - Kokomo Councilman Mike Karickhoff vs. State Rep. Ron Herrell, Kyle Hupfer vs. State Rep. Scott Reske, Kevin Mahan vs. State Rep. Joe Pearson, Putnam Commissioner Jim Baird vs. State Rep. Nancy Michael, the Jud McMillin rematch against State Rep. Bob Bischoff, and the epic Cheryl Musgrave vs. State Rep. Gail Riecken - will be on the front-burner.



Several of those races have the potential to be high-dollar affairs. In HD37, Hupfer reported \$56,829 to Reske's \$10,636. Reske told HPI he's raised "considerably more than that" but wouldn't say how much. In HD77, Musgrave had a \$53,565 to \$29,661 advantage over Riecken. In HD30, Karickhoff outraised Herrell \$18,750 to \$5,951 in the pre-primary report.

With the Grubb-Negele race and in HD43 where caucus-nominated Al Morrison will challenge State Rep. Clyde Kersey, Republicans appear to be searching for outlier races in a cheap media market. The thinking goes that if a soft spot can be found and a wave develops, that's how the Ed Maherns and Bill Cochrans go down when most of the

focus is on the five or 10 races most people are watching.

HRCC's Mike Gentry noted that Grubb's name ID wasn't high in the southern part of the district, thus the Republicans decided to spend about \$22,000 in the Terre Haute market to see if they can move Negele's numbers, then hope to catch a wave in the fall.

"They've gone negative on Grubb," Indiana Democratic Chairman Dan Parker noted. "They did that in 2008. They go in with negative TV and then they poll."

In HD30, Democrats were conducting push polls on behalf of Herrell this week, according to Howard County GOP Chairman Craig Dunn.

Republicans are actively going after Democratic leadership with races aimed at Grubb, Majority Leader Russ Stilwell, Whip Paul Robertson, Speaker Pro Tempore Emeritus Bob

Bischoff and assistant caucus chair Nancy Dembowski.

Democrats responded by recruiting Dr. John Kunzer to challenge Minority Leader Brian Bosma, who reported \$513,440 in his pre-primary report (compared to \$444,211 for Speaker B. Patrick Bauer and \$125,106 for Stilwell). WISH-TV reported that Democrats recently copied "thousands of records at Beech Grove City Hall in the effort to document Bosma's work as city attorney there, work that they previously have called a conflict of interest."

Gov. Mitch Daniels, who campaigned for HD76's Wendy McNamara in her bid for that open seat in Mount Vernon on Tuesday, has raised a little north of \$1 million for his Aiming Higher PAC, sources tell HPI. That will rise as more pledges come in.



Sources tell HPI that the Indiana State Teachers Association has moved \$900,000 to the Indiana Democratic Party. One source described it as a move to keep ISTA individual donations to candidates out of the headlines since the organization is dealing with securities fraud allegations.

Parker told HPI on Wednesday that ISTA isn't handling its candidate contributions any differently this year than in past cycles. Parker added that because Republicans are poised to push dramatic reforms both administratively and in the 2011 Indiana General Assembly session if they gain control, contributions and campaign activity from educators is on the rise.

Horse Race chart debuts

Beginning with this edition of HPI, we will present weekly the Battle for the House chart where we rate the races (See page 6).

This week the chart debuts with 11 races in either the tossup or pickup category, an abnormally high number. Races where there are status changes from week to week will be in bold face.

Of the 11 races, 10 are currently held by Democrats and one - HD46 vacated by State Rep. Vern Tincher - is open. Parker told HPI that Democrats hope to hang on to the three open Democratic seats brought on by the retirements of Tincher, Dennis Avery and Dennie Oxley Sr. "The open seats will determine who controls the House," Parker said.

Another six open seats were brought on by the retirements of Randy Borrer, Matt Bell, Mike Murphy and Cleo Duncan and the primary defeats of Jacque Clements and Bill Ruppel, the latter still a sore point for some members in the GOP caucus with a payback for the Indiana Chamber coming due sometime in the spring of 2011. Republicans are expected to easily retain all of those seats.

Gentry responded, "If they think the open seats will determine control, I'd love that."

Republican National Committeewoman Dee Dee Benkie told an Indiana Association of Cities & Towns Leadership Conference panel in Rising Sun on Wednesday that Daniels' involvement in House races will be a game changer. "The difference this election cycle is Gov. Daniels," Benkie said. "He's sort of the Yoda of our Star Wars

here. He is so involved in these House races. He is laser focused. We are going to win back the House. We haven't seen a governor like him for a very long time. Kyle Hupfer, Wendy McNamara and Jud McMillin - these candidates were recruited. These folks were sought after and vetted and it's going to make a big difference. If we win back the House, the governor is going to be able to achieve his agenda."

Parker begged to differ, telling the IACT conference, "The governor is going to help in these races with one thing and one thing only and that's money. In 2008 was the first time the governor's party did not carry the lower House. While he won an election with 58 percent of the vote and he was on the ballot, he didn't carry the legislature." Parker added that "a lot of these races come down to a popularity contest between the candidates. They are local races, not state races."

And, Parker said, "If this is a 1998 election that is overhyped, a lot of the races at the top (of the HPI Horse Race list) are going to go our way. If this is a 1994, I would put this out there for people to remember: There were four or five targeted races that everyone was looking at. Those races were Linda Henderson in Bedford, Markt Lytle in Madison, Dale Sturtz in LaGrange and one other targeted race and Democrats won three of them. The races they lost were races no one was paying attention to. The places where Republicans won that year were races where working class Democrats didn't show up."

"A lot of the races at the bottom of the (Horse Race) list may end up at the top by Election Day," Parker predicted. "This is going to be a referendum on Mitch Daniels. It's going to be about whether he has total control over the Statehouse. If he could choose the legislature he wanted he wouldn't have chose the legislature he got in the year he won a big chunk of the vote."

Fascinating subplots

The tossup and pickups will offer a fascinating subplot to the 2010 elections. HPI puts HD46 in the tossup zone because Republican Bob Heaton lost a razor close race to Tincher in 2008, a Democratic year. Parker insists that Bianca Gambill was "sharpened" during her primary race. "She's a very strong campaigner," he said. The Republicans have a full-time field manager in the race, Heaton is doing aggressive door-to-door and raised \$30,000 at a fundraiser last week.

While HPI has the Michael/Baird race in "tossup" and almost in the Republican pickup zone, Parker begged to differ. "I don't see it that way. Nancy Michael hasn't done anything to be fired. And she blew out an institutional name to get the seat in the first



Kokomo Councilman Mike Karickhoff is in a tossup race with State Rep. Ron Herrell, with the wild card being how will the Chrysler-Fiat



place," Parker said, noting that the Thomas clan from Clay County held the seat 28 years before Susan Crosby occupied the seat for 12 years, followed by two more Thomases up through 2008 when Amos lost the seat.

Gentry said that polling in another razor thin margin seat - HD26 with freshman Rep. Randy Truitt - shows the Republican "has a substantial lead" over Paul Roales.

Other seats ripe for GOP pickup have interesting subplots. In HD30, Councilman Karickhoff is working it hard and has a significant fundraising advantage. Howard County Chairman Craig Dunn has been baiting Speaker Bauer for more than a year with billboards on U.S. 31. Herrell has a reputation as a lethargic campaigner and a poor fundraiser who lost the seat in the 2002 mid-term. The only thing keeping it out of the pickoff category is Treasurer Richard Mourdock's attempt to derail the Chrysler-Fiat merger. If that issue can't gain traction for Democrats, it will likely be a GOP pick up. Gentry's spin is that the race will be determined on "local issues and what Mike Karickhoff has done locally. I don't think that will play."

Kokomo Mayor Greg Goodnight, speaking at the IACT conference, said of the race, "I think the governor can have an impact on certain things, but his name is not going to be on the ballot. I don't think that race (HD30) is going to be decided by some decision Gov. Daniels makes or Chairman Parker makes. It will come down to their individual ties in the community."

In HD37, Reske will attempt to paint Hupfer as a carpetbagger. "The word is out that Mitch recruited Hupfer and got a bunch of his Indianapolis friends to fund the race. Folks in Madison County will be damned to have the seat taken over by people from Indianapolis," Reske said.

In HD77, Musgrave is attempting to win a seat with a 43.5 percent baseline Republican vote. "It's the most Democratic district in Southern Indiana," Parker insists. Riecken also spearheaded the complaints against the FSSA privatization which occurred when Musgrave was serving as Daniels' commissioner of the Department of Local Government Finance. But Riecken was the only Democrat in the pickup/tossup category to vote against the "guns at work" bill.

It's interesting that of those who voted against HJR1, the property tax caps - Tincher, Avery, Stilwell - only Stilwell is seeking reelection while Rep. Trent Van Haaften will have to deal with that issue in his race for Congress.

In HD68, Gentry said that Bischoff is "barely running ahead" of McMillin in July HRCC polling in the district.

Gentry believes that the open HD73 is ripe for GOP pickup, saying the HRCC's generic ballot shows it as a +12 percent Republican leaning district and he believes Steve Davisson is a strong candidate.

Both sides acknowledge that because HD89 - where freshman John Barnes is defending the seat - is

trending Democratic, that will be a close race in a potentially Republican year.

Overall atmosphere

The overall atmosphere is important. National columnist Mark Halperin of Time and liberal economist Paul Krugman of the New York Times both see a GOP wave forming. "What political scientists, as opposed to pundits, tell us is that it really is the economy, stupid," Krugman wrote on Monday. "Today, Ronald Reagan is often credited with godlike political skills — but in the summer of 1982, when the U.S. economy was performing badly, his approval rating was only 42 percent."

Krugman adds: My Princeton colleague Larry Bartels sums it up as follows: "Objective economic conditions — not clever television ads, debate performances, or the other ephemera of day-to-day campaigning — are the single most important influence upon an incumbent president's prospects for re-election." If the economy is improving strongly in the months before an election, incumbents do well; if it's stagnating or retrogressing, they do badly.

Underscoring this is Indiana's jobless rate of 10.1 percent in June. Department of Workforce Development acknowledged on Tuesday, "Indiana's employment situation remained basically unchanged in June."

In a recent Rasmussen Reports poll, President Obama's approval in Indiana stood at 43 percent while Gov. Daniels stood at 70 percent. Clearly, potential voters are assessing blame nationally and not at state government.

How voters sort all of that out will determine who controls Congress and quite possibly the Indiana House in November.

Could Dale Grubb pay a price because President Obama's inner economic sanctum were more concerned about the deficits than the jobless percentage when the stimulus passed in February 2009?

"This election is going to be a referendum on the borrowing, spending, bailouts and takeovers of this liberal Democratic Congress and administration," U.S. Rep. Mike Pence said on Monday. "But it's also going to be about a competing view of the future. Before this election, you can be assured the Republicans are going to produce a bold and compelling agenda for the American people that will be in stark contrast to the big government agenda of this Congress and this administration."

President Obama said Tuesday afternoon, "We have a structural deficit that is unsustainable."

Krugman explained, "What I expect ... if and when the midterms go badly, is that the usual suspects will say that it was because Mr. Obama was too liberal — when his real mistake was doing too little to create jobs." ❖



Democrats Republicans

52 48

Republican Pickups

HD46: (Open, Tincher) Bionca Gambill (D) vs. Bob Heaton (R)

Tossups

HD15: Timothy Downs (D) vs. Rep. Don Lehe (R)	HD17: Rep. Nancy Dembowski (D) vs. Frances Elert(R)
HD30: Rep. Ron Herrell (D) vs. Mike Karickhoff (R)	HD31: Rep. Joe Pearson (D) vs. Kevin Mahan(R)
HD37: Rep. Scott Reske (D) vs. Kyle Hupfer (R)	HD44: Rep. Nancy Michael (D) vs. Jim Baird (R)
HD68: Rep. Bob Bischoff (D) vs. Jud McMillin (R)	HD76: Sen. Bob Dieg (D) vs. Wendy McNamara (R)
HD77: Rep. Gail Riecken (D) vs. Cheryl Musgrave	HD89: Rep. John Barnes (D) vs. Cindy Kirchhofer (R)

Leans D

HD19: Dan Klein v. State Rep. Shelli VanDensBurgh	HD36: State Rep. Terri Austin vs. Kim Builta
HD62: Rep. Sandra Blanton v. Matt Ubelhoer	HD70: Rep. Paul Robertson vs. Rhonda Rhoads
HD73: (Open, Oxley) Ryan Bowers v. Steve Davisson (R)	HD75: (Open, Avery) Mike Goebel (D) vs. Warrick Coroner Ron Bacon (R)

Leans R

HD4: Judge Thomas Webber vs. State Rep. Ed Soliday	HD26: Paul Roales (D) vs. Rep. Larry Truitt (R)
HD51: Cody Ross (D) vs. Rep. Dick Dodge (R)	HD72: Shane Gibson (D) vs. Rep. Ed Clere (R)
HD92: Brett Voorhies (D) vs. Rep. Phil Hinkle (R)	

Likely D

HD42: Rep. Dale Grubb vs. Clerk Sharon Negele	HD43: Rep. Clyde Kersey (D) vs. Al Morrison (R)
HD66: Rep. Terry Goodin vs. Jim Lucas	HD74: Rep. Russ Stilwell vs. Susan Ellspermann
HD86: Rep. Ed DeLaney vs. Kurt Webber	HD97: Rep. Mary Ann Sullivan vs. Wes Robinson

Likely R

HD21: (Open, Walorski) Dwight Fish (D) vs. Timothy Wesco (R)

Safe

Democrats: Fry, Lawson, Harris, C. Brown, Bauer, Cheatham, Niezgodski, Dvorak, Pelath, Stevenson, Rear-don, Dobis, V. Smith, Bardon, Klinker, Tyler, Moseley, Pflum, Pierce, Welch, Battles, Stemler, Stilwell, Gia-Quinta, Moses, Pryor, Bartlett, Porter, Crawford, Summers, Day.

Republicans: Open-Borrer (vacant), Open-Bell (Heuer), Open-Ruppel (Kubacki), Open-Clements (Van Natter), Open-Duncan (Frye), Open-Murphy (Speedy), Yarde, Dermody, Messmer, Neese, Gutwein, Wolkins, Friend, McClain, J. Thompson, Richardson, Turner, Davis, Lutz, Torr, Steuerwald, T. Brown, Borders, Foley, Culver, Leonard, Cherry, Saunders, Knollman, Eberhart, Burton, M.Smith, Koch, Crouch, Lehman, Espich, Pond, Noe, Bosma, Behning, Frizzell. ❖



Delph fuels speculation as he stokes up action for immigration

By **BRIAN A. HOWEY**

FRANKLIN - State Sen. Mike Delph's booth at the Indiana Republican Convention in June was all about meeting as many Marion and Hamilton county constituents as he could - plying them with his signature peanut butter.

But the booth also prompted speculation that

Delph had ambitions beyond his own Senate race. He had a fundraiser at West Clay last week featuring Dan Coats. He was at Columbia City at the 3rd CD Republican caucus in June. And he's spoken at Tea Party and candidate events in Lafayette

and Columbus and other events are on the schedule for White, Kosciusko and Vigo counties.

It has the markings of a coming statewide campaign. Some have suggested he might be taking a look at a 2012 primary challenge to U.S. Sen. Dick Lugar or preparing to pick up the mantle of his mentor, U.S. Rep. Dan Burton, who barely survived a six-way primary in May, or possibly challenge Carmel Mayor Jim Brainard.

"I'm focused on running for the Indiana State Senate right now," Delph told HPI on Tuesday. "That's my only focus right now. I really don't have any comment to make about any race beyond this year."

"I'm focused on being a state senator," Delph continued. "I want to concentrate on unfinished business that I want to wrap up. I want to be part of the coming education reforms. I want to be a part of the solution on the budget without increasing the burden to taxpayers. There's the local government reform I've participated in."

With those comments, it appears as if Sen. Delph doesn't intend to stay in the Indiana Senate too long.

And there's one more issue: immigration. It is here where Delph crosses paths with Sen. Lugar.

"I could chase these speculations and answer them all day until I'm blue in the face," Delph said. "While I'm focused on my constituents, I've been very vocal about my concerns about the abdication of leadership in Washington. It is my sincere hope there is a wakeup call in Washington to come to the aid of our sister state in Arizona. I think this

is a vital issue of national security and I've been very vocal about Sen. Bayh and Lugar."

Delph described signs in the desert outside of Phoenix warning Americans of safety issues dealing with drug smugglers and human traffickers.

Lugar and Bayh, Delph said, "need to escalate the border security to the top of their personal agendas. They need to be talking about it. I don't know if a thousand national guard troops are going to be enough. We have divided attention out in Washington. We seem to be more concerned about the Korean border than the boarder to our south."

"The spillover effects," Delph said, "impact states like Indiana. Indiana becomes a destination point. We inherit drug trafficking and lawlessness. Sen. Bayh and Sen. Lugar are two of 100 senators who could stand up and do everything we can to fix this. We're not going to have an issue more important than this right now. It's frustrating to me that we've dealt with this issue for the fourth year in the Indiana General Assembly on illegal immigration without any kind of proactive response from our congressional delegation. I sense a growing frustration in the general assembly on the abdication of duty in Washington."

Lugar has not been MIA on immigration. He backed proposals by President George W. Bush several years ago. He has also been approached by U.S. Sen. Chuck Schumer



State Sen. Mike Delph talks with State Sen. Marlin Stutzman at the 3rd CD caucus in Columbia City in June. (HPI Photo by Brian A. Howey)



on legislation, though sources in the senator's office told HPI that there is currently no agreement between Republicans and Democrats, let alone among Democrats themselves.

Delph said that he has great "admiration" for Lugar, who appears to be gearing up for a 2012 reelection effort. "I'd like to sit down and talk with him. I'm very disappointed our efforts in Washington haven't caught on in Washington. And it's not just Sen. Lugar. It's Bayh and it's our congressional delegation. But it's time for leadership from Sen. Lugar to help our sister state out. I find what the Obama administration is doing - filing suit against Arizona - abhorrent."

As for U.S. Rep. Mike Pence, who has been a leading voice on immigration reform, proposing "Ellis Island" centers in the native lands of illegal immigrants here who can then be reprocessed and return to the U.S. with legal status, Delph said he has had "informal conversations but we have not sat down and discussed the issue."

Blasts Lugar on Kagan

Today, Delph used his Facebook page to criticize Lugar for saying he will vote for Supreme Court justice nominee Elena Kagan. Delph wrote, "Elena Kagan, like Ruth Bader Ginsburg and Sonia Sotomayor, are all very liberal. None of these individuals is worthy of Hoosier support as they are all out of step with Main Street Indiana. He needs to be mindful of how people in Indiana view these nominees."

Delph on Burton

Many have speculated that Delph is the heir apparent to Rep. Dan Burton, who survived with just 30 percent of the vote in the May Republican primary. It would be similar to U.S. Rep. Andre Carson picking up the mantle and the organization of his late grandmother.

Delph explained, "I've encouraged him not to make any decisions. Get through this election and then take a couple of months to decide. He's in his element right now in taking this administration to task with his speeches on the House floor."

Ellsworth on cap-&-trade

With the U.S. Senate working to craft climate change legislation by the end of the month, Democratic U.S. Senate candidate Brad Ellsworth was in Fort Wayne today to visit Midwest Pipe and Steel Inc. and warn about the impact of current cap-&-trade proposals on Indiana's economic recovery.

Ellsworth was one of only 44 Democrats to oppose cap & trade legislation during its consideration in the House on June 26, 2009. During the vote, he cited the bill's

impact on Indiana's economy as his chief concern: "The bill we considered today would place undue burdens on Indiana families and businesses, and, particularly in these tough economic times, I could not support it." He reiterated those concerns, pledging to oppose any climate change bill that would undermine Indiana's economic recovery efforts.

"For decades, Indiana has been a leader in providing an affordable energy source to power our homes and our economy. Thousands of Hoosiers earn their livelihoods in coal mines, and millions of Americans benefit from their efforts," said Ellsworth. "Continuing to offer affordable energy is critical to attracting new businesses to our state and encouraging those that are already here to grow, create jobs, and put Hoosiers back to work. The cap-&-trade proposals currently being considered in Congress would stack the deck against Indiana and our economic recovery efforts, and I cannot support them."

Republican U.S. Senate candidate, Dan Coats, has also expressed opposition to the legislation on the campaign trail, but lobbying reports show Coats actually lobbied for passage of cap-&-trade legislation on behalf of Julian Robertson, a hedge fund mogul. According to lobbying registration forms filed on June 1, 2007, Robertson hired Coats' firm, King & Spalding, to work on "climate change issues." Subsequent media stories and six additional lobbying reports from June 1, 2007 to September 30, 2008 list Coats as a lobbyist on climate change legislation for Robertson. They also reveal King & Spalding received \$480,000 for its services.

"Dan Coats says he's not running on his record. I believe it is disingenuous to rail against cap-&-trade on the campaign trail in Indiana, but then be paid to lobby for these policies when you're in Washington, DC," said Ellsworth. "Hoosiers deserve to know the truth before casting an important vote in November."

Ellsworth released the second TV ad of his campaign titled "Think:" The text of the 30-second ad: "Growing up in Indiana, my parents instilled the values of hard work. Dad raised our family working at Alcoa. I paid my own way through college working at Sears. And my 25 years as Sheriff was all about putting other peoples' needs first. The U.S. Senate needs that same approach. Senators should be helping other people - not just helping themselves, like Washington always does. I'm Brad Ellsworth. I approve this message because that's just the way I think, and I always will." **Horse Race Status:** Leans Coats

Dems lead in FEC reports

In the 9th CD, U.S. Rep. Baron Hill had \$1.1 million in the bank, while Republican nominee Todd Young raised \$357,015 for the second quarter and posted \$259,238 cash on hand. The report showed that Hill raised nearly



\$300,000 this quarter, showing wide support for Baron from all across Southern Indiana. "I am very thankful for all my supporters that have supported my campaign, both financially and with their time," Hill said. "We have seen unprecedented levels of volunteer support this year as my campaign has spread its message of better jobs, fiscal responsibility and independent leadership in Washington and this campaign would not be possible without their help."

Young raised about \$500,000 during the primary where he narrowly defeated Mike Sodrel and Travis Hankins and spent nearly all of it. "We raised \$357,015 and this puts us in a great spot," said Young campaign manager Ryan Burchfield. "Baron Hill has \$1.1 million cash on hand but only raised \$200,000 this past quarter. We added more cash on hand than Baron did. And we out-grossed him as well. We raised \$500,000 as a challenger in a three-way race against a former congressman," Burchfield said. "It was the hardest thing to do. We're going to have the money and resources we need. We had only five weeks to raise the money in this report. If we keep this up, we'll bring this race to parity."

Burchfield said that Young came out of the primary with strong name ID in the Louisville DMA. "Our name ID is greatly higher than most challengers have right now. Going through a competitive primary has benefits. It forces you to organize and you come out the other side stronger. You've got the ground troops, the phone banks and the captains in place." **Horse Race Status:** Tossup

2ndCC: Donnelly has cash edge

In the 2nd CD, Republican Jackie Walorski out-raised U.S. Rep. Joe Donnelly for the quarter, \$260,111 to \$249,737, but the incumbent Democrat has \$989,000 cash on hand compared to \$303,000 for Walorski, "These numbers reflect what I'm hearing in coffee shops and living rooms across the district — more Hoosiers by the day want a new direction in Washington," State Rep. Walorski said. "Whether it's the failed stimulus bill, the disastrous health care bill or the out-of-control spending, people feel they have lost their voice in government — they feel like no one is fighting for them. Our campaign is showing Hoosiers every day that we're listening to them and we're going to fight for them." Despite raising less money than Walorski during the second quarter, Donnelly still holds the overall financial advantage in the race. "Joe's campaign is in a very strong position and he has more than three times as much money as Jackie in the bank," Donnelly's campaign manager, Mike Schmuhl told the South Bend Tribune. **Horse Race Status:** Leans Donnelly

3rdCD: Hayhurst has 6-to-1 lead

In the 3rd CD, Democrat Tom Hayhurst holds a big \$279,000 to \$42,000 lead over State Sen. Marlin Stutzman, who secured the nomination in a June caucus after U.S.

Rep. Mark Souder resigned abruptly. Souder defeated Hayhurst in 2006. HPI's Horse Race rates the 3rd CD as a tossup.

Stutzman released an American Viewpoint Poll (400 likely, July 19-20) showing he has a 56 to 29 percent lead. Campaign Manager, Robb Greene shared, "We're humbled by the strength of support the voters of Northeast Indiana have given to our campaign. It is clearly evident that our message of changing Washington is resonating in all corners of the district." **Horse Race Status:** Leans Stutzman

8thCD: Van Haaften leads Bucshon

In the 8th CD, Democratic State Rep. Trent Van Haaften leads Republican Larry Bucshon with a \$360,000 to \$207,000 cash on hand advantage. For the second quarter, Van Haaften raised more than \$300,000 while Bucshon posted \$231,000. Bucshon won a narrow primary victory over Tea Party candidate Kristi Risk and seven other candidates.

"This campaign is about getting people back to work, not fundraising," Van Haaften told the Evansville Courier & Press. "All this number shows is that Hoosiers are investing in leadership they know will keep and create good-paying jobs here in Indiana."

Bucshon told the Courier & Press that 82 percent of the total number of contributions he received came from Hoosiers, and 78 percent from those who live in the 8th District. "This shows me that my message of commonsense conservatism resonates with the voters of the Indiana 8th," Bucshon said.

It has been an unusual cycle with incumbent U.S. Sen. Evan Bayh and Souder either retiring or resigning, forcing their party's to nominate candidates in caucus instead of primary. Ellsworth was selected by the Indiana Democratic Central Committee on May 15 for the Senate nomination and Van Haaften took his place on the 8th CD ballot. **Horse Race Status:** Tossup

Lawmakers accept BP money

Since BP's oil spill three months ago, the oil giant hasn't donated any money to federal political candidates (Post Tribune). But 80 Indiana legislators -- including 15 from Northwest Indiana -- were the only ones who took campaign donations from BP in June, according to federal election records released Tuesday. Northwest Indiana legislators received a combined \$4,750 from BP's political action committee -- 17 percent of BP's total. The top two recipients in the region were Rep. Chet Dobis, D-Merrillville, and Sen. Karen Tallian, D-Portage, who each got \$500. Both are up for re-election this fall. Dobis said he wasn't sure what date the BP check was issued, but that the April 20 spill might not have happened by the time he received the check. "I would imagine when the donation came in, before it was deposited, that problem didn't even exist." ❖



Republicans bank on deficits instead of jobs

By **BRIAN A. HOWEY**

RISING SUN – The news out of Kokomo was the sign of the times. As Senate Republicans filibustered an extension of jobless benefits this past week, there were 300 new Chrysler job openings in the City of Firsts. And there were 3,000 applicants.

On the day the events in Kokomo played out, Indiana announced that its jobless rate had increased a tenth of a percentage to 10.1 percent. In Kokomo, 14.2 percent are now out of work and June was the third month in a row the rate increased. If there was a silver lining in all of this, it was that Fayette County replaced Elkhart County as leader of the unemployed, signaling that the RV industry is beginning to make a comeback. The RV industry is

usually the first one to plunge into a recession and the first to come out.

It seemed almost cruel to the 2.2 million Americans and tens of thousands of Hoosiers to not extend the jobless benefits during this hot, steamy summer when few jobs exist. Visit just about any Workforce Development office and you'll hear the same story: folks have pounded the pavement looking for jobs and not many can be found. You might know some of these folks.

The Republicans have made a simple political calculus: the worse the economy is, the better they will do in the November mid-terms. They see President Obama with a 43 percent approval rating in Indiana and nationally during the Great Recession of 2009-10. If the story sounds familiar, it is. During the summer of 1982, President Reagan's approval stood at 42 percent.

Republicans are couching their opposition to the \$34 billion jobless extension in terms of the deficits, which stands at about 10.6 of the gross domestic product. When President George W. Bush came into office in 2001, it was -1.25 of GDP and it rose to 9.91 percent of GDP in 2009 when he left, or \$1.2 trillion.

"We've repeatedly voted for similar bills in the past. And we are ready to support one now," said Senate Minority Leader Mitch McConnell, R-Ky. "What we do not support - and we make no apologies for - is borrowing tens of billions of dollars to pass this bill at a time when the national debt is spinning completely out of control."

Thus, we find our most conspicuous born-again deficit hawk. McConnell wasn't so concerned about defi-

cits during the Bush ramp up. And there is U.S. Rep. Mike Pence, the third-ranking Republican in the House. "This election is going to be a referendum on the borrowing, spending, bailouts and takeovers of this liberal Democratic Congress and administration," Pence said on Monday. "But it's also going to be about a competing view of the future. Before this election, you can be assured the Republicans are going to produce a bold and compelling agenda for the American people that will be in stark contrast to the big government agenda of this Congress and this administration."

Pence declined to outline the policy plan. "Stay tuned," he said.

But he was forthright in pushing back against Obama and Democrats who are accusing Republicans of being indifferent to the struggles of the jobless by opposing an unemployment bill. "The American people are tired of deficits, debt and runaway federal spending in Washington," Pence said. "Democrats in Washington and this administration just don't get it. Democrats in Congress are about to get a much deserved lesson in the consent of the governed."

The problem with this statement is that the Republican born-again deficit hawks had no problem waging two wars that were kept off the books, passing the Bush tax cuts that were never paid for, and making the biggest entitlement expansion since the Great Society with the Medicare prescription drug plan that was passed on the eve of Bush's 2004 reelection. Pence did oppose that for deficit reasons, but most Republicans were willing participants in the scheme.

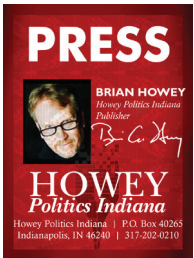
So the Republicans have come out against the jobless extension, which finally passed on Wednesday. But they hem and haw when they blast Obama for planning to end the Bush tax cuts next year.

Ask a Republican how extending the Bush tax cuts will be paid for and how it won't contribute to the deficits and clear answers are elusive.

President Obama has called the budget deficits and the \$13.2 trillion national debt as "unsustainable" this week. He forged the bipartisan National Commission on Fiscal Responsibility and Reform last April.

His political problem this fall is that the stimulus package he won shortly after stumping for it in Elkhart was too small, even at \$800 billion. While the administration says it saved between two and three million jobs, the jobless rate stands at 10 percent both here in Indiana and nationally.

That's why Hoosiers are likely to vote against incumbents this November. Some are worried about the deficits. But it really, really is the economy, stupid. It really comes down to jobs. Deep down, even born again deficit hawks know this. ❖

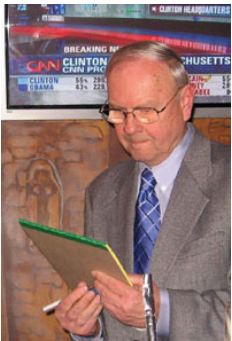




Helmke loses some gun battles to NRA

By JACK COLWELL

SOUTH BEND - Sounds like a thankless job. How else to describe the job of Paul Helmke, former Fort Wayne mayor and one-time Republican nominee for the U.S.



Senate in Indiana? Helmke, now in Washington, is president of the Brady Campaign to Prevent Gun Violence.

His side was shot down by conservatives on the Supreme Court with their interpretation of the 2nd Amendment in voiding Chicago's gun ban.

The National Rifle Association, the other side, the winning side in court interpretation of 2nd Amendment wording about "a well regulated militia," has emerged as arguably the most powerful lobby of all. The NRA

was described in a recent New York Times article as flexing its political muscle beyond guns, "with both Democrats and Republicans courting its favor and avoiding its wrath."

"They've won the gun issue," Helmke concedes. "The court said there is an individual right to possess guns in the home for self defense."

So, he is left with a thankless job?

No, says Helmke, because the court, in broadening the right to bear arms beyond militias, also made clear that right is not absolute and that "reasonable restrictions on firearms" are permissible.

He was pleased that the court reaffirmed language in an earlier decision voiding a District of Columbia gun ban to recognize that there can be restrictions on who can have firearms, where they can be taken and what types of firearms are to be available.

A bazooka on every roof? A howitzer in every yard? No.

The job now, as Helmke sees it, will be to intervene in lawsuits attacking even long-standing restrictions that "make it harder for dangerous people to get guns" and to convince political officials from local, state and federal levels that "common-sense gun control is not radioactive."

With the court seemingly striking down both extremes _ a total ban or total lack of any restrictions _ the battles ahead will define just where to draw the line.

Helmke will be hard pressed to convince legislators that the NRA hasn't made gun control "radioactive," too dangerous to touch.

The NRA showed its lobbying clout in June in getting congressional Democrats to agree to a special exemption for the organization in legislation requiring groups active in political spending to disclose donors.

And the NRA got an amendment to allow carrying loaded guns in national parks attached to a credit card reform bill. Helmke says Congress and the White House caved in on the amendment because there otherwise would have been a filibuster delaying and perhaps killing the bill.

How did the NRA get so powerful?

"After Al Gore lost in 2000, they claimed that as a victory," Helmke says. The NRA contended that Gore lost the presidency because he lost his home state, Tennessee, over gun control.

"I talked to people from Tennessee," Helmke counters. "They say he lost because he didn't act like he lived in Tennessee anymore. Didn't come back. Took Tennessee for granted. They didn't mention gun control"

Helmke says that in the debates it actually was George W. Bush who talked more favorably about possible gun control, while Gore "ran away from it."

Myths about gun control causing Democrats to lose control of Congress in 1994 also enhance NRA clout, Helmke says, adding: "When people start believing a myth, it becomes a reality."

In the four years he has been with the Brady campaign, Helmke says, he has seen no congressional race in which a candidate lost because of gun control.

Some who favored gun control lost, he agrees, but never because it was a key issue.

He also cites NRA efforts to defeat Barack Obama in 2008 with big-spending attacks in 10 states, including Indiana. Obama won those states, with Indiana going for a Democratic presidential nominee for the first time since 1964.

"At first I thought they (NRA) made a mistake," Helmke says of the Obama win in those states. "But it was good business for them. They said 'Obama's gonna take your guns.' And people rushed out to buy more guns after the election."

The job goes on for Helmke. Thankless? He doesn't see it that way, even if he is going against a lobby with an arsenal. ❖





Is suburbia the root of all evil?

By **MORTON J. MARCUS**

INDIANAPOLIS - Is suburbia the root of all evil? Roberta Righteous, the conscience of the Indiana House of Representatives, was on the phone.

"Phony," said Myrtle my muse. "You're not on the phone and Roberta Righteous doesn't exist."

"That's none of your business," I shouted, annoyed by her interference with my creative process.

"Whatever your write or think is my business," Myrtle purred trying to get on my good side. "You have no creative process, you have only me."

"I need to get this column written," I pleaded. "I've been sick and don't have the energy to fight with you this week."

"Well, honey," she said, "just use one of your old col-

umns. No one would know the difference. You only have two or three themes anyway."

"What kind of muse insults the object of her attentions?" I asked.

"The kind who really cares," she teased.

"I was going to write about how much sense it makes for governments to charge user fees instead of raising taxes," I said.

"Perfect," Myrtle sighed. "It will be your third column on that subject in the last year."

"It's a recurring issue," I said. "However, our Indiana Attorney General has declared that school districts cannot charge for bus transportation. He thinks it's unconstitutional because somehow, in his imagination, student transportation is necessary for education."

"To which you say?" she asked.

"**Once upon a time,**" I replied, "school transportation eased the journey of farm kids going to school. Today it's a massive subsidy for suburban kids whose parents have chosen to live far from a school in a place without sidewalks. It makes all taxpayers ante up for the location preferences of parents who don't mind bellying up to the public trough."

"Are you serious?" Myrtle said.

"Absolutely," I insisted. "Parents move to remote locations, constructed on-the-cheap without sidewalks, be-

cause they know that in this state we'll subsidize anything that increases the value of farmland. If the schools will pick up the kids for free, then the parents are more interested in living outside the town limits and the farmer gets more money for selling his land to a developer.

"It's all part of a vast suburban conspiracy," I said. "Conspiracy?" Myrtle asked. "Is there a grassy knoll in this?"

"**Look,**" I said, "**who causes** the congestion on urban roads?"

"The Department of Transportation," Myrtle suggested.

"No, that's not fair," I said. "INDOT is just trying to correct problems created by suburbanites. Why do I-69 and I-65 coming into Indianapolis become so congested? What clogs I-65 going into Louisville or US41 headed to downtown Evansville? Why was the Borman in Lake County such a mess before it was widened? Suburban commuters cause congestion. Not trucks, not tourists, not-soccer moms.

"What's the solution? Congestion fees," I answered my own question. "Let those who use the roads at peak hours pay for the privilege. It's technologically simple and ultimately fair."

"Then you agree with the Central Indiana Transit Task Force that there should be toll lanes on such roads," Myrtle asked.

"No," I said. "There should be tolls on all lanes during peak hours. The toll lane is an easy, but temporary, solution. In fact, I would encourage Indiana to convert all limited access highways to toll roads. If you want premium service, you should pay for it."

"Isn't that harsh?" Myrtle asked.

"Listen," I said. "Why should our hospitals offer private rooms? If a person needs a private room for health reasons, OK. But private hospitals decided to make premium service standard. They make more money that way. We all pay for premium service through higher insurance premiums or taxes when it is needed in only a few instances.

"**Our politicians should** imitate the private health sector if they want to raise more revenue. They won't do it because they're too timid to follow the implications of their own rhetoric."

"OK," Myrtle gathered herself together. "Looks like you got your column and without Roberta Righteous. Now go get some rest." ❖

Mr. Marcus is an independent economist, speaker, and writer formerly with IU's Kelley School of Business.



Morton Marcus
Column



Mark Halperin, Time: Under pressure, the Democrats are cracking. On both ends of Pennsylvania Avenue, there is a realization that Nancy Pelosi's hold on the speakership is in true jeopardy; that losing control of the Senate is not out of the question; and that time, once the Democrats' best friend, is now their mortal enemy. Since January, when Scott Brown won Ted Kennedy's Massachusetts Senate seat, the President's party has tried to downplay in public what its pollsters have been saying in private: that Obama's alienation of independents and white voters, along with the enthusiasm gap between the right and the left, means that Republicans are on a trajectory to pick up massive numbers of House and Senate seats, perhaps even to regain control of Congress. Evidence of the pervasiveness of this view: Sunday's New York Times op-ed page, which featured a series of short essays from leading Democratic and Republican strategists about how Obama could go about staging a political comeback, focused not on November's midterms but on 2012 — an indication that Washington conventional wisdom has already written off prospects of Democrats sustaining a majority in the legislature. What has kept the easily panicked denizens of Capitol Hill from open revolt until now was a shared confidence that there was still plenty of time to turn things around, and that the White House had a strategy to do just that. The two-part scheme was pretty straightforward. First, Democrats planned a number of steps to head off, or at least soften, the anti-Washington, anti-incumbent, anti-Obama sentiment that cost them the Massachusetts seat. Pass health care, and other measures to demonstrate that Democrats could get things done for the middle class; continue to foster those fabled green shoots on the economy, harvesting the positive impact of the massive economic stimulus bill passed early in the Administration; heighten the contrast between the two parties by delivering on Wall Street reform and a campaign-funding law to counteract January's controversial Supreme Court decision. Use all of those elements to contrast the Democrats' policies under Obama with the Republicans' policies under Bush, rather than allow the midterms to be a referendum on the incumbent party. ❖

Leslie Stedman Weidenbener, Louisville Courier-Journal: Assuming revenue projections made in December are correct, the state is expected to end fiscal 2011 with \$188 million in the bank. But while that may sound like a lot of money to the vast majority of Hoosiers, that's a scary figure for state government. It equals five days of programs and services.

What's more worrisome is that it assumes year-over-year revenue increases of 5 percent in 2011, a growth rate that is at best optimistic and at worst completely unrealistic. "If you look back at historical revenue growth, even in good times, 5 percent would be very good," said John Ketzenberger, president of the Indiana Fiscal Policy Institute. That's why Republican Gov. Mitch Daniels' budget officials already are hard at work trying to find additional cuts to bolster the bottom line -- cuts that are sure to incur the wrath of Democrats and some in the public. ❖

Rich James, Post-Tribune: There was a time when being a Lake County Democratic precinct committeeman was a source of great pride. If you moved into a neighborhood, chances are the committeeman knocked on your door well before the Welcome Wagon. A committeeman was akin to a mayor, but on a much smaller scale. There was a day when a committeeman couldn't buy a drink when he stopped at the corner tavern. The committeeman was a celebrity of sorts. The average guy's link to the powers that be. A good committeeman used to tour his precinct daily, glad-handing his neighbors, all the while ensuring re-election down the road. If there was a street light out on your block, you called your committeeman. If your street had a pothole, you did the same. And if your street wasn't getting plowed, the committeeman was your salvation. Same for garbage pickup. A good committeeman made sure his people were getting the best shake possible from city hall. And when it got to be election time, that committeeman did his darnedest to see that his people voted for the right folks. It was the kind of guidance the voters appreciated. And don't lose sight of the fact that a mayor or councilman took notice of the votes he received in particular precincts. And if someone in the precinct needed a job, there was a time when the committeeman could make a phone call or two and somebody was headed to work on Monday morning. But, today the jobs are pretty much gone and being a committeeman has lost much of its luster. Still, it's a job worth holding. When a vacancy in office occurs, the committeemen fill the void. Perhaps it's a sign of the times, but committeemen don't work their precincts like they did in the past. It's not all their fault. Neighborhoods aren't what they used to be. The cohesion is gone. It's tougher to get people to the polls. And with the approach of voting centers, it will be harder for committeemen to know at 3 p.m. which people in his precinct have voted. ❖





Obama signs financial reforms

WASHINGTON - Reveling in victory, President Barack Obama on Wednesday signed into law the most sweeping overhaul of financial regulations since the Great Depression, a package that aims to protect consumers and ensure economic stability from Main Street to Wall Street (Associated Press). The legislation gives the government new powers to break up companies that threaten the economy, creates a new agency to guard consumers and puts more light on the financial markets that escaped the oversight of regulators. Obama described them all as common-sense reforms that will help people in their daily life - signing contracts, understanding fees, being aware of risks. He went so far as to call the reforms "the strongest consumer protections in history."

The president added to a burst of applause: "Because of this law, the American people will never again be asked to foot the bill for Wall Street's mistakes." Republicans portray the bill as a burden on small banks and the businesses that rely on them and argue it will cost consumers and impede job growth. In the midst of a heated midterm election season for many lawmakers, Obama sought to put the complex law in consumer-oriented terms for the nation. He said it would help root out fine print and hidden fees for people, and provide deeper scrutiny of the sophisticated financial transactions on Wall Street.

Lugar, Bayh will vote for Kagan

WASHINGTON - Supreme Court nominee Elena Kagan has

gained the support of both Hoosier senators (Evansville Courier and Press). That assures the 50-year-old solicitor general of the votes needed to become the next associate justice on the nation's highest court, replacing the retired John Paul Stevens. Sen. Richard Lugar, R-Ind., and Sen. Evan Bayh, D-Ind., made their intentions known Wednesday, the day after the Senate Judiciary Committee voted 13-6 to send her name to the full Senate for consideration. A floor vote is expected in early August. Most Senate Republicans are expected to oppose Kagan, citing her perceived progressive judicial philosophy and her actions to keep military recruiters away from the Harvard Law School during her tenure as dean. Lugar said he decided to support Kagan's nomination after reviewing committee proceedings and considering the recommendations of constituents. "I have concluded that Solicitor General Elena Kagan is clearly qualified to serve on the Supreme Court and that she has demonstrated a comprehensive knowledge of court history and decisions," Lugar said. "I believe that she has had a distinguished career in both education and public service and is well-regarded by the legal community and her peers." Pledge of restraint impresses Bayh. Bayh, who also supported Sotomayor, said he was impressed with Kagan's pledge to respect judicial restraint and found her to be "a thoughtful and intelligent person."

Jobless extension passes Senate

WASHINGTON - A \$34 billion bill restoring jobless benefits for millions of idled workers is poised to clear Congress after finally passing the Senate on a 59-39 vote Wednesday evening (Politico). Running past November's elections, the six-month extension will be quickly approved by the House and sent on to President Barack

Obama Thursday. Wasting no time, Senate Finance Committee Chairman Max Baucus (D-Mont.) filed new revisions Wednesday night in an attempt to broaden support, and Majority Leader Harry Reid (D-Nev.) backed this up with multiple cloture petitions to try to get some early read on his political strength. The revisions beef-up a state small business credit initiative to \$1.5 billion - a \$600 million increase - while dropping a Treasury-backed loan facility that has proved controversial with the GOP. Export and anti-fraud provisions have been added in hopes of gaining Republican votes, along with some minor but eye-catching tax breaks such as delisting cell phones so they can be more easily depreciated like other business property. The White House and Republicans share a stake in success, but getting across the Senate floor will still be a challenge in this political climate. The core Republican criticism has been that the jobless benefits should be paid for, given the growing federal debt - but the GOP may have hurt itself by not doing more to control what amendments were offered. An estimated 4.9 million idled workers have a stake in the federal extended jobless benefits, and close to half these individuals have seen their benefits expire since the first cut-off in early June.

Pence joins Tea Party caucus

WASHINGTON - U.S. Rep. Mike Pence, R-Ind., has joined the new Tea Party Caucus, which its founder described Wednesday as a "receptacle" for average citizens' views (Columbus Republic). Pence, the House's third ranking GOP member, told The Republic he joined immediately when U.S. Rep. Michele Bachmann approached him Monday. "I was pleased to hear that a caucus was coming together of members of congress who'll





add to a chorus of voices," he said. He said the Tea Party, an conservative, nationwide movement, stands for ideals he shares. Those include "a return to fiscal sanity and ending this era of runaway spending and borrowing and bailouts," he said. House Republican Leader John Boehner of Ohio has declined to join the caucus.

Indiana won't reduce benefits

INDIANAPOLIS - Indiana will no longer reduce a state grocery benefit paid to hundreds of developmentally impaired people simply because they receive food stamps, the state government announced Wednesday (Wilson, Associated Press). Indiana Family and Social Services Administration spokesman Marcus Barlow said state officials decided to change the policy after discussions with the U.S. Food and Nutrition Service.

Obama nominates Sutton for marshal

WASHINGTON - U.S. Sen. Evan Bayh today issued the following statement on the nomination of Myron M. Sutton of Kentland for United States Marshal for the Northern District of Indiana. Bayh recommended Mr. Sutton to President Obama who sent his nomination to the U.S. Senate today. "Myron Sutton is an exemplary Hoosier who has dedicated his career to protecting the public. With 20 years of experience in law enforcement, including a decade as the Newton County Sheriff, Myron has the right combination of real world experience and a strong commitment to public service. Myron has the support of his fellow law enforcement officers, as well as Indiana judges, elected officials and a wide array of community leaders. He is extremely well-qualified to hold this difficult and important job.

I was pleased to recommend him to President Obama, and I am confident he will serve the people of Northern Indiana with distinction." Sutton is a former Newton County sheriff and ran for the Indiana General Assembly in 2006 and 2008.

Tax credit may spur insured

FORT WAYNE - A new tax credit could make it easier for small employers to offer health insurance to workers, a consumer advocacy group said Wednesday (Ft. Wayne Journal Gazette). About 93 percent of Indiana businesses with fewer than 25 employees will be eligible to claim the tax break, according to a study commissioned by Families USA, a non-profit, non-partisan group based in Washington, D.C. That percentage equals 88,100 Indiana companies, according to the study, which was also sponsored by Small Business Majority, a non-profit, non-partisan business advocacy group based in Sausalito, Calif. Nationwide, more than 4 million small businesses – or 83.7 percent – will qualify. This is the first year for the tax credit, which was approved by the Obama administration in March as part of the Patient Protection and Affordable Care Act. Last year, fewer than half of employers with three to nine workers offered health coverage to employees. The majority of the 54 percent that didn't offer coverage said it was because it cost too much. The tax breaks are offered on a sliding scale, with the smallest businesses paying the lowest wages being able to claim the most. The full tax credit this year is 35 percent of a company's health care costs. That number increases to 50 percent in 2014.

Muncie, township reach fire accord

MUNCIE - Mayor Sharon Mc-

Shurley and Center Township Trustee Marilyn Kay Walker reached a fire-protection agreement late Wednesday afternoon (Muncie Star Press). The 10-year agreement calls for the city to soon take over fire protection from the township in fringe areas around the city. Funding provided by the township also allows McShurley to bring back 25 laid-off city firefighters. McShurley, a Republican, said the agreement with Walker, a Democrat, was significant in a community often marked by political warfare. "It's just evident that different political entities and parties can come to an agreement."

Poll shows support for smoke ban

INDIANAPOLIS - Indianapolis residents clamoring for a broader public smoking ban may be better off relying on state lawmakers than the City-County Council (Indianapolis Star). A poll released Wednesday by anti-smoking advocates shows 70 percent of Indianapolis voters favor an expanded smoking ban, but City-County Council members remain gridlocked on the issue, and Mayor Greg Ballard has opposed a full ban. Chances that state lawmakers would tackle a statewide smoking ban appear better, if for no other reason than leaders in the House and Senate have committed to considering the topic in next year's legislative session. In releasing their latest poll, the national group Campaign for Tobacco-Free Kids and local coalition Smoke Free Indy said their goal is to place more pressure on Ballard and council members to expand the city's smoking ban. Support by political affiliation showed that 63 percent of Republicans, 67 percent of independents and 78 percent of Democrats back it. "These are amazingly high numbers," said Kevin O'Flaherty, of Tobacco-Free Kids.