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Politics Indiana

Thursday, Dec. 2, 2010

be able to hold on to 51 seats," said then Majority

Leader Stilwell. "The real difference was that the

Hoosier Political Tsunami hit us much higher in the

chest than we anticipated.

When I saw your national

10-15 percent range on the

morning of the election, I

had a sinking feeling, not

caucus as a whole. The

only about my race but my

numbers were right on and

congressional generics

favoring the GOP in the

Weekly Briefing on Indiana Politics

A Southern Indiana realignment

GOP House, county gains may begin a new political era

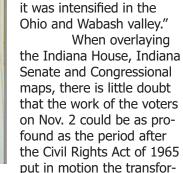
By BRIAN A. HOWEY

FRANKLIN – Until the very end, B. Patrick Bauer and the Indiana House Democratic brain trust thought they were looking at holding on to a 51-seat majority instead of a potentially transformational election.

This, despite Howey
Politics Indiana's Nov. 1
forecast that the House would
go Republican in the 54 to 62
seat range (it ended up at 60
seats). The caucus truly believed it could pick off Republican State Rep. Dick Dodge
and hold on to the seats of
State Reps. Joe Pearson, Russ
Stilwell and the open seats
being vacated by State Reps.
Vern Tincher and Dennis Avery.

"Our caucus did believe until the end that we might





Continued on page 3

Lugar defeat? Unlikely

By JACK COLWELL

SOUTH BEND - Could Dick Lugar, "statesman," become Dick Lugar, "communist," and lose in the 2012 Republican primary?

Yes.

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Could the six-term senator, hailed internationally as well as here for achievements such as deactivation or destruction of thousands of nuclear warheads once aimed at us on Soviet launchers, a senator so popular that Democrats didn't even field a candidate against him in 2006, be defeated by voters in his own party's primary.





"What happened here at this plant and changes we are seeing at this plant in Kokomo, you are showing us the way forward."

- President Obama



Page 2 Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010



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Yes.

If tea party rebels, so powerful in Republican primaries this year, don't mature to make better choices than Christine (I am not a witch) O'Donnell in Delaware, the guy so inept that he lost to a write-in effort in Alaska and that nutty woman who was about the only person who could have lost to Harry Reid in Nevada.

If the majority of Hoosiers who tend to vote Republican in the fall, after consideration of qualifications more significant than ability to babble about undefined change, stay away in droves from voting in the primary, as though saying "Republican" when asking for a ballot is some kind of blasphemy.

If the moneyed political interests that target Republicans who won't agree totally with their definition of "conservative," launch a coordinated multi-million-dollar blitz of negative TV to destroy Lugar, a communist maybe for travels to Russia in that nuclear weapons dismantling in which he blatantly joined with a Democrat.

If Lugar takes it for granted that Hoosier Republicans know his accomplishments, know his solid conservative credentials, know what his international clout means to America in this dangerous world and concludes there's no need to hit back at allegations so silly that nobody could believe them.

All this is not likely to happen. **But don't assume** it's impossible. Look at the Republican primaries this year where some strong, qualified candidates way ahead initially in the polls went down to defeat, with Democrats sometimes winning on Nov. 2 after all the voters, Democrats, independents and Republicans, viewed the choice offered.

There is no Democrat who could defeat Lugar. Only a Republican could - in a negative, divisive primary. With that in mind, Democrats had best find a senatorial nominee this time, one who could win and serve ably if

some "I am not a witch" type on a moneyed broomstick flies past Lugar in the Republican primary.

One reason Lugar is unlikely to lose in his party's primary, even though potential opponents such as a tea party activist and would-be Chrysler killer Richard Mourdock already are maneuvering, is that Lugar won't take renomination for granted and just sit back silently.

Lugar, not cowering, is out front, urging Senate ratification of the New START treaty, despite other Republican senators balking out of fear that ratification would be seen as an accomplishment for President Obama. Lugar's fear is that failure to ratify hurts national security, with inability to put inspectors on the ground in Russia to verify compliance and loss of vital Russian cooperation with pressure on Iran and North Korea and in supplying troops in Afghanistan.

Our military, foreign allies and Republicans such as Henry Kissinger, Jim Baker, George Schultz and Colin Powell all call for ratification.

But those Senate Republicans who put politics before country claim there just isn't enough time to study the treaty in the lame duck session - or ever.

Lame excuse. The Senate
Foreign Relations Committee conducted exhaustive hearings on the treaty
this summer. Defense officials, treaty
negotiators and administration officials
such as Secretary of State Hillary Clinton were grilled about every word and
comma. What's left to study?

Lugar also speaks out for real deficit reduction, not just a sound-nice resolution on "earmarks" that guarantees no savings.

So, he will continue to speak out as he always has, sometimes disagreeing with presidents, including with George W. Bush when Bush was wrong about being prepared for a quick get-in-get-out military victory in Iraq.

Cowering silently or revers-



Page 3

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

ing past positions to placate moneyed foes who can't be placated would be the worst strategy.

To view dismantling of the horrible weapons of the former Soviet Union, Lugar once traveled to Russia on a Foreign Relations Committee trip with a freshman senator named Obama. Just imagine the 30-second TV attack about that communist conspiracy. .

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

House, from page 1

mation of the Deep South from a bastion of conservative Democrats to the "New South" of Richard Nixon, Ronald Reagan and Newt Gingrich.

The party saw a dramatic erosion of "Reagan Democrat" voters, particularly in Southern Indiana. Two parts of the three-legged stool that allowed President Obama to carry the state – white females and young people – were down dramatically (though African-Americans turnout was high). The white female vote declined from 47 to 40 percent, the youth vote from 19 to 11 percent. For the first time in a decade, conservatives outnumbered moderates from 44 to 36 percent in 2008 to 43-40 percent in 2010.

Mike
Gentry of the
House Republican
Campaign Committee did early
polling in HD70
and 73 and saw
generic ballot
numbers favoring
Republicans 17
percent in Paul
Robertson's seat
and 13 percent in
the Oxley seat.

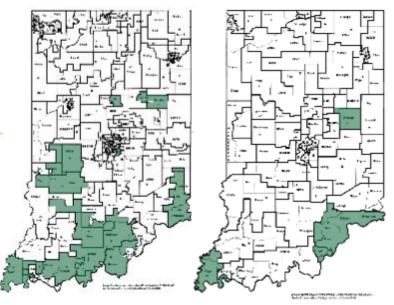
"We're seeing a trend not only in Southern Indiana, but in Southern legislatures as well," Gentry said

well," Gentry said of what he calls "heritage Democratic" voters. "Republicans won in Alabama. They hold all Southern legislatures except for Arkansas and Mississippi. The conservative southern Democrats have pretty much decided they no longer stand with the national Democrats - the East Coast, Chicago, Left Coast party of Obama, Pelosi and Reid. It became pretty apparent they couldn't identify with that party and that's happening in Indiana, particularly Southern Indiana."

HRCC decided to back Harrison County Councilwoman Rhonda Rhoads in the primary because she

matched up best with Robertson. "We did early Louisville TV in primary," Gentry said. "We had her up by 15 percent on Paul Robertson in May. We saw what Louisville TV did for Rhonda and we decided to do that for Steve (Davisson). We think that by doing early TV, it allowed us to get a lead there, keep it and then expand the field into other areas."

The Republican State Committee and Gov. Daniels' Aiming Higher PAC assumed field work in the Indianapolis and Evansville TV markets. HRCC had the "fishhook" that started with defending State Reps. Don Lehe and Randy Truitt up north, took in the Sharon Negele challenge to State Rep. Dale Grubb and the open Vern Tincher seat in Western Indiana, then jutting east into the seats that Davisson, Rhoads and Matt Ubelhor won, then spiking north



with the Bob Bischoff seat.

When Democrats, attempting to defend State Rep. Bob Bischoff, unleashed the direct mail pieces charging Republican challenger Jud McMillin with prosecutorial malfeasance and HRCC polling showed him trailing by only 1 percent 10 days out, "That was our first indication that this was going to be a really good cycle," Gentry said.

HRCC also saw Negele cut Grubb's lead from 30 to 7 percent, and challenges to State Reps. Kreg Battles and Clyde Kersey in the Wabash valley tighten. "If we had



Page 4

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

	County	Net Population Gain/Loss 2000- 2009	% State Population Gain/Loss 2000- 2009	2009 Population Estimate	2002-2010 GOP Baseline %	House Seats
	Marion County	30,422	8.88	890,879	47.21%	13.87
	Lake County	9,650	2.82	494,211	33.96%	7.69
	St. Joseph County	2,054	0.60	267,613	46.61%	4.17
	Porter County	16,800	4.90	163,598	49.03%	2.55
	Monroe County	10,174	2.97	130,738	45.45%	2.04
8	La Porte County	957	0.28	111,063	43.59%	1.73
	Vigo County	119	0.03	105,967	45.83%	1.65
	Scott County	658	0.19	23,624	44.83%	0.37
	Starke County	-26	-0.01	23,530	47.52%	0.37
	Sullivan County	-598	-0.17	21,153	45.37%	0.33
	Perry County	-87	-0.03	18,812	39.47%	0.29
	Vermillion County	-616	-0.18	16,172	39.99%	0.25
	Pike County	-577	-0.17	12,259	49.55%	0.19
	Crawford County	-203	-0.06	10,540	46.64%	0.17
	Switzerland County	610	0.18	9,675	45.92%	0.15
	Total	69,337	20.23	2,299,834	44.73%	35.82

had three more days, we might have gotten to 62 seats," Gentry said.

Undecideds broke emphatically for Republicans such as Wendy McNamara in the open HD76 seat vacated by State Rep. Trent Van Haaften and defended by State Sen. Bob Deig.

Another factor was Bauer switched his polling and political consulting team that carried Democrats to majorities in 2006 and 2008 from Fred Yang of Garin, Hart Yang Research to Hamilton Campaigns' Dave Beattie. Multiple Democratic House Sources tell HPI that much of the polling data this cycle was off kilter.

House Democrats never had a coherent message (quick, think, what was their campaign theme?) Auto belt Democrats like Ron Herrell and Joe Pearson didn't talk about how the Obama auto restructuring saved scores of jobs in Kokomo and Marion in their paid ad campaigns. Both lost. The very plant where President Obama and Vice President Biden appeared in Kokomo last week was the scene of a plant gate flesh presser by U.S. Rep. Joe Donnelly on Sunday, Oct. 31. Donnelly heard a number of workers thank him for helping save Chrysler and their plant, but they were going to vote Republican anyway because they were pissed.

"It's hard to win elections when people act irrationally," Chair-

man Dan Parker observed.

Evansville area Democrats barely mentioned the problematic FSSA privatization, where the story was first fleshed out, and lost three House seats and an Indiana Senate seat there. Gentry said that GOP polling showed Gov. Daniels' favorables very high in the Evansville market.

Instead, Bauer opted from a patchwork series of negative campaign porn that was subsequently devoured by Republican straight party voting that consumed reelection campaigns of Reps. Bischoff and Robertson and flipped the open Oxley and Avery seats.



How bad is it for Indiana Democrats?

The party is in danger of becoming an urban-based group.

In 2008, Indiana House districts represented by Democrats touched all or parts of 57 counties. The 2010 election reduced that to 37 counties.

Democrats were the sole representatives in the Indiana House for 17 counties in 2008: Monroe, Gibson, Clay, Jennings, Harrison, Washington, Perry, Jefferson, Starke, Fountain, Vermillion, Posey, Orange, Blackford, Crawford, Switzerland and Ohio. Now, that holds true for only Jennings, Jefferson, Starke, Fountain and Vermillion.

Democrats represented 10 counties exclusively in 2008 that are now represented exclusively by Republicans: Harrison,





Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

Washington, Perry, Blackford, Crawford, Ohio, Orange, Posey, Putnam and Switzerland. In three of those counties - Harrison, Perry and Washington – two seats flipped from Democrat to Republican.

Counties with Republican baselines between 33.96 percent and 44.83 percent now account for a 2009 population of 663,882 and 10.34 House seats. Counties with GOP baselines between 45.37 percent and 49.55 percent with 1.635 million people account for 25.47 House seats. Combined, that represents 36 House seats.

Of those 36 seats, the seven most Democratic counties – Marion, Lake, St. Joseph, Porter, Monroe, LaPorte and Vigo – account for 33.7 House seats. Of the remaining Democratic baseline counties – Scott, Starke, Sullivan, Perry, Vermillion, Pike, Crawford and Switzerland – only Switzerland and Scott gained population between 2000 and 2009.

GOP baseline vote counties between 50.21 percent and 54.96 percent account for 11.58 seats; between 55.21 and 59.64 percent now at 13.31 seats; and from 60.62 percent to 74.88 percent, 39.30 seats for a total of 64 seats.

Stilwell, who lost to Republican Susan Ellspermann

by an surprising 10 percent, called it the biggest tsunami since the post-Watergate wave pummeled Republicans in 1974. "We knew the wave was going to come to shore, but the magnitude of the wave, particularly in Southern Indiana, wiped out nearly every candidate with a Democrat all the way down to the local level," Stilwell said. "My race in House District 74 was clearly a competitive race from the beginning. It did belong in the tossup column about three weeks out. There are several reasons. My district, according to our consultants, was a 51.7 percent Democrat district; I had an incredibly good candidate with a great





Former House Majoirity Leader Russ Stilwell (top) was defeated by State Rep. Susan Ellspermann in a race that broke late for the GOP. (HPI Photos by Steve Dickerson and A. Walker Shaw)

volunteer base and ground game with competitive financing; and even though voters liked me and thought my job performance was good, they were not voting for me."

Stilwell said his pollster told him three weeks out, "Russ, the voters like you, think you are doing a good job, but they are willing to vote against you."

"This makes winning very difficult," Stilwell said.

The last time a Republican "held my seat was decades ago," Stilwell said of 1994 when Sally Rideout Lambert upset then House Speaker Michael K. Phillips. Stilwell reclaimed the seat two years later for the Democrats. "The same can be said for many of the other seats we lost in Southern Indiana as well." That would include Bischoff, Robertson, the Oxleys, Trent Van Haaften, Sandra Blanton and Dennis Avery. Republicans haven't held the Oxley and Robertson seats since the 1970s and '80s, former House Speaker John Gregg said.

"To paraphrase what I told you many years ago, Southern Indiana is a 'gun toting, bible belt conservative blue collar area' that doesn't think kindly of folks who don't think like they do; and they will punish you at the ballot box every time from the top to the bottom," Stilwell said.

From urban to rural washouts

Whereas the Republican wave of 1994 washed out urban Democrats in Muncie, Terre Haute, Kokomo, Indianapolis and Marion, the party was able to regain most of those seats over the next two election cycles, but this wave claimed rural and small town Democrats.

Parker observed, "If you do an overlay of the 2008 presidential primary maps, in the districts where Hillary Clinton

won, we got slaughtered. While the African-Americans showed up, the young people and white women didn't. When you have an electorate which is more male, older and you're losing 15 percent of white Democrats, that's a recipe for disaster."

Clearly Republicans were able to play in more districts. They threw early TV ads and 20 direct mail pieces at Grubb and Attica Clerk-Treasurer Sharon Negele lost by just under 500 votes in a race that moved into the HPI tossup zone only in the 11th hour.

"It has decimated the southern conservative Demo-



Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

crats," said Gregg, whose old HD45 seat has shifted to the GOP column since he retired. "When you see the likes of (Rep. Kreg) Battles and (Clyde) Kersey almost get beat it was just a bad year. But I don't see any of these seats with excellent recruiting that we can't get back. We'll be back, if not in 2012, then 2014. Maps are only good for two election cycles."

Southern Indiana used to be reliably Democrat at the legislative level, but cracks began appearing in the party's façade in 2000 and 2004 as President George W.

Bush began carrying many of the Ohio and Wabash river counties that had traditionally gone Democratic. Gov. Mitch Daniels was able to cut into the party's gubernatorial bulwark in 2004 and again in 2008. Throughout the loosening of the Democratic base, the Bischoffs, Robertsons, Averys and Stilwells were reliable election day bets. Only the Bischoff seat entered the HPI Horse Race tossup zone in 2008 and that was due to an influx of Cincinnati Republicans who have been migrating into Dearborn, Ohio and Switzerland counties.

In the Evansville area, Republicans took advantage not only of the wave in counties beginning to trend Republican at the local level, but their candidates worked hard. McNamara knocked on more than 12,000 doors; Ron Bacon on 10,000. Up in Kokomo, Mike Karickhoff knocked on 9,000 doors and made 4,000 phone calls. In Blackford and Grant counties, Kevin Mahan hit 6,000 doors.

That same dynamic is occurring in the Louisville market, where Republicans are making gains at both the legislative and county levels in Clark and Harrison counties. Ditto for Posey County.

2 centuries of Dem county rule ending

For more than a century, Clark County never elected Republicans at the county level. On Nov. 2, the GOP won the Clark County auditor, treasurer and recorder, three county council seats, four township trustee seats and saw Republican Ron Grooms win SD46, Jim Smith upset State Sen. Jim Lewis in SD45, Rhonda Rhoads win in HD70, Ed Clere won reelection in HD72 in a seat that flipped to the GOP in 2008 after State Rep. Bill Cochran held it for decades, and Steve Davisson in HD73.

In Posey County, Republicans swept all but two county offices. "It has not been a Republican county," said McNamara, who won Van Haaften's HD76 seat by eight

votes. "Now we've got the clerk and assessor and all of those are Republican. Posey County has seen a lot of bipartisanship and I think that will continue under new leadership there."

In Warrick County, Democrats hold only two county offices. "When I first started running it was totally Democrat," said Rep. Bacon, the county coroner who won the open HD75 seat vacated by Rep. Avery that had been in Democratic hands for more than 36 years. In the Boonville area of Warrick, HD74 State Rep. Susan Ellspermann won

43 percent of the vote there on her way to upsetting Stilwell. Normally a Republican would have carried only 30 percent of the vote in northern Warrick.

In Vanderburgh County, Republican Nick Hermann won the prosecutor's office from 20-year Democrat Stan Levco and Republican Cheryl Musgrave came within 168 votes in upsetting State Rep. Gail Riecken.

Bacon and Mahan were told by HRCC that polling showed them behind. Neither believed it. Mahan knew that Democrats were demoralized and could feel it. "I felt better about this election than when I ran for sheriff of Blackford County," he said

Bacon was also seeing something on the ground the pollsters were missing. "We needed to cut his (Democrat Mike Goebel's) Vanderburgh total in half," Bacon said. "We cut it to 800. What really

pulled it over was Gibson County. My wife's family is from Haubstadt and they delivered. That's what pulled us over. What I was looking at in their polling and what we knew, well, we felt they were not getting the right people."

Certainly Democrats can be competitive in Clark County legislative races, but the days of those being reliably Democratic are over.

Eric Holcomb, deputy chief of staff to Gov. Daniels and his 2008 reelection campaign manager, observed, "The straight Republican Party ticket voting is a warning that more of the same will yield more of the same."



State Rep. Ron Bacon has seen Warrick County gradually turn Republican. (HPI Photo by Brian A. Howey)

GOP hydra

House Democrats were confronted with an unprecedented array of power aimed against them. There was HRCC, the Republican State Committee and the governor's



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

Aiming Higher PAC and the Fred Klipsch/Luke Messer PAC. Aiming Higher, with ads that had the governor's style accents, determined where the homestretch TV went.

Aiming Higher was able to pump in \$898,000 in post-report supplemental money, Hoosiers for Economic Growth did \$386,000 and Indiana Republicans \$172,000.

Republicans also caught some breaks. Gentry was amazed that State Rep. Don Lehe's opponent - Democrat Timothy Downs - disappeared. Lehe had been involved in close races this decade and was one of three Republicans (Reps. Dick Dodge and Ed Clere were the others) the party thought it would have to defend. Lehe won 12,662 to 5,577.

Democrats never responded to the early TV on behalf of Davisson in HD73. The closest call came in HD51 where Democrat Codie Ross closed a 30-point gap to 7 percent. HRCC responded with a TV ad featuring YouTube video of Ross supporting Cap-and-Trade legislation, then finished with a positive TV ad for Dodge, who won by more than 2,500 votes.

House Democrats responded with \$967,000 and the Indiana Democratic Party - which used the late \$500,000 from Sen. Bayh's war chest all on House races - put in \$346,000. But without a coherent message, wobbly polling and a GOP wave, the result was a disaster.

Gentry said that Republicans were initially spooked by the Hamilton Campaigns polling firm, which had a name similar to a Virginia-based Republican firm. "But their push calls were so-overthe-top negative," Gentry said. "It was really old school Democratic and it shook us up for a few days. We didn't know what was going on."

Can Dems make a comeback?

Gregg said it is imperative for Democrats to begin recruiting new faces just as House Republicans, Gov. Daniels, and the Indiana Chamber did, beginning right after the 2008 elections. By November 2009, the GOP had recruited the bulk of the 2010 class that delivered 60 seats. McNamara, for instance, said she decided to run "right after the 2008 election."

Indiana Democrats did

that in 1994 after winning only 44 seats when Gregg, along with Reps. Susan Crosby, Craig Fry and Mark Kruzan, went on a recruiting blitz, producing candidates like Stilwell who reclaimed the seat two years later. By 1996, the party had regained control of the House, helped not only by good candidates, but by Gov. Evan Bayh's successful handover of his office to Gov. Frank O'Bannon, who upset Republican Steve Goldsmith. "They need people who are fiscally conservative," Gregg said. "They need to be moderates on the social issues. They need to be conservative on fiscal issues."

"Mark my word, the Republicans in the legislature will overplay their hand," Gregg said, hoping for a repeat of 1995 when House Republicans tried to change prevailing wage and fair share laws. Those issues were instrumental in Gregg becoming the 85th Indiana House speaker two years later. "They know enough not to do prevailing wage, but they will overreach on a social issue that will turn it back," Gregg said. "They cannot keep from meddling in social issues."

State Sen. Jim Tomes, who won the open Bob Deig seat by 991 votes, believes Republicans can hold seats, even "terribly gerrymandered seats" like his own. "I'm convinced that if the Republicans do in this cycle what we said we'd do, what the people put them up here to do, they will

hold that seat even if it stayed the way it is now. They'll maintain it. My district is three to one Democratic. There was one precinct that was 6 to 1 Democratic and I got 45 percent of the vote in that precinct."

Tomes won by talking about Right to Life issues and other volatile topics like immigration reform. "National Democrats brought a lot of heat on themselves and it flowed over to these state and local races as well. I never had anybody who had a problem with my position on immigration. My opponent didn't want to touch it," Tomes said. "Those issues, like the life issue, I was amazed how many young men came to the door, looked for that and said, 'That's what I was looking for. Sanctity of life."



State Sen. Jim Tomes sees a permanent realignment in Posey County. (HPI Photo by Brian A. Howey)

2012 cross currents

There are many crosscurrents in play that could impact the 2012 Battle for the House. A



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

gubernatorial candidacy by U.S. Rep. Mike Pence would almost certainly be based in large part on social issues. Pence drew large crowds during a late October campaign swing through Democratic bastions of Corydon, Paoli and Seymour.

There is no way to judge the impact of President

Obama, who might have saved Indiana's share of the domestic auto industry. Gregg said that Obama and Indiana Democrats failed to "define" the 2010 race. "Obama didn't communicate and the other side defined it," Gregg said.

Republicans could find either Pence or Gov. Daniels at the top of the 2012 ticket as the GOP presidential nominee. The ticket could be adversely impacted if a Tea Party rebellion removes one of the most successful voter getters in Hoosier history – Sen. Dick Lugar.

Democrats could have their warhorse – Evan Bayh – on the top of the ticket, where he could have a significant impact, particularly in the Ohio and Wabash river valleys where Bayh and his father, former Sen. Birch Bayh, always ran strong. The party may have come full circle from Bayh's entry in 1986. It was dispirited and with profound minorities in the Statehouse then and has returned to that station today.

race is "pivotal" in setting the tone for 2012, what the party must have is a well-funded gubernatorial campaign with clarion issues. He noted that in 2008, "Obama ran as a Hoosier Democrat. He talked about a balanced budget and cutting taxes. In 2010, the middle of Indiana voted against the Democratic Party."



U.S. Sen. Evan Bayh at the Chrysler Indiana Transmission Plant II in Kokomo for President Obama's visit on Nov. 23. U.S. Rep. Baron Hill is at right. (HPI Photo by Brian A. Howey)

The once deep bench is thin now that its most innovative personalities – Gregg, Bart Peterson, Graham Richard – have moved on with their non-political lives. "Only time will tell how profound Sen. Bayh's abrupt departure will be," Holcomb observed. "There was a cascading impact from the U.S. Senate, to the State Senate, from Congress to the Indiana House that was enormous."

If not Bayh, it could be Evansville Mayor Jonathan Weinzapfel or southern Indiana U.S. Reps. Baron Hill or Brad Ellsworth, who could have a significant impact on the cluster of Evansville area seats the GOP claimed last month.

Parker, who headed to Washington Wednesday to talk about the Indiana landscape with Sen. Bayh, will stay at the helm long enough to help the party launch its mayoral campaigns. While he said that the Indianapolis mayoral

"Democrats need to realize that if they are going to run and win statewide, they have to have candidates that appeal to Southern Indiana," Gregg said.

Gentry is optimistic that the GOP can hold on to its gains, particularly with new "fair" maps. "I think our chances will be pretty good," said Gentry, who will stay on with House Republicans at least through the end of the Indiana General Assembly.

"There are going to be fair districts in the redistricting," Gentry added. "I do think there has been a change in people's identity of which party they identify with. It will probably be Obama at the top of the ticket. I think the prospects are really good. We've got very strong candidates." •



Page 9

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

Indiana's top ruling eschelon facing critical decisions

By BRIAN A. HOWEY

INDIANAPOLIS - A month ago, the Hoosier pundit class was salivating over the potential epic 2012 gubernatorial race: Evan Bayh vs. Mike Pence.

Today, while most Republicans we've talked to expect Pence to come back home and run for governor, on Monday at the Detroit Economic Club, he sounded like a potential presidential candidate when he called for a national flat tax.

By Wednesday morning, MSNBC's Joe Scarborough was calling him a "real sleeper" in the presidential race when it comes to the Iowa caucuses. Time's Mark Halperin

observed that Pence "could be a real force."

As for Bayh, many Democrats now fear that he will not return to run for governor. Former House Speaker John Gregg told HPI he doesn't believe Bayh will run. "The decision will be based on does he want to be president or not?" Gregg told Howey Politics Indiana. "That will be the determinant factor. I don't think he'll run."

Gregg said the 60-man Republican House "doesn't help any" because "he knows as governor the

Republicans will send him hot potatoes." Gregg expects Bayh to make and announce his decision in the next three weeks or so. If Bayh does decide to run, Gregg called him a "one-man juggernaut."

The next day, as Bayh prepared to fly to Kokomo on Air Force One with President Obama, he was asked on MSNBC's Morning Joe, if he would make a Shermanesque statement on a future presidential run. "As far as I'm concerned Gen. Sherman was a wimp when it came to making declarative statements," Bayh responded. "I've tried that before and I'm back on my medication."

Pressed again if he had any further presidential ambitions, Bayh added, "None whatsoever."

And here's another indicator: the senator's twin

sons enrolled as freshmen at St. Albans School in Washington. Democratic sources speculated that Bayh would probably be reluctant to uproot his sons from high school and then turn around and spend two years running for governor.

Both Bayh and Pence have expressed holiday time lines for making their decisions. During the past two weeks, both have been actively talking about the economy that might have been seen as a prelude to the two squaring off.

Here is our take on the array of choices facing Indiana's top political figures in both parties:

Mike Pence: President or Governor?

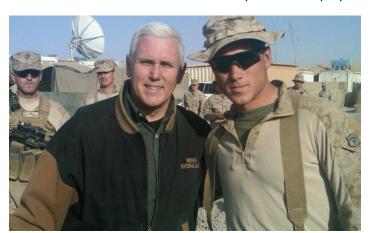
Pence endorsed a national flat tax. "The time has come for Congress and this administration to take bold action to simplify our tax system and lower people's taxes," Pence said. "The best option, the most pro-growth option is a flat tax. I believe it is time that America adopted a flat tax and scrapped the current system once and for all. A flat tax is in use in more than 20 countries around the world, and they have been proposed and supported by various

legislators and economists in America over the past 30 years. We don't think about it, but we already use flat taxes in America as taxes for Social Security, Medicare taxes, sales and property taxes."

Pence added that even the New York Times' liberal editorial page supports the tax. He said the newspaper noted "every dollar of income would be taxed once and only once. The plan would subsidize saving, and create an exemption that would protect the poor. It is perfectly simple. The Gray Lady was right."

Lady was right."
Pence also called for an end to the bailout culture and added that the Bush and Obama administrations were wrong for saving General Motors and Chrysler. "I even opposed bailing out GM and Chrysler," Pence said even though up to 140,000 Hoosiers were employed in auto plants and supplier companies. "I welcome the rebound of that company with an open heart, but I still think that most Americans know that it would have still been better for GM and for the country ... if GM had been allowed to go through normal bankruptcy pro-

The following day on Morning Joe, Pence again talked about national issues. Pressed by Halperin whether he would trade tax cuts for the wealthy in exchange for



U.S. Rep. Mike Pence visits with Indiana soldiers in Afghanistan in late November. (Pence photo)

ceedinas."



Page 10 Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

extending jobless benefits, Pence said, " I feel the pain. I think the minimum we have to do is make sure no American sees a tax increase. There are things we can do to jumpstart this economy. First do no harm, but let's get on with what will get this economy moving. I am deeply sympathetic. I have personally supported an extension of unemployment benefits in the past. But for heavens sake we've got to pay for it. Enough is enough. We have to start making the hard choices. But we've got to make the cuts to offset those costs."

Pence added, "There's a whole range of progrowth policy from tax relief and reform, regulatory reform, access to energy, sound money" Congress can do to begin to balance the books."

Asked by host Joe Scarborough on his timeline for deciding on a presidential run, Pence said, "We've been very humbled by the encouragement we've received

around Indiana and the country. My little family will take the next couple of months to prayerfully consider where we can best help our state and our nation."

Multiple influential Republican sources continue to tell HPI they believe Pence will run for governor. Having said that, the one qualifier is that Pence may never find a GOP presidential field as wide open as it is today. Pence may also be reluctant to violate Gov. Daniels emphatic request for potential gubernatorial candidates to "stifle" their ambitions until the Indiana General Assembly sine die on April 30.

HPI's Bet: Pence ponders a presidential run, but ultimately decides to run for governor where he can get four to eight years of executive experience under his belt before seeking the White House.

Evan Bayh: Back home again?

The dilemma for Sen. Bayh here is that his abrupt retirement last February gashed the Indiana Democratic Party. If he passes on a 2012 gubernatorial bid, he will leave the party in the kind of shattered shape it was when he ressurected it in 1986-88.

Should Bayh pass on a bid, the party's bench is thin. U.S. Reps. Baron Hill and Brad Ellsworth both lost big on Nov. 2. John Gregg and Bart Peterson have no interest in returning. That leaves Evansville Mayor Jonathan Weinzapfel - already facing a Democratic primary opponent - as a potential but not emphatic frontrunner. He's not well known north of U.S. 50. The Lake County contingent

- Hammond Mayor Thomas McDermott Jr. and Sheriff Roy Dominguez - are largely unknown outside The Region.

Bayh will certainly ponder what is best for his family, and a number of Democrats don't see Susan Bayh wanting to leave Washington as well as their Delaware ocean front home.

But Bayh will also be moved by the shape of his beloved Indiana and the condition he leaves the party, which, ultimately, becomes part of his legacy.

Bayh might actually be a better governor if he unshackles his presidential desires from those as a executive policymaker in Indiana. He would not only revive the Democratic Party, but he could be in a position to finish the one key thing left undone from his previous two terms: education.

Bayh also sees a state that has been battered by a jobless rate that has hovered around 10 percent for two

years. He told HPI in Kokomo just prior to President Obama's visit that the Indiana auto industry "had a near death experience."

As for Republican criticism of the Bush and Obama auto bailouts and expedited bankruptcies, Bayh defended them, saying, "There was no good alternative. No one wants to take public money to save private jobs. That's not normally how our system works. But at this time, in the depths of the greatest recession since the Great Depression, to allow thousands of jobs in places like Howard County to go under along

of the greatest recession since
the Great Depression, to allow
thousands of jobs in places like
Howard County to go under along
with dozens of small businesses would have been very irresponsible. You can now see we're going to get paid back,
with interest, and we're going to save dozens and dozens
of businesses. That's a good thing."

Bayh also sees tough times ahead. When will there be a recovery? "No one can say with certainty," he said. "I do think the recovery will gather force and go forward. Particuarly next year we'll see 3 percent growth as opposed to the 2 percent we're seeing now. Once you see the 3 percent, you start seeing the unemployment rate where you will be creating jobs."

Bayh added, 'Now the unemployment rate will remain stubbornly high because you'll have discouraged workers coming back in. The history of recoveries from financial panics are slower and more anemic than recoveries from monetary policy. We avoided the worst of a calamity, having said that the going has been very painful, but we're now headed in a better direction. Slowly but surely we'll see a better economy and more jobs. It would have been



Sen. Bayh with Reps. Carson and Hill at the Chrysler Transmission Plant II in Kokomo last week. (HPI Photo by Brian A. Howey)



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

more painful if we hadn't taken these steps."

HPI's Bet: Too many people who know Evan Bayh don't believe he's coming back to run. Having said that, several Democrats in the know tell HPI that "no decision has been made." We're far less confident of a gubernatorial bid than we were a month ago and certainly after French Lick.

Mitch Daniels: Into a void?

The speaking requests are flooding in from across the nation. Daniels is now showing up in the 3 to 4 percent range in some national polls (similar to where Jimmy Carter and Bill Clinton were in 1975 and 1991). He is also witnessing a roll back to the start up date of potential rival cam-

paigns. Mitt Romney and Haley Barbour are now talking about Spring 2011 decisons, which fits neatly into the Daniels' timeline.

There is no frontrunner.
Scarborough is beginning to wage war against Sarah Palin. The Bush money is on the sidelines. The governor has the ear of key Republicans such as former Florida Gov. Jeb Bush. Daniels could be in a position to use a successful Indiana General Assembly reform session to sling into a national orbit in May, with potential

endorsements from other contenders like Barbour or the Bushes that could separate him from the field next summer.

HPI's Bet: The governor's toughest obstacle may be his family. But this family has heard the call of Indiana for Daniels' talents, and now they hear similar calls from a troubled nation. We think Daniels runs because there is a void of competency in the aspiring GOP field.

Dick Lugar: Way, waaay too early to fret

The national press appeared to be obsessed with the potential Tea Party challenge to Sen. Dick Lugar over the Thanksgiving weekend. Politico wrote how "START is putting Lugar on the hot seat."

The New York Times cast Lugar as a "maverick" bucking the party on earmarks and START. And there was this gem of a quote from former U.S. Sen. John C. Danforth who said, "If Dick Lugar, having served five terms in the U.S. Senate and being the most respected person in the Senate and the leading authority on foreign policy, is seriously challenged by anybody in the Republican Party, we have gone so far overboard that we are beyond redemption."

Lugar told the Times, "I'm always optimistic that good reasoning, goodwill and proper spirit is going to

lead to constructive results even as I describe, as I have, intense polarization that I think is currently there." And he told the Indianapolis Star, "I really couldn't care less whether the Tea Party or whoever else it is, is interested. Somebody has got to be," Lugar said of his support for the START treaty. "It's a basic reason I am running for re-election."

On Monday, it was learned there will be an Indiana Tea Party convention on Jan. 22 in Fishers. Lugar responded by saying, "I was pleased to learn that Tea Party and conservative groups will meet in Fishers on January 22, 2011, to discuss support of a conservative nominee for the United States Senate in the 2012 Indiana election. I am hopeful that I might have the support of many of those

who will gather at that meeting to advocate conservative values and strict adherence to the Constitution of the United States. I have tried to exemplify conservative values as a student, a U.S. naval officer, a farmer, an entrepreneurial manufacturer of machinery, and as a public servant. These values have been implemented in important areas which have included tax policy, trade policy, cuts in government spending, and a strong defense of America against countries and terrorists who have sought our destruction. I believe that I

have also exemplified innovation in finding new methods of production, new ways of creating jobs, and careful and thoughtful defense of the Constitution of the United States to which I have been sworn to defend as a naval officer and as a United States Senator. I will warmly welcome the support of all Hoosiers who have encouraged my conservative idealism as I have tried to exemplify it through word and deed, and who are now eager for me to carry on the good fight."

HPI's Bet: There is some obvious power lust in Tea Party circles and some panic among the Lugarites. To all, I say, chill. It's extremely early in the process. The Tea Party is at its apex and now its members in Congress must govern. The movement should thank its lucky stars that Sharon Angle, Christine O'Donnell and Joe Miller didn't get into the Senate. If they had, they could have destroyed the entire movement in the first six months in power. I've covered a number of races that began with the incumbent poised for easy reelection. In the case of Larry Borst, Robert Garton and Bart Peterson, their vulnerability became apparent, but much, much later in the process. The dynamic in the 2012 U.S. Senate race is nowhere near that point now. It's not clear to the Tea Party movement how powerful and far reaching the Lugar alliance is. But it shouldn't be underestimated. .





Weekly Briefing on Indiana Politics

Wednesday, Dec. 2, 2010

Obama, Biden begin auto defense late

By BRIAN A. HOWEY

KOKOMO – Three weeks to the day after his Democratic Party suffered devastating losses, President Obama ardently defended his stimulus package as well as the restructuring of the American auto industry here in this embattled city.

It may serve as the Obama-Biden tickets opening salvo in their expected reelection bid. "Today we know that was the right decision," Obama told a small crowd in the Chrysler Indiana Transmission Plant II. "This plant is now

running at full capacity and that is why I am here today." Not only is the plant running, Obama announced that Fiat CEO Sergio Marchionne was making an additional \$843 million investment in its Kokomo industrial cluster. That's on top of \$300 million that had been announced earlier.

"Even as we continue to face serious challenges, what happened here at this plant and changes we are seeing at this plant in Kokomo ... you are showing us the way forward and living up to that spirit of optimism, determinism and grit," said Obama, making a rare appearance with Vice President Biden outside of Washington.

"We're coming back; we're on the move," a buoyant Obama proclaimed. "We decided to make a stand. We made the decision because we had confidence in the American worker."

The two flew separately into Grissom Air Reserve base, had lunch with Kokomo Mayor Greg Goodnight and visited with 13 firefighters whose jobs were saved by the stimulus package. Earlier in the day, the White House noted that the stimulus package provided the state more than \$8.4 billion, 71,000 jobs in Indiana and \$400 million for Kokomo, which has seen its jobless rate fall from 18 percent to 12 percent. It funded 4,300 Hoosier teachers, 126 cops, and put \$1.5 billion into the state's Medicaid program. It provided \$1.3 billion in tax relief to 2.4 million Hoosiers.

U.S. Rep. Joe Donnelly, who narrowly diverted defeat on Nov. 2, told Howey Politics Indiana, "We couldn't have a better future here, now, in Howard County. Obviously we have a lot of work to do and a long way to go, but now we have a strong base back underneath us, whereas a year, a year and a half ago we weren't sure what was going to happen." Donnelly said that if General Motors and

Chrysler had liquidated, "You would have seen a depression here. It would have caused extraordinary damage to our state, not only for families but also for state tax revenues, city and county tax revenues."

While I watched this, I couldn't help but wonder why Hoosier Democrats weren't talking about this – and running TV ads with this story – six weeks earlier. In the ramp up to the Nov. 2 election, it was Gov. Mitch Daniels who took center stage in the auto rebound.

On Oct. 26, he was in Columbus talking about new jobs coming to Cummins Inc., which makes engines for Dodge pickup trucks. "It's a highly significant day for the Indiana economy. One of our oldest great companies, in a traditional industry, and one of our newest great companies, in a new high tech field, both growing by hundreds of jobs on the same day," said Daniels of the company that

employs 6,000 Hoosiers.

There was great irony in that. From late 2008 when the Bush administration began bailing out General Motors and Chrysler, Daniels was skeptical, wishing them "luck" while suggesting that they be run like Japanese auto makers. He questioned the wisdom of throwing good taxpayer money after bad.

Washington Post columnist George Will observed in 2009 that Daniels was "alarmed" by the Obama administration's "shock-and-awe statism" while he supported state Treasurer Richard

Mourdock's attempt to thwart the Chrysler-Fiat merger. Daniels noted in June 2009 when GM was seeking \$46 million in incentives to retool its Fort Wayne plant, the embattled auto maker was in the "handout business." Mourdock would go on to win reelection, leading the state tickets with more than 1 million votes. He topped the GOP ticket in Kokomo.

Obama and Biden came too late. Hoosier Democrats lost eight seats in the Indiana House, including one in Kokomo and another in nearby Marion (a GM town); four in the Indiana Senate, and two Congressional seats. It was almost three, with Donnelly barely staving off a Republican challenge there.

During an October debate with Jackie Walorski, the Republican charged that Obama's stimulus package "created no jobs. "Donnelly responded: "If you want to see jobs, go to Kokomo. Chrysler will pay back its loans by 2014. Those dollars will be paid back. Walk through the Chrysler plant and you'll see people working."

The stunning aspect of November's election is that Hoosier Democrats barely mounted a defense. �





Weekly Briefing on Indiana Politics

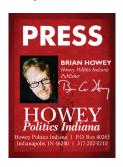
Thursday, Dec. 2, 2010

Buyer held American veterans tightly

By BRIAN A. HOWEY

INDIANAPOLIS - Steve Buyer burst onto the Indiana political scene in late 1991, campaigning across what was then the 5th Congressional District with a pair of army boots slung over his shoulder.

He was an obscure lieutenant colonel in the U.S. Army Reserve when he was activated for the 1990 Gulf



War, where he served as a legal adviser at a prisoner-of-war camp. The Democratic incumbent, Rep. Jim Jontz, had voted against the war resolution and it was that vote that propelled Buyer to an 18-year career in Congress. It comes to an end this month as Buyer does something relatively rare: walking away from Congress undefeated.

Not many Hoosiers have that distinction. Govs. Doc Bowen, Bob Orr

and Frank O'Bannon never lost an election, nor did U.S. Sens. Evan Bayh and William Jenner, and congressmen and women like Lee Hamilton, Charlie Halleck, Ray Madden, Bud Hillis, John Myers, Julia Carson and Tim Roemer.

Buyer essentially did so in two congressional districts. His old 5th CD was changed to the 4th in 2001 and he lost 90 percent of his original district during reapportionment. The new 4th - Frankendistrict - was literally made up of scraps from the other eight, sprawling as far south as Bedford and beyond his hometown of Monticello to the north and he had to defeat U.S. Rep. Brian Kerns in a primary to get back to Capitol Hill.

During his unblemished election record, Buyer became an ardent and effective defender of GI Joe. "When we did away with the draft, the nation turned to men with no military service," Buyer said of the Ameri-

can ruling class at a reception in his honor last week. With only about 1 percent of Americans carrying the service and combat burden these days, few understand that these men and women "serve their country and even do a difficult combat tour and then they come home and get about their lives," Buyer said.

The "values and virtue" of the modern American warrior is "humility," Buyer explained. Many keep the most trying details of their service to themselves.

Buver's congressional tenure was devoted to en-

suring that the country take care of those who served. In 1994, Buyer successfully co-sponsored legislation that allowed the Veterans Administration to compensate Gulf War veterans suffering from chronic disabilities (Buyer himself was probably exposed to chemicals during his Gulf deployment and suffered from an array of maladies). In 2000, he pushed the enactment of the Tricare for Life program that give military retirees a menu of health care options available to federal civilian employees.

Buyer made a career of insuring that the VA cares for veterans after learning of a comatose warrior who had maggots in his nose and the unflattering portrayal of the service in the movie "Born on the Fourth of July." Buyer explained, "I vowed to change that. It is a great hospital system today. It has cost us a lot of our treasury to do that."

"I felt it was important to hold on tight to our veterans," Buyer said. "We have an obligation to help them get on with their lives. We are saving those who would have been lost in other wars. What I love about America right now is that we recognized the pains we went through during the Vietnam era and we decided we're not going to do that now."

Buyer's other historic mark came in tandem with President Bill Clinton. Serving on the House Judiciary Committee in 1998, he played a prominent role in the House impeachment of Clinton. He said that he believed that

Clinton, as commander-in-chief, should be held to military conduct standards. "Should we ask the members of the armed services to accept a code of conduct that is higher for troops than for the commander-in-chief?" Buyer asked.

A year before impeachment, he opposed Clinton's use of U.S. troops as peace keepers in Bosnia at a time when another Hoosier congressman - Democrat Rep. Frank McCloskey - twice in a holiday reception urged Clinton to act ("Bomb the Serbs, Mr. President, it will make you feel better)."

"I jammed him and he was very upset," Buyer said of Clinton after passing a resolution that specified that U.S. troop deploy-

ment to Bosnia should not be a prerequisite for a peace agreement. In an "audience of one" at the White House, Buyer and Clinton hashed it out. "You look out the window and I look out the window and you see the world completely different than I do," Buyer told Clinton. He pledged to be the President's "constructive critic."

Clinton, in turn, asked Buyer to "Help me help the country." The pair, joined by Republican Sen. Bob Dole and Democrat Joe Lieberman, subsequently journeyed to Bosnia and agreed to draft a "time line for civil limitation"





Page 14

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

for the Dayton Accords that ended the genocidal war in Bosnia.

Buyer draws a distinction between Clinton, "who had executive experience," and President Obama, who had little before his presidency. "He did do some good things for the country," Buyer said of Clinton, "He also messed some things up. There were some things he was wrong and I was right; I was wrong and he was right. That is kind of what our political system does right."

Buyer decided to retire last January due to the illness of his wife, Joni. "She is now in remission," Buyer told

supporters. They have moved from Monticello to Zionsville, where Buyer and chief-of-staff Mike Copher will start a consulting business.

As the reception in his honor drew to a close, Buyer thanked Gov. Mitch Daniels for his support when the governor said he had turned to the congressman for advice before returning to Indiana. Buyer then produced an elephant hook given to him early in his career by the late Republican national committeewoman Betty Rendel of Peru, the Circus City. The retiring congressman urged Daniels to take his vision back to Washington. �

High speed aspirations

By MORTON MARCUS

INDIANAPOLIS - "Why does Indiana's economy perform poorly?" The answers, which many Hoosiers find offensive, boil down to two words: "low aspirations." We reject a better life if it will cost more.

Today, let's consider a higher level of aspirations for Indiana.

On our state's 100th birthday in 1916, Indiana was a distinguished leader in the transportation industry. We designed and made the autos and trains that America depended on to become the greatest industrial power in the world. Those means of transport also opened opportunities



for everyone to enjoy a larger set of social interactions. Better access to the material and cultural riches of the world made small towns more pleasant places to live.

Now, as we approach our 200th birthday in 2016, Indiana should reach toward higher goals. Citizens and their leaders should adopt a new level of aspiration, one that stirs the imagination and demonstrates our

competitive competence. Hoosiers should discard the cloak of indifference that too many wear with pride.

Once more let us be THE center for the American transportation industry. Let Indiana show the nation what a comprehensive, modern transport system serving urban and rural areas looks like. It's not too expensive to do in Indiana, the smallest state west of the Alleghenies. We have no wide rivers to bridge, no mountains to bore through. Indiana has 15 cities of 50,000 or more persons plus 550 places of smaller numbers, an ideal setting to test various combinations of transportation options.

On Indiana's 200th birthday, let us have initiated 200 integrated demonstration projects of the existing 21st century transformative transportation technologies that already are used elsewhere. Of course, America, and particularly Indiana, is not Europe or Asia. We have different settle-

ment patterns, traditions and geography. What works in other lands with other cultures will manifest itself differently on this continent.

Two hundred demonstration projects across the state will provide guidelines for transportation policies currently lacking in Indiana and the nation. These projects will answer questions that go beyond the traditional economic, engineering, and environmental studies.

For example, build a high speed train line diagonally across the state from the Gary airport to Lawrence-burg on the Ohio River (Chicago to Cincinnati, if those cities would cooperate). Planning for this system would address a variety of questions including: What complementary transit resources are needed to optimize efficient transportation along and beyond this corridor for the citizens and businesses of Northwest Indiana, Rensselaer, Lafayette, Lebanon, Indianapolis, Shelbyville, Greensburg, and Batesville? In what ways would existing travel and supply patterns be changed?

Does the public understand the incredible increase in mobility this system provides? What methods of furnishing information will be most effective in helping people use the system? These and other questions also apply to new technologies in civilian aviation. Advocates of new jet aircraft see great opportunities utilizing small, existing airports for passenger and freight services. Air taxi systems are expected to respond to these opportunities.

Whether it is road, rail, or air systems, innovative projects require major federal, state, local and private funding to identify workable systems. Money will be difficult to secure because transportation funds traditionally are scattered about for political purposes rather than integrated for research purposes.

High speed rail between centers of significant population densities and small jet aircraft for point-to-point service will revolutionize our lives. They will provide thousands of jobs and revitalize local and regional bus and light rail services. Initiating 200 projects in Indiana will put us at the forefront of the newest technologies. High speed rail in particular will increase demand for skilled labor and restore pride to a state that has forgotten its capabilities and abandoned hope for a distinctive future. ❖



Indiana

Page 15

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

Rich James, Post-Tribune: No one has accused the tea party people of being overly bright. And it appears they have set out to prove it as they bring their lack of sophistication to the halls of Congress. They aren't so much interested in good government as they are in promoting themselves. They talk before they think. Take the issue of earmarks. The tea partiers are adamant about eliminating earmarks. They want you to think that it is the quickest way to eliminating the federal deficit. The new Republicans -- many of whom are tea partiers -- headed to Congress thinking they have been anointed, that they are on a mission from God. What they are, basically, are people who were in the right place at the right time. I suspect the majority of them won't be going back to Congress two years from now. That's because they won't have a record to stand on other than to say they fought to end earmarks. They make it sound like they have found a cure for cancer. Prohibiting earmarks is little more than a rallying point for the tea folks. It has a nice ring to it, but it won't cut spending a dime. Nevertheless, the tea folks

Joe Scarborough, Politico: Repub-

want the public to think that Congress is get-

earmarks. That's a charade. ❖

ting tough on spending by slamming the door on

licans have a problem. The most-talked-about figure in the GOP is a reality show star who cannot be elected. And yet the same leaders who fret that Sarah Palin could devastate their party in 2012 are too scared to say in public what they all complain about in private. Enough. It's time for the GOP to man up. Everybody knows that Palin is a busy woman. The former half-term governor of Alaska stays so busy these days that one wonders how this mother of five manages to juggle her new reality show, follow her eldest daughter's dancing career and launch her latest frenetic book tour while still finding the time to insult a slew of revered presidents and first ladies. You've got to admit hers is a breathtaking high-wire act. What man or mouse with a fully functioning human brain and a résumé as thin as Palin's would flirt with a presidential run? It makes the political biography of Barack Obama look more like Winston Churchill's, despite the fact that the 44th president breezed into the Oval Office as little more than a glorified state senator. Still, Palin is undeterred, charging ahead maniacally while declaring her intention to run for the top office in the land if "nobody else will." Adding audacity to this dopey dream is that Palin can't stop herself from taking swings at Republican giants. In the past month alone, she has mocked Ronald Reagan's credentials, dismissed George H.W. and Barbara Bush as arrogant "blue bloods" and blamed George W. Bush for wrecking the economy. Wow. That'll win 'em over in Iowa. One can only guess

what comes next on Palin's bizarre road show. Maybe the publishing world's favorite reality star can keep drawing attention and selling billions of books by spitting on John Wayne's grave or "manning up" by shooting an American bald eagle. Or how about this? Maybe Palin could show up on Fox News and build her weak résumé by tearing down Reagan's. Oh, wait. Been there, done that.

Sylvia Smith, Fort Wayne Journal Gazette:

There are 1,459,431 nuclear missiles pointed at America from deep in Russia, including three dozen programmed to hit Hoosier cities. Moscow has 9,780 others on hair-trigger alert to obliterate hunks of Germany, France and other NATO countries the U.S. is pledged to aid if they come under attack. Think I'm exaggerating? You're right. But can you prove it? More importantly, can anyone in the U.S. government say with certainty that in the past 11 months Russia has not dramatically increased its nuclear

stockpile? No. That's because on Dec. 5, 2009, the U.S.-Russian nuclear missile treaty expired. American inspectors had to pack up and leave. Since taking office, the Obama administration has had two years to re-negotiate a START (Strategic Arms Reduction) treaty and persuade 67 senators to ratify it. You'd think the White House would have had more focus on this,

given that the treaty is its top foreign policy concern. But we are where we are, which is crunch time. The Senate really needs to vote on this treaty before Congress adjourns for the year. If the ratification vote is pushed into next year, the newly elected senators will have a legitimate point if they say they want more hearings/time for consideration/ briefings because they are unfamiliar with the issue. The fact that in the past two years the Foreign Relations Committee has held 12 hearings and the Armed Services Committee has conducted six on the treaty would be irrelevant. Someone like incoming Sen. Dan Coats may not require additional hearings – after all, when he was in the Senate in the 1990s, he voted for the first START treaty in 1992. He missed the vote for the second one in 1996, but he gave no indication of opposing it. (Both passed with strong Republican support.) But other newly elected senators might think they need more than a cursory briefing on the issues involved in the START treaty after they are sworn in in January. The likelihood of an early vote if ratification is pushed into 2011 is dim. Besides: Those missiles ... that lack of inspectors ... the national security threat. Get cracking, senators. �



Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

Indiana Senate Committees

INDIANAPOLIS - Senate President Pro Tempore David Long and Minority Leader Vi Simpson announced Senate committee assignments on Wednesday:

AGRICULTURE & NATURAL RESOURCES:

Sen. Ryan Mishler, Chair, Senator Richard Young, R.M.M. Sen. John Waterman R.M., Senator Lindel Hume, Sen. Jim Banks, Sen. Tim Skinner, Sen. Dennis Kruse, Sen. Brent Steele, Sen. Jim Tomes, Sen. Carlin Yoder

APPOINTMENTS & CLAIMS: Sen. Joe Zakas, Chair, Sen. Sue Landske, R.M., Sen. Jim Arnold, R.M.M., Sen. Richard Bray, Sen. Lindel Hume, Sen. Jim MerritT, Sen. Earline Rogers, Sen. Tom Wyss

APPROPRIATIONS: Sen. Luke Kenley, Chair, Sen. John Broden, R.M.M., Sen. Ed Charbonneau, R.M., Sen. Lindel Hume, Sen. Phil Boots, Sen. Earline Rogers, Sen. Brandt Hershman, Sen. Karen Tallian, Sen. Connie Lawson, Sen. Patricia Miller, Sen. Ryan Mishler, Sen. Brent Waltz, Sen. Tom Wyss

COMMERCE & ECONOMIC DEVELOPMENT:

Sen. R. Michael Young, Chair, Sen. Greg Taylor, R.M.M, Sen. Greg Walker, R.M., Sen. Frank Mrvan, Sen. Phil Boots, Sen. Earline Rogers, Sen. Doug Eckerty, Sen. Ron Grooms, Sen. Jean Leising, Sen. Brent Waltz

CORRECTIONS, CRIMINAL, & CIVIL MAT-

TERS: Sen. Brent Steele, Chair, Sen. Lindel Hume, R.M.M., Sen. R. Michael Young, R.M., Sen. Greg Taylor, Sen. Richard Bray, Sen. Richard Young, Sen. Sue Glick, Sen. Jim Tomes, Sen. John Waterman, Sen. Joe Zakas

EDUCATION & CAREER DEVELOPMENT: Sen. Dennis Kruse, Chair, Sen. Earline Rogers, R.M.M., Sen. Carlin Yoder, R.M., Sen. Frank Mrvan, Sen. Jim Banks, Sen. Tim Skinner, Sen. Jim Buck, Sen. Luke Kenley, Sen. Jean Leising, Sen. Scott Schneider

ELECTIONS: Sen. Sue Landske, Chair, Sen. Tim Lanane, R.M.M., Sen. Connie Lawson, R.M., Sen. Jim Arnold, Sen. Ron Alting, Sen. John Broden, Sen. Sue Glick, Sen. Randy Head, Sen. Brandt Hershman, Sen. Pat Miller

ENERGY & ENVIRONMENTAL AFFAIRS: Sen. Beverly Gard, Chair, Sen. Karen Tallian, R.M.M., Sen. Jim Buck, R.M., Sen. Jean Breaux, Sen. Richard Bray, Sen. Lonnie Randolph, Sen. Ed Charbonneau, Sen. Travis Holdman, Sen. Scott Schneider, Sen. Jim Smith

ETHICS: Sen. Jim Buck, Chair, Sen. Frank Mrvan, R.M.M. Sen. Richard Bray, R.M., Sen. Lindel Hume, Sen. Brent Steele, Sen. Greg Taylor

HEALTH & PROVIDER SERVICES: Sen. Patricia Miller, Chair, Sen. Jean Breaux, R.M.M., Sen. Ryan Mish-

ler, R.M. Sen. Earline Rogers, Sen. Vaneta Becker, Sen. Vi Simpson, Sen. Ed Charbonneau, Sen. Beverly Gard, Sen. Ron Grooms

Sen. Jean Leising

HOMELAND SECURITY, TRANSPORTATION & VETERANS AFFAIRS: Sen. Tom Wyss, Chair, Sen. Jim Arnold, R.M.M., Sen. Jim Merritt, R.M., Sen. Tim Lanane, Senator Jim Banks, Sen. Earline Rogers, Senator Vaneta Becker, Sen. Ron Grooms, Sen. Allen Paul, Sen. Jim Smith

INSURANCE & FINANCIAL INSTITUTIONS:

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JOINT RULES: Sen. David Long (ex officio), Sen. Vi Simpson, Sen. Connie Lawson, Chair, Sen. Tim Lanane Sen. Jim Merritt •



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

Cooperation didn't last long

WASHINGTON - A day that started off with the rare sight of top Obama officials sitting down with Democrats and Republicans in Congress to hash out a tax-cut_deal dete-

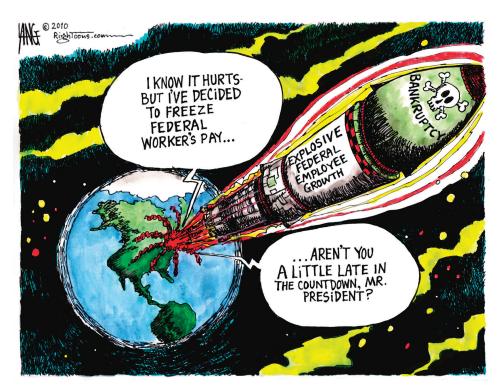
riorated almost immediately Wednesday, as both parties reverted to partisan form (Politico). Senate Republicans



threatened to grind the Senate to a halt. House Democrats announced plans to force a vote on middle-class only tax cuts - with Republicans crying foul. And the idea of a bipartisan tax-cut bargain that seemed possible at Tuesday's White House meeting? It had practically evaporated before lunchtime. To many on Capitol Hill, the outcome already appears determined. With only weeks until the Bush tax cuts expire Dec. 31, and President Barack Obama insisting that Congress resolve the issue before then, the start of the bipartisan talks did little to change the conventional wisdom that Democrats will ultimately cede to Republican demands to extend all the tax cuts temporarily.

Lugar urges Reid to act on tax bill

WASHINGTON - U.S. Sen.
Dick Lugar urged Senate Democratic
Leader Harry Reid to swiftly bring legislation to the Senate floor that would
ensure that Hoosiers do not face
higher tax bills. He specifically called
for the Senate to take action to adjust
the Alternative Minimum Tax (AMT)
exemption levels and index them for
inflation prior to the end of the year in
order to prevent thousands of Hoosiers from paying significantly higher



taxes in 2010 (Howey Politics Indiana). "Given the state of our economy and the high unemployment rate, any additional tax burden, especially on the middle-class, would be irresponsible," said Lugar. "Accordingly, I am calling on Senator Reid to immediately bring to the Senate floor legislation that will give financial relief and certainty to Hoosier taxpayers by adjusting the AMT exemption levels for inflation, or eliminate the AMT altogether." The AMT, which was first adopted in 1969, now affects far more Americans than initially intended. It was instituted to ensure that a small number of highincome households would not be able to escape federal tax liability by taking advantage of tax breaks and loopholes.

Boots to sponsor alcohol sales bill

INDIANAPOLIS - Alcohol prohibition ended in the United States 77 years ago this Sunday, but Hoosiers

won't be able to buy a six-pack on that day to celebrate. Maybe next year (Carden, Times of Northwest Indiana). State Sen. Phil Boots, R-Crawfordsville, said Wednesday he will sponsor legislation to end the state prohibition on Sunday carry-out alcohol sales and get rid of the law limiting cold beer sales to package stores. "I believe it is time to bring Indiana into the 21st century and bring a free market enterprise to the state of Indiana as far as alcoholic beverages," Boots said. Boots was joined at his Statehouse announcement by the Alliance of Responsible Alcohol Retailers, a coalition of drug, grocery and convenience stores, and Hoosiers for Beverage Choices, a group claiming 55,000 supporters seeking changes in state liquor laws. Both groups said they plan to work with legislators to enact changes when the General Assembly convenes in January. "At a time when unemployment has hit our state in staggering ways, it is incomprehensible that we continue to allow significant dollars and corresponding jobs to cross the border into neighboring states," said



Page 18

Weekly Briefing on Indiana Politics

Thursday, Dec. 2, 2010

Grant Monahan of ARAR. Monahan said an industry study estimates Indiana loses \$9 million a year in sales tax revenue and retailers lose \$129 million in annual sales when Hoosiers go to other states to buy carry-out alcohol on Sundays.

Redistricting seminar Dec. 17

INDIANAPOLIS - Indiana Common Cause has scheduled a redistricting seminar at 11 a.m. Dec. 17 at the Indiana Statehouse. Amos Brown will serve as moderator.

Lugar assured by nuke labs

WASHINGTON - U.S. Senate Foreign Relations Committee Ranking Member Dick Lugar released the following statement and letters regarding the New START Treaty (Howey Politics Indiana): Last July, the Directors of the three main National Laboratories responsible for our nuclear stockpile testified before the Foreign Relations and Armed Services Committees on the 1251 report. Earlier this week, I wrote to the Laboratory Directors to obtain their views on the updated 1251 plan submitted in November. Senator Kerry joined me in my request. Today, I received a response from all three Lab Directors. The letters are available at http://lugar. senate.gov/issues/start/. The three Laboratory Directors state that they are "very pleased by the update to the Section 1251 Report, as it would enable the laboratories to execute our requirements for ensuring a safe, secure, reliable and effective" nuclear weapon stockpile. They contend the updated plan "clearly responds to many of the concerns that we and others have voiced in the past about potential future-year funding shortfalls, and it substantially reduces risks to the overall program."

Lines form early for Palin in Carmel

CARMEL - Former vice presidential candidate Sarah Palin is bringing her book tour to a Carmel store. Palin is scheduled to greet fans and sign copies of her book "America By Heart" at the Carmel Meijer store, 1425 West Carmel Drive, from 6 p.m. to 9 p.m. today. The Carmel visit is the only one in Indiana listed on Palin's Facebook page. More than 30 people camped out in line overnight to be among the first to meet Palin, WTHR reported.

Kenley eyes Medicaid cuts

INDIANAPOLIS - State lawmakers likely will cut some Medicaidprovided services in the upcoming legislative session after learning Wednesday that the state's share of the government health insurance program's costs will balloon by \$1.1 billion over the next two years unless checked (Kusmer, Associated Press). The federal government pays about two-thirds of the state's Medicaid costs, but Indiana Family and Social Services Administration Secretary Michael Gargano told the State Budget Committee the state's share has been growing by more than 10 percent each year. He said that is because the recession has made more people eligible for Medicaid, which serves those who are needy and disabled. Gargano asked for an additional \$900 million in state Medicaid funds over the two-year period starting next July 1. He recommended the General Assembly rein in the costs by cutting some optional services the state currently provides. He did not identify specific services

lawmakers could cut. But details likely will come when the Family and Social Services Administration presents its annual Medicaid spending forecast to the budget committee on Dec. 15. Lawmakers are so concerned about ballooning Medicaid costs that cutting some services is not the only option they want to pursue. Senate Appropriations Chairman Luke Kenley, R-Noblesville, said Indiana should join Texas and other states that are considering opting out of Medicaid. "We can't afford it. We have to be serious about finding alternatives," said Kenley, who also chairs the budget committee.

Division on debt commission

WASHINGTON - Members of President Obama's debt-reduction commission indicated on Wednesday that they were split over their chairmen's far-reaching plan for long-term spending cuts and tax increases, a development that suggests the proposal is more likely to be a framework for next year's debates than the basis for legislation anytime soon (New York Times). The panel's chairmen, Alan K. Simpson and Erskine B. Bowles. "The era of deficit denial in Washington is over," Mr. Bowles said. As the chairmen released their final package of proposals for trimming nearly \$4 trillion from projected deficits through 2020, the 18-member commission met publicly for the first time since the midterm elections gave Congressional Republicans more power, and more responsibility, for the nation's problems. In advance of the commission's vote on Friday, the divisions over how to curb the nation's mounting debt — and the political wariness about embracing changes to popular tax breaks and benefit programs, like those included in the package — were in sharp focus.