



SEN. HEAD: ISSUES EMERGING FOR THE 2010 SESSION

Statehouse Talk Focuses on Economy, Property Tax Caps, Unemployment Insurance, Ethics Standards, Redistricting

1 JOBS AND THE ECONOMY: News reports of economic recovery from the national recession seem mixed. Wall Street rallies while Main Street loses jobs. One thing is certain: too many Hoosiers are unemployed. Senate Republicans are committed to fostering job creation, controlling state spending and avoiding tax hikes. We support Gov. Mitch Daniels' budget cuts and wage freezes. Senators had prepared similar cuts in case of continuing declines. The Senate will reduce spending by another 5 percent, adding to cuts already made in this year's budget. Senators will forego pay increases in 2010 and we will continue our current freeze on all but essential hiring. We take such action, so funding for schools and public safety can be protected as much as possible. Jobs – resulting in consumer spending and tax revenues – are the answer. That's why Senate Republicans are calling for an immediate, bipartisan review of the best economic development practices used by other states in attracting, retaining and expanding business investment and job creation.



2 PROPERTY TAX CAPS: Lawmakers must not lose sight that many fellow Hoosiers suffered from desperate, life-changing decisions because of Indiana's most recent property tax crisis. For too many – especially seniors on fixed incomes and young homeowners on limited incomes – Indiana's antiquated property tax system served as an unfair, outdated gauge of their wealth and their ability to pay ever-escalating taxes. We believe legislators must side with taxpayers and not tax spenders; we must keep the promise of permanent property tax relief and reforms. Although my first preference is to eliminate the property tax, that option is not expected to come before lawmakers this year. My second preference would be to create an equal and uniform rate of taxation for all properties. If equal taxation is not an option available this session, I will support passing a constitutional amendment permanently capping property taxes. Lawmakers successfully passed

the amendment once before and must do so again this year before the constitutional change can be decided by Indiana voters and added to our Indiana Constitution.

3 UNEMPLOYMENT INSURANCE: To help our struggling businesses through the national recession, state senators are working to delay the implementation of Indiana's new unemployment insurance (UI) premiums. For many years, premiums paid by businesses failed to keep pace with benefits paid to jobless Hoosiers, even when unemployment rates were at historic lows. On top of this structural imbalance, hundreds of millions of dollars in annual waste, fraud and abuse worsened the problem. Given the fragile national economy, state lawmakers last session recognized the need to slowly implement any UI premium increases on Indiana employers. We consequently avoided any 2009 increase and spread subsequent changes over three years. Because of the depth and duration of the national recession, we now propose delaying those increases for one additional year.



4 ETHICS: Legislation further enhancing state government ethics is among key Senate proposals for the 2010 session. These bills stem from senators' desires for more open and transparent government and not from corruption and prosecutions that have plagued officials elsewhere. Indiana already has in place many preventative measures, including public reporting of campaign contributions, ethics training for state officials, lobbyist registration and reporting, and an inspector general as watchdog of the people's business. Our state provides easy access to legislation, roll call votes and online coverage of committee and floor proceedings. Still, to help ensure the trust of those we serve, senators are committed to improving our state's lobbying laws by (1) establishing a cooling off period before former legislators can professionally lobby state lawmakers; (2) closing a loophole by requiring university officials who lobby legislators to meet the same requirements as other paid lobbyists; and (3) further limiting and better defining gifts, meals and entertainment provided to legislators by lobbyists.



5 REDISTRICTING: Senators are advancing a package of sweeping redistricting reforms that include statutory guidelines on how legislative districts should be objectively drawn following the upcoming 2010 census, as well as a constitutional amendment establishing an independent commission for drawing state legislative and congressional district boundaries in the future. A bill to require an in-depth two to three year bipartisan look at best practices used by other states in drawing district maps will also be offered. Currently, the Indiana Constitution specifically tasks the Indiana General Assembly with drawing legislative districts. Changing this constitutional duty to an independent redistricting commission is possible, but only if a constitutional amendment for that purpose is passed by two separately elected sessions of the legislature and then approved by Indiana voters.