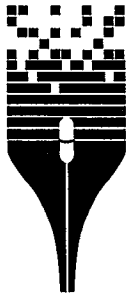
THE HOWEY POLITICAL REPORT



The Weekly Briefing On Indiana Politics

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Brian A. Howey
editor and publisher

The Howey Political Report **Office: 317-685-0883**
200 W. Washington St., Suite M-1 **Fax: 317-692-1032**
Indianapolis, IN 46204 **hpr@inoffice.com**

NewsLink Home Page: http://www.inoffice.com/hpr

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Republican eyes on McIntosh for '98

Prevalent mood is to avoid a primary fight

INDIANAPOLIS - David McIntosh, Sue Anne Gilroy, Paul Helmke, Pat Kiely and Brose McVey are contemplating a run against Gov. Evan Bayh for the 1998 U.S. Senate seat.

The biggest question appears to be whether they can sort among themselves to allow a single candidate to emerge, saving the party from a potentially bitter and expensive primary battle.

And all eyes appear to be on Rep. McIntosh, who would be the early favorite and who will make a decision within the next month. "What I'm going to do is travel around to various parts of the state to talk about it over the next month and really make an evaluation during that period," McIntosh said just a few minutes after helping re-elect Newt Gingrich speaker of the U.S. House (See HPR Interview, pages 4-5). "I don't want to leave it as an open issue for a long time because if we decide not to run, there are a lot of good candidates the Republican party can recruit."

But Fort Wayne Mayor Helmke does not appear willing to coalesce around one candidate should he decide to enter the race. "At this stage, I'm making some phone calls," said Helmke, the three-term mayor who won his last re-election bid in 1995 with 65 percent of the vote. "I haven't made a decision, but the idea is intriguing."

As to whether he would be willing to step aside behind a single candidate, Helmke explained, "There are two theories about a contested primary. One is it's better not to have one because it saves money. But ... there's nothing like a contested primary to get your name out statewide. At this stage, I'll make my own analysis and my own decision. Part of that will be to talk with party leadership."

Both Secretary of State Gilroy and Pat Kiely, president of the Indiana Manufacturer's Association, would like to see the party avoid a primary battle. "If we could avoid that, it would seem to be a proper approach," said Gilroy, who is also making calls to test support. "All

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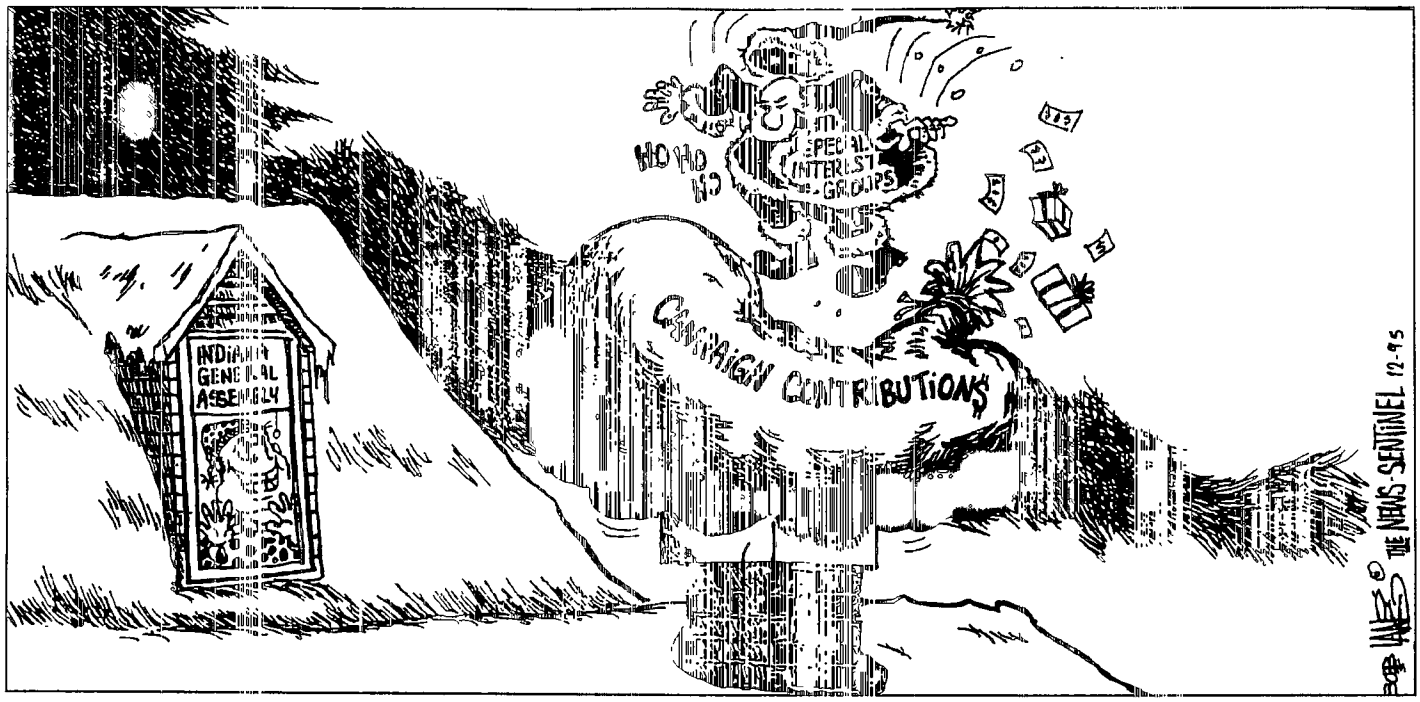
HPR Expanding on the Internet

Next time you're on your computer, call up: **http://www.inoffice.com** and click on the Statehouse button. Between now and May, HPR publisher Brian Howey and analysts Erik Hromadka and Garry Petersen from the Taxpayers Research Analysis Center will provide by 4 p.m. each session day Indiana General Assembly coverage, analysis, calendars, bill tracking, what the buzz is in the hallways, and links to all Hoosier newspapers and television stations covering the process. Our Statehouse coverage will truly present those following the process a "hub" to track vital information.



TICKER TAPE

PLAY OF THE WEEK: Outgoing Gov. Evan Bayh hit a last second jump shot in overtime as the Governor's Office defeated the 4th Estate at the Athenaeum last Saturday, 55-54. Cam Simpson of the defeated press squad observed, "There were about four guys setting picks for the governor on that one. I never saw so many picks." Bayh also announced that he was joining Baker & Daniels as a law partner. And George magazine has declared Bayh the top up-and-comer politician in the nation in its January edition.

Incoming U.S. Rep. Julia Carson is expected to make a full recovery after double heart bypass surgery last Friday -

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Senate, from page 1

along I was intending on running for secretary of state," she said. "We need to be looking for someone who can raise money, who has an organization, who presents an alternative to Evan Bayh and who has a demonstrated ability to get votes. David does, as I do.

"We have talked to Mike McDaniel and other folks and we all agree that we do not need to have some intra-party fight to siphon off support."

Said Kiely, "For any Republican to run a legitimate race, we can't have a devisive primary fight. Hopefully a consensus will be made on someone who can make a legitimate run."

Kiely put McIntosh as the "tier one" candidate. "He's already got the Washington resources and connections."

If McIntosh decides not to run, Kiely surmised that, "It's pretty wide open."

Standing in the eye of this developing hurricane is Indiana Republican Chairman Mike "Switzerland" McDaniel, who just presided over a bloody gubernatorial primary and then saw Stephen Goldsmith lose to Frank O'Bannon. He is in the process of meeting personally with all interested candidates.

"One a personal level, I would like to avoid a primary," McDaniel said, explaining, "The federal restrictions - a maximum of $1,000 per person - means your candidates have to spend more time to ask more money from more people. If we could avoid a primary fight, the candidate will be more competitive.

"A lot of people are waiting for David to decide. Obviously he's been very successful."

Sources close to Gov. Bayh appear to view McIntosh as the potentially toughest opponent because of his conservative activism, his fundraising prowess and his 1994 ability to tie Joe Hogsett to President Clinton.

Republicans do appear to be veering away from the notion that Bayh can't be defeated and thus running a "Jack Wickes" type candidate with little chance of winning.

All the potential candidates and McDaniel believe Bayh is vulnerable. But, "It's way too early to tip my hand," said McDaniel. "People under-estimate the size of the learning curve on state issues as opposed to federal issues. Evan has never been in a legislative body in his life."

And there is the specter of President Clinton providing Bayh with a heavy millstone around his neck, although Bayh won handily in 1988 despite the Bush/Quayle ticket romping in Indiana.

On thing is crystal clear: any of these Republicans would have to run a virtually flawless campaign to defeat Evan Bayh in 1998.

Pondering the 1998 Republican Senatortial hopeful derby v. Bayh

HORSE RACE

TRENDLINE: Horse Race is giddy. We figured after the '96 campaign and with nothing on the horizon for '97, Mr. Howey would take this thing for a ride, perhaps past the old glue factory, although breeding is more our style. But thanks to Dan Coats, Horse Race is back with a bounce in the gait and enough fertilizer to make our readers ranging from the Old Dog Doctor to the folks at Hoosier Park proud.

Republican 1998 U.S. Senate

DAVID McINTOSH: If he decides to get in, he's the frontrunner in the primary and has the best chance to get the others to coalesce around him. He possesses some of Bayh's strengths - looks, intellect, affability, cool wife, conservative record, ability to raise money, no support for tax hikes. He would present himself as an "activist conservative" compared to the more cautious Bayh. Potential weaknesses would be his ties to Speaker Gingrich and the airport "assault" incident last summer. McIntosh must decide if he wants to give up his historic gig in the House, put his legislation on a back burner and take a huge risk against Bayh. But he did just that when he ran for the House in 1994. He currently has a $400,000 warchest.

SUE ANNE GILROY: She is a proven vote getter and fundraiser who was gearing up for the 1998 secretary of state re-election. She is a good speaker and presents a friendly campaign style. She would present Bayh with a gender contrast that might keep the Democrat from torching the earth in a tight race. Her unsuccessful four-day run for LG in 1996 shouldn't hurt her because of the bizarre nature of that situation. Gilroy's weakness would come on the on a perception that she is not as conservative as McIntosh. Gilroy has the most options. She could could seek re-election and position herself for the governor's race in 2000. If Mayor Goldsmith doesn't finish his term, she would be a natural contender there. Or she could run against Bayh and still seek either office in 1999 or 2000, or a future Senate seat.

PAUL HELMKE: He has been maligned in some GOP circles for support of some early Clinton initiatives. When he became mayor in 1987, Fort Wayne was going through a social catastrophe with crack cocaine. But the homicide rate has been sliced in half in each of the last two years. Unlike Goldsmith, Helmke has actually reduced property taxes during the last two years and Fort Wayne's tax rate is the lowest in Indiana for a city over 30,000 population. Helmke can be a gut-fighter on the campaign trail. He won the 1987 race against Mayor Win Moses in a brutal race. His weaknesses in the GOP began in 1993 when Chairman Rex Early rebuked him for supporting the Clinton stimulus package and he would have to work to repair his reputation. Helmke said he acted on what was best for Fort Wayne. McIntosh would present a sharp "federalist" contrast in a primary.

PAT KIELY: Kiely is a former House Ways and Means Chairman who possesses a sharp wit and high acumen for the legislative process - a sharp contrast to Bayh. He voluntarily left the House after 12 years. His biggest vulnerability might be taxes. Bayh's mantra is "no new taxes" while Kiely participated in historic tax increases of 1982 and 1987. But, Kiely explains, "Evan can't have it both ways. Had we not kept property taxes low and funded education, he wouldn't have the record he has today. Without (1982 and 1987) Indiana would be an economic wasteland. He wouldn't have made it through his two terms without a tax increase." Kiely was meeting with the IMA board at this writing, seeking permission to run.

BROSE McVEY: An admitted darkhorse, McVey helped engineer Sen. Dan Coats' startling 1992 landslide victory over Joe Hogsett. McVey has ties to the Washington establishment and many statewide agriculture and business groups.

TICKER TAPE

four days before she was to be sworn in to Congress. Doctors expect her to make a full recovery.

U.S. Rep. John Hostettler was one of four GOP members to vote "present" instead of for House Speaker Newt Gingrich on Tuesday. It was probably a shrewd political move on Hostettler's part, insulating him from criticism in the upcoming 1998 re-election campaign. Hostettler's strained ties with Gingrich over a budget vote and a cancelled fundraiser a year ago were instrumental in his 3,400 vote victory last November.

Eight members of Gov. Bayh's office staff will be staying on when Frank O'Bannon takes over on Jan. 13. Bob Small will stay on as public safety adviser to Gov. O'Bannon; Amy Small Byleu, special assistant; Marya Rose, legislative adviser to the governor; Steve Campbell, deputy press secertary; Kate Sweeney, receptionist, Carla McIntyre, office manager; Linda Ventura, receptionist; and Terri Roney, correspondence. Bayh aides leaving include Fred Nation, who will be vice president for corporate affairs at the Indianapolis Motor Speedway; Matt Gutwein, Joe Hogsett, Miriam Dant, Les Miller, Ken Unger and Mike Padgett, all of whom have pending arrange-

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McIntosh begins weighing options on a potential 1998 race vs. Bayh

HPR INTERVIEW

"I want to take a long look at it. I really have to weigh where I would best be able to serve the citizens of Indiana..."

- Rep. David McIntosh

WASHINGTON, D.C. -In Hoosier Republicans circles, most are waiting to see what U.S. Rep. David McIntosh does in a potential U.S. Senate race against Gov. Evan Bayh in 1998.

HPR conducted this phone interview with McIntosh a few hours after an exhausting night and day that saw House Speaker Newt Gingrich re-elected.

HPR: Where you are at this point concerning the 1998 Senate race against Evan Bayh.

McIntosh: This really came as a surprise to Ruthie and me. We were counting on Dan Coats deciding to seek re-election. So when he searched his soul and decided not to do that, it was something we hadn't really been thinking about too much, whether we would run for the Senate or not. I want to take a long look at it. A lot of my friends have urged me to consider doing it. The key decision in my mind is what is right for voters in the 2nd District. They chose me as their represenative. And what's right for the people of Indiana. And how can I continue to work on some of the issues I've been pushing. I've had some success in the last Congress on getting regulatory relief, which as a freshman in days gone by was virtually unheard of. Chairing the subcommittee this session is something I'm very much looking forward to, as well as serving in leadership as we bring forward the balanced budget and the tax cut provisions. I really have to weigh where would I best be able to serve the citizens of Indiana. As Sen. Coats pointed out, if I decide to run and in his case if he decided to run, you have to spend a considerable amount of time on the political process and not on legislation. That would be the downside of making that decision for me. But since many people who have been strong supporters in the 2nd District and around the state have called and said, 'You really ought to think about it; we think you'd be good," I really want to give them the courtesy and give myself the courtesy of thinking it through and what it would mean.

HPR: What kind of time frame are you looking at for this decision?

McIntosh: What I'm going to do is travel around to various parts of the state to talk about it over the next month and really make an evaluation during that period. I don't want to leave it as an open issue for a long time because if we decide not to run, there are a lot of good candidates the Republican party can recruit. The longer time you have to prepare the better off you are as a candidate.

HPR: You've been a risk-taker throughout your career. Evan Bayh will be extremely tough to defeat. How do you feel about taking on a popular governor?

McIntosh: Whoever the nominee will be, it's going to be a tough race. My thought when I decided to run for Congress, and it was a long shot, was there is something I want to get done and stand for. If I have the sense that the best way to do that is run for the Senate, what I'll do is take that to the voters and say, "This is what I'll do as your senator and ask for your support" and really put it terms of those considerations as opposed to whether I'm going to keep a job. One of the things I think is important to think about is that it's service. It's not an entitlement you get in each position. It's really up to the voters to pick which direction they want to go.

HPR: Can Evan Bayh be defeated? And, if so, how?

McIntosh: I don't want to get into any particular candidate, but I will say that it is a good seat for a Republican to win. Really, on the merits on the issues of which direction people want to see the country go in, I think they'll see differences that inevitably come out in that kind of race: family values, the question of a balanced budget at the federal level, tax cuts, what do we think of President Clinton's proposals on health care in the last term, and whether he will reverse some of the reforms on welfare. I think on those issues, people will take a look and decide on which direction to go.

HPR: You successfully attached Bill Clinton to Joe Hogsett in '94. Could that happen to Evan Bayh?

McIntosh: Sure. If you ask Sen. Bayh ... (laughs) Gov. Bayh has ties to the president, he would very proudly point to the support he's had for the president's initiatives in certain areas and the closeness they had as governors when they served together. That would definitely be an issue that would come up.

HPR: How important is it for Republicans to coalesce around one candidate and avoid a contested primary?

McIntosh: The key here is on resources. My general philosophy is that a primary doesn't necessarily hurt you if you can then raise resources for the fall. Sometimes it helps because it raises the voter awareness. I think in my case it helped having a contested primary because people got to know me in the spring and then we had a good race in the fall of '94. In this case, it's going to be one of those focal races nationally and there will be a lot of resources on both sides. Already people have indicated a lot of resources were being brought to bear on the Democratic side just to challenge Sen. Coats. The wisdom that it would be better to conserve resources for the fall is the best way to go. So I would counsel people who are thinking about running to get together as Republicans and let's try to pick among ourselves who would be the best candidate. The party would be better served that way.

HPR: Have you talked with any of the other potential candidates?

McIntosh: All of the ones you mentioned would be great candidates. But we haven't talked about it that much. I think everyone is taking measure of the situation in their own regards. The good thing is we have some time to sort this out.

HPR: Any twins on the way?

McIntosh: You'll probably have to check with Ruthie on that and she'll probably give you an impolite answer.

HPR: No, I think I'll pass on that. What happened on the floor today that kept Speaker Gingrich in power?

McIntosh: We reaffirmed the Republican leadership in the House and Newt Gingrich was elected speaker. I think it shows that the House is going to continue along in the direction it did last term of setting an agenda of less government, balancing the budget, in my area regulatory relief, and I think that's a good sign.

HPR: Was there any doubt in your mind that he would be re-elected at any point?

McIntosh: I predicted all along that he would be re-elected. But there were some members concerned about leadership after the ethics report. To be honest with you, more people here were concerned about it earlier this morning; wondering how some people would vote that they didn't know about. But I always assumed that at the end of the day, Republicans would say, 'Let's give him one more chance.'

HPR: Have you gone over the ethics reports to make sure there are no other bombshells?

McIntosh: Yes, I have read the report and inquired into it because it's a very serious matter when someone raises the matter of violation of the ethics of the House. I am in agreement with the Republicans and Democrats on the subcommittee that, essentially, this was a matter that did deserve a reprimand, but does not rise to a level that he should be denied Speaker of the House. But if you look over the overall scheme of these things, there wasn't the nature of political corruption that has been alleged against the Clinton administration.

HPR: There is talk on the Sunday morning news shows about the "yeah, but..." factor. Clinton did this. Yeah, but Gingrich did that. Is that going to hurt the Republican caucus and the agenda this time?

McIntosh: Well, I'll tell you, if you apply the standards that David Bonoir has applied to Newt Gingrich, Bill Clinton would be asking him to resign. If you applied the Clinton standards a lot of the media has applied to Newt Gingrich, he would be among the angels compared to the gravity of the situation.

HPR: Did you ever consider voting against Gingrich? And did you counsel with Reps. Souder and Hostettler?

McIntosh: We all talked with each other because we see each other and share ideas between us since we were all elected in 1994. And I was pretty certain after reading the ethics committee report - I was very certain - so I didn't have the qualms John did. And his concerns went to that but more to Newt's judgment on several layers.

TICKER TAPE

ments with law firms; Gary Gibson, to head BMV; Tom Sugar, to the Indiana Democratic State Committee; Sara Slaughter, who is moving with her husband to Chicago. Katie Humphries, who has been administrator of the Indiana Toll Road but may come back to Indianapolis and join the O'Bannon administration.

New O'Bannon administration appointees besides Rose and Small include former State Rep. Doug Kinser, legislative assistant to the governor; David Perlini, executive director of the Department of Commerce; Jenny Pitts Manier, general counsel for the Department of Commerce; and Joe Pearson, assistant commissioner of agriculture.

Republican Majority Leader Paul Mannweiler has become a senior vice president for the Indianapolis Power and Light Company.

Russell Lloyd Jr., son of the assassinated Evansville Mayor, was sworn in as a Vanderburgh County Council member on Jan. 1. He succeeds Republican Bettye Lou Jerrel, who vacated her council seat after defeating Democratic Commissioner Richard Borries in November. Lloyd was selected by Republican precinct offi-

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cials to finish out Jerrel's term. After decades of Democratic control of the Fort Wayne City Council, the current 6-3 Republican majority who took control following the 1995 polling, elected Democrat Councilman Tom Henry as president earlier this week. It was the second time a minority member of the council was elected president in the last four years. In 1993, the Democratic majority elected Republican Councilman Don Schmidt as president.

The League of Women Voters of Southwestern Indiana has disbanded after its membership had declined from 150 members two decades ago to under 25. "Our membership kept declining because so many more women had jobs," said Sue Woodson, a former president (Evansville Courier). "We thought about it for about a year before we finally disbanded. We hated to do it."

State Rep. Dennis Avery has filed a bill that would limit campaign contributions to $500 per candidate per election from individuals. Political action committees would be limited to $1,000 per candidate per election. Currently unions and PACs can give $2,000 to all candidates each election and $5,000 to political parties. "It's just incredible

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COLUMNISTS ON INDIANA

Rod Spaw, *Evansville Press* - These are the days of reflection for Evan Bayh, king of the Hoosiers for yet a little while. The Indianapolis Star already has passed judgment on his administration, and the newspaper has pronounced itself pleased - on balance. Even the Wall Street Journal has taken notice. In almost affectionate tones, the venerable champion of all things GOP has declared Bayh the "New Democrat" that Bill Clinton only pretends to be. The Journal advises other Democrats: Do what Evan Bayh has done in Indiana - become more Republican. Back home in Indiana, what may be one of Bayh's most important achievements isn't getting a lot of big-city attention. That doesn't mean people have forgotten, though. Brian Bretz, an 18-year-old Ivy Tech student from Blairsville, Ind., certainly hasn't. (He) is the kind of young people Evan Bayh had in mind when he gave his second State of the State address to the Indiana General Assembly in 1990. That's when he said, "In the Indiana I envision for the '90s, no child who is willing to work hard, sacrifice and make the grade should be denied the dream of a college education. That same year the legislature created the 21st Century Scholars program. The first class of 8th graders who registered in 1990 began college last year, the second this past fall. In all, 4,300 students received 21st Century Scholarships.

Harrison Ullman, *Nuvo Newsweekly* - I want to categorically deny any reports, published or otherwise, that we have been in negotiations with any party with regard to moving *Nuvo Newsweekly* to Cleveland. Second, at this time I will confirm reports that we have asked the Capital Improvement Board to assist Nuvo in developing a new corporate and editorial facility in the downtown area. We have carefully reviewed our needs, as well as the competitive pressures facing alternative newspapers in this market, and concluded that a new facility for *Nuvo* may be built to current industry standards for as little as $175 million. We depend upon Mayor Goldsmith to do what's right for *Nuvo* and the community.

Brian Howey, *HPR* - The locals in Marengo were uppity and begging for the scalp of their county chairman, whose name is purely incidental. In the context of Southern Indiana politics, this was an intolerable insurrection from the point of view of one man, Seth Denbo. The precinct officials had gathered and the pitch for the county chairman's head was getting particularly shrill when the door of the hall swung open and in walked Denbo, with an escort of close to a dozen county sheriff's deputy. Each of the deputies took a position in front of a door to the gymnasium, with arms crossed and pistol holstered on his side. Denbo took the podium and produced a .38 pistol himself. He inquired as to whether anyone had any further business. The precinct officials erupted in a plaintive wail and howl of indignation at this strong arm tactic and it brought this response: Denbo pumped three shots from the .38 into the ceiling. That quieted things down enough to the point that the coup d'etat passed and things returned to the kind of slow grumble one reckons just before a big dinner. Ya know, we just don't have much of that kind of county chairman in this state anymore where power means delivery.

Dave Kitchell, *Logansport Pharos-Tribune* - Dan Coats might as well have sent Gov. Evan Bayh a fax Monday with the words, "Merry Christmas to you and your campaign from me and mine." Now, Republicans will probably be hard-pressed to come up with a candidate to run against Bayh. The 1998 Indiana Senate race may have all the suspense and drama of an Olympic walking race. Bayh's political stock rose last summer when he was the keynote speaker at the Democratic National Convention, and that means he probably will scare away much of the potential funding for his opponent. It appears that the Indiana GOP's elephant gun has just run out of bullets.

HPR forecasts nine Indiana House seats as in play for the '98 election

TERRE HAUTE - At least nine Indiana House seats can be expected to be in play when a brutal fight for control of the currently 50/50 split lower chamber commences in 1998.

HPR Publisher Brian Howey makes this forecast based on 1994 and 1996 election results, factoring in the Republican tsunami in the first sequence and the nominal Democratic year in tandem with President Clinton and Frank O'Bannon's election as governor in 1996.

In the latter sequence, Democrats such Robert Kuzman in the 19th District, Tiny Adams in the 34th, Roland Webber in the 37th, Clyde Kersey in the 43rd, Vern Tincher in the 46th and Ben GiaQuinta in the 80th, all won narrow victories in a nominal Democratic year.

The 1998 sequence will be a "six-year itch" election (President Clinton's second mid-term) and with potential scandals on the horizon, early odds are that it will at least be a nominal Republican year. Factor in a possible GiaQuinta retirement and possible rematches by former Republican Reps. James Vanleer, John Kimmel and David Lohr and you have a recipe for GOP gains.

The good news for Democrats is that Bob Hayes has already staged one comeback - losing in 1980 and regaining his Columbus seat in 1982. But the party will have to shore up Webber in Anderson, where ran weakly against Republican Steve Chapman.

In Kokomo, Ron Herrell ran a bad race against Rep. Jon Padfield but still came within 1,100 votes. And in Indianapolis, Rep. Candy (Morris) Marendt eked out an 800-vote victory against a convicted felon and has married and changed her name. While she did not campaign actively, neither did her opponent. The strength of the Howard and Marion County Democratic organizations could be a major factor here. The Marion County Democrats are seen as on an upswing and that organization could use a victory over Marendt as a precursor for a fight for the mayor's office in 1999. The Howard County Demcratic Party has been down (Goldsmith won this heavily UAW county) and while Herrell was not a good campaigner, he came close enough to consider a recount.

Another potential rematch with takeover inplications is a possible Kuzman-Sparks race in Lake County that might favor the Republican in a nominal GOP year.

For a third consecutive election, the Terre Haute area seats that Kersey and Tincher possess will almost certainly come into play.

On the bubble

19th House District	
Kuzman (D)	12,236
Sparks (R)	10,453
30th House District	
Padfield (R)	10,775
Herrell (D)	9,660
34th House District	
Adams (D)	9,630
Vanleer (R)	9,241
37th House District	
Webber (D)	11,097
Chapman (R)	9,346
43rd House District	
Kersey (D)	10,196
Kimmel (R)	9,103
46th House District	
Tincher (D)	9,858
Lohr (R)	9,759
59th House District	
Yount (R)	11,978
Hayes (D)	10,504
80th House District	
GiaQuinta (D)	7,707
J. Becker (R)	6,365
94th House District	
Morris (Marendt) (R)	10,396
Hinman (D)	9.586

TICKER TAPE

the amount of money that's being spent on elections," said Avery, an Evansville Democrat who ran unopposed in the 1996 and defeated his 1994 Republican opponent by almost a 2-to-1 margin. "These people who are spending all this money are trying to buy the influence, and it's just not right" (Evansville Courier).

Logansport Pharos-Tribune columnist Dave Kitchell has on his list of potential U.S. Senate candidates to run against Evan Bayh former LG John Mutz, former Congressman John Hiler, Biomet CEO Dane Miller from Warsaw, and Marilyn Quayle. The Indianapolis Star's "Behind Closed Doors" column floated the name of Lilly VP Mitch Daniels.

Secretary of State Sue Anne Gilroy announced the creation of the Election Division under her office beginning on Jan. 2. It will be headed by co-directors Laurie Christie, a Republican, and Mary Ann Tippett, a Democrat.

U.S. Rep. Steve Buyer has been criticized by the National Organization for Women for saying there were a "few bad apples" in the U.S. Army over sexual abuse and harrassment. But Buyer's quote was taken out of context. On Dec. 11, Buyer visited the Aberdeen

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TICKER TAPE

Proving Grounds and talked to drill sergeants there. Bupp said those drill sergeants "are outraged that a few bad apples have tarnished the reputation of America's Army and ruthlessly abused their power over these young, impressionable recruits."

John Williams has left as spokesman for Secretary of State Sue Anne Gilroy and will be press secretary to U.S. Rep. Dan Burton.

Burton will be featured in an extensive story in an upcoming edition of U.S. News & World Report written by associate editor Jason Vest, formerly of Bloomington.

More than 12,000 fourth graders will be on hand for Gov.-Elect Frank O'Bannon's inauguration on Jan. 13. U.S. Rep. Lee Hamilton will administer the oath to O'Bannon at 12:03 p.m. Joseph Kernan Sr., will give the oath to his son, LG-Elect Joe Kernan. The ceremonies are expected to begin at 10 a.m. outdoors on the west side of the Statehouse. It will be the first inauguration to be held outdoors since Gov. Paul McNutt's in 1933. And, while the administration said there was no design, it comes on the very site of the 20,000 person building trades rally against prevailing wage reforms in 1995.

Loaded gun no longer at legislators' heads on taxes, but it's still loaded

INDIANAPOLIS - Thanks to the Indiana Supreme Court, the loaded gun has been pulled away from the heads of Indiana legislators.

But, it's still loaded.

The notion that the Supreme Court's decision to overrule the Indiana Tax Court decision by Judge Thomas G. Fisher on property taxes gets Gov.-Elect Frank O'Bannon and the legislature off the hook is ludicrous.

The loaded gun could still go off when voters return to the polls in 1998 or 2000.

How long it will take Judge Fisher to rework his initial ruling is one of the biggest wild cards in the legislative equation.

O'Bannon is expected to follow through on a campaign promise and appoint a citizen's commission to look over the entire tax structure. During the 1996 campaign, O'Bannon talked of Indiana's 19th century tax structure that has been repeatedly fixed with legislative chicken wire and duct tape. While his opponent, Indianapolis Mayor Stephen Goldsmith, ridiculed the notion of a citizens commission, several Republicans are now calling it a good idea.

State Rep. Win Moses, D-Fort Wayne, said that O'Bannon will follow through on his campaign promise for a property tax cut tied to income. There will also be other "administrative" remedies proposed, he said.

"I think Frank's approach has been fairly cautious," said Pat Kiely, president of the Indiana Manufacturer's Association. "He has been leaning to the side of the residential payer. But the advent of him calling together a group of people to discuss the whole state tax package is a positive move. You've got to strike a balance. You can't give all the breaks to business or residential."

Indiana Republican Chairman Mike McDaniel said of the Supreme Court's ruling, "The pressure is off. Now there is some time to include that in the overall mix. It's better to take a comprehensive view. If one tax goes up, you can lower another. But if you chicken wire and furnace tape property taxes, it doesn't help taxpayers.

"It's smart for a bipartisan commission to make a recommendation."

While a bipartisan commission could be a smart move for O'Bannon politically, there are dangers.

If the commission is selected this winter and deliberates through the summer, there is the potential for a comprehensive reworking of Indiana's tax structure for the 1998 short legislative session. The short session was originally designed to deal with fiscal problems but has been bastardized to include just about any topic over the past two decades.

The problem with a 1998 time frame, as State Sen. Marvin Riegsecker, R-Goshen, explained, is "it will be bloody. And that would come during an election year."

It will be an election that will see both parties in a furious effort to break the 50/50 split in the Indiana House. "A more natural time would be the next long session in '99," McDaniel observed.

The political danger there is that Hoosier taxpayers would have to endure four more years of rising property tax rates unless O'Bannon takes a page from the Goldsmith book and freezes the rate. There is probably a greater chance for a land-based casino being built in Santa Claus, Ind., than that happening.

A reworking of the tax structure to occur in 1999 would deprive O'Bannon of the ability to take demonstrated results to Indiana voters during the 2000 election.

"The risk you take in a transition like that is the risk of time," Kiely explained. "Problems will be much more magnified four years from now."

When Gov. Otis Bowen steered through his historic property tax reforms in 1973, it came after he tried to push through a similar package in 1971. But his used his 1972 election for the political thrust needed to get it though.

Moses said the most likely scenario is for a comprehensive restructuring of the tax system in 1998. "He has to deliver" Rep. Moses said of O'Bannon.