THE HOWEY POLITICAL REPORT

The Weekly Briefing On Indiana Politics

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"QUOTE" OF THE WEEK

"The soft money problem started when we tried to limit contributions to candidates. It's like squeezing a balloon. The air doesn't leave, it just pops up in another place..."' - Julia Vaughn of Common Cause, on a 244% increase in soft money from '94 to '96, to the *Evansville Courier*.

O'Bannon's budget on the bottom line

Borst says he doesn't want to embarrass the gov

INDIANAPOLIS - Here is the scenario that presented the first crucial legislative test for the O'Bannon administration:

■ The flexible House leadership allows multiple amendments on the budget from the Democratic caucus, ballooning the most crucial piece of legislation.

■ The budget bill gets bogged down on the House floor and, while not as big a mess as Sam Turpin's 1995 fiasco, gets sent over to Larry Borst's Senate Finance Committee.

■ Borst and other Republicans, feeling the need to bloody up the new governor as a precursor to his 2000 re-election campaign, acknowledge the bloated budget and send it on - in totality - for O'Bannon to veto and thus gain his first black eye.

"I did that to Evan one time," Borst said of former Gov. Evan Bayh. "We later laughed about it. I did that to Bowen. But we're not going to embarrass the governor. We're not going to try to. Anytime I do something in Senate Finance, it may look weird, but it will be something we can live with."

Gov. Frank O'Bannon didn't take any chances as his staff was unsure what Borst might do. O'Bannon appeared before the Democratic House caucus to make an appeal toward the first big test of his administration.

"Basically, he just wanted to talk about the bottom line and the need to send to the Senate a responsible budget that maintained a balance the governor could live with," said the governor's chief of staff, Tom New. "It's a budget that would largely be considered the House Democratic and O'Bannon budget and he wanted it to be fiscally responsible and defensible."

Thus, when the biennial budget hit the House floor last Tuesday, members found Democratic lieutenants such as Reps. Win Moses and Mark Kruzan on the House floor imploring the caucus to keep the lid on. "I think it's very inappropriate," Moses said at one

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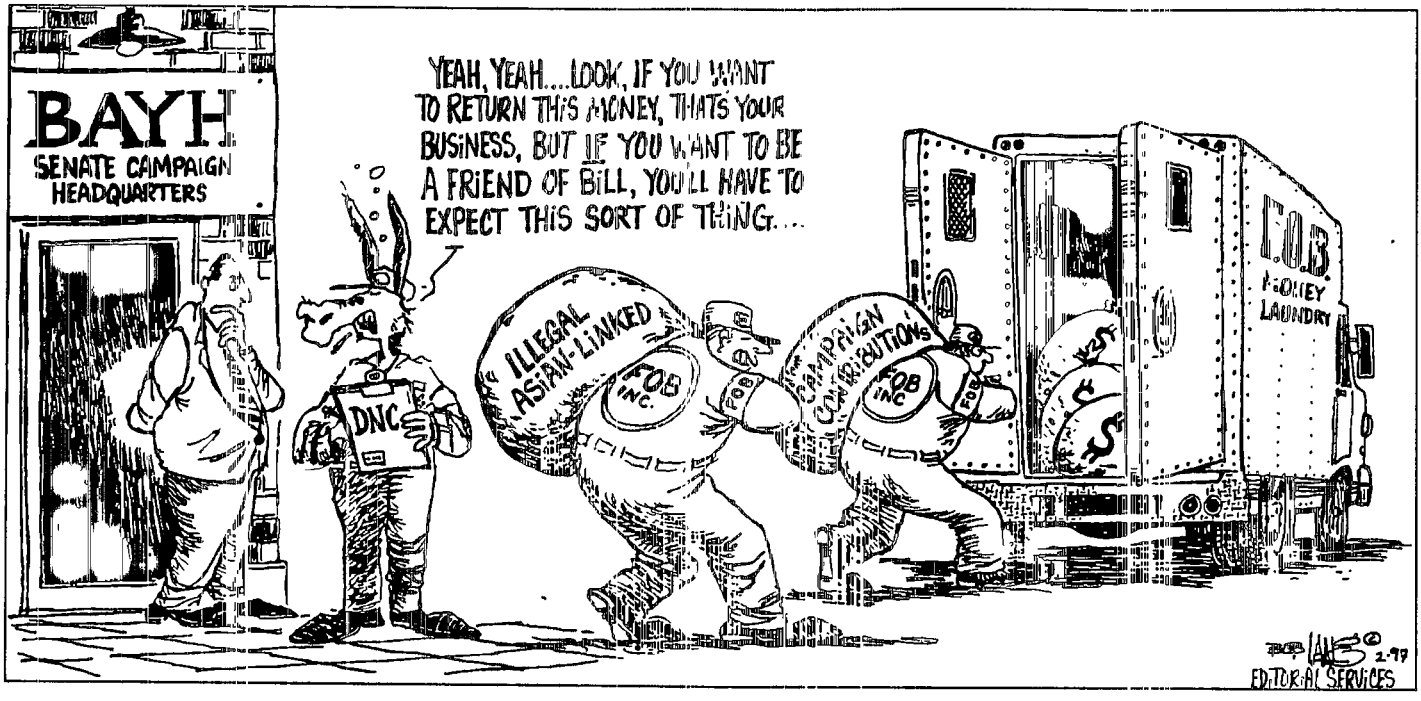

TICKER TAPE

PLAY OF THE WEEK: Gov. Frank O'Bannon gets the nod for stepping in and dealing with young Emily Hunt's towering medical bills. Emily is the young girl who was paralyzed from the chest down in an accident at the Old Indiana theme park after state inspectors failed to find defects on rides. O'Bannon committed the state to $1.5 million in tort funds for the family. This act is the first thematic act of the new administration. While it is not as dramatic as Evan Bayh's early thematic acts over the Bianco homicide and the Jack Crawford sex scandal, O'Bannon's decision sets a humanitarian tone.

Gov. O'Bannon is expected to

Continued on page 3

McIntosh puts off Senate decision indefinitely, thanks to WhoDB

INDIANAPOLIS - What has occurred with the White House database and the "selling" of the Lincoln bedroom is "outrageous," said U.S. Rep. David McIntosh on Friday morning at the Indiana Statehouse.

It's "offensive." And it is likely to cause President Clinton more severe legal problems than Whitewater ever did, McIntosh insisted. The Muncie Republican declares, "'98 is going to be a very good Republican year. It's going to be an exciting election."

The rising database scandal is also adding all sorts of new twists to Indiana's 1998 Senate race. The recently reported John Huang campaign contribution to the Evan Bayh Committee is one. Would that be a problem for Bayh?

"It's too early to tell," McIntosh said. "It depends on how much contact he had with Clinton and all of his difficulties."

It is also too early for McIntosh to decide whether he will enter the Senate race. "At this point, because of all the work, I cannot focus on being a candidate. I have to be a full-time congressman," McIntosh told HPR. "I'll come back and take a look at it later this year."

But wouldn't that be unfair to the Republican Party and other potential candidates like Fort Wayne Mayor Paul Helmke, Secretary of State Sue Anne Gilroy and attorney Peter Rusthoven?

1998 WATCH

"I think we're in a great position for the party," McIntosh responded. "I've urged them all to take the first steps. It will be a healthy process. At this point, the focus needs to be on Evan Bayh's record. If Peter Rusthoven and I'm out there talking about that, and Sue Anne Gilroy is talking about it, that gives us a lot of voices to talk about those issues. We can talk about Dick Morris' book in which he says Evan Bayh was one of President Clinton's top five advisers."

Both Helmke and Rusthoven tell HPR they will form exploratory committees within the next few weeks. "I respect David and any decision-making process and schedule he's on," said Rusthoven. "We will just proceed to go forward. I suspect it will not cause a problem for people anxious to support a candidate to proceed."

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Coats getting lofty press for his compassion

HORSE RACE

TRENDLINE: This week, we find a lone horse on the track, and a lame duck at that. Indiana Sen. Dan Coats has captured a national reputation as a "bleeding heart conservative," or as E.J. Dionne calls them, "compassion conservative" or "ComCons."

■ ■ ■

The *Washington Post* offered up this compassion test, matching the following quotes to Sen. Coats, Gen. Colin Powell, the late Sen. Robert F. Kennedy, Gov. Lamar Alexander, columnist Arianna Huffington, and President Franklin D. Roosevelt (answers on page 8):

1.) "We do need to care for our neighbors; it's a biblical mandate."

2.) "A revolution is coming - a revolution which will be peaceful if we are wise enough, compassionate if we care enough, successful if we are fortunate enough ..."

3.) "We've got to have compassion that goes along with this 'Contract with America' revolution."

4.) The Republican Party "will never be the majority party unless we address the challenge of how to care effectively for those in need...."

5.) "No business which depends for existence on paying less than living wages to its workers has any right to continue in this country."

6.) "We should be truly embarrassed that, living in the richest country in the world, we still have people who need help. The only reason we have them is because we've hired Washington to do a job we should be doing for ourselves."

■ ■ ■

The Post quoted Coats as saying, "We think government needs to do more than feed the body. The soul and mind need to be addressed."

Helmke told HPR, "I'll probably be forming an exploratory committee within the next week. I thought we'd have more definition at this point."

In the meantime, McIntosh continues to ride a huge wave of national press on the database issue. McIntosh said he was "outraged" that the White House has supplied only part of the documents his House Oversight subcommittee had requested. McIntosh said he is intrigued by the revelations of a memo from White House staffer Harold Ickes signing off on incorporating the Lincoln Bedroom in Democratic National Committee fund-raising.

"If the president signed off on that note and using the Lincoln Bedroom, people are offended by that," McIntosh said. "If they ended up using taxpayer's resources, that's a crime."

McIntosh said he is moving "cautiously" into his investigation. He is consulting legal scholars on a potential case against President Clinton. And he says the database controversy is a much greater legal problem for the president than Whitewater. "Yes, it's much more significant," McIntosh said. "In part, people from both sides of the political spectrum are offended by the president selling off our national treasures."

Last week, McIntosh was featured twice on NBC Nightly News. Anchor Tom Brokaw said on the Feb. 20 broadcast, "It's beginning to look as if the White House is a branch office of the Democratic National Committee. McIntosh said later in the segment, "It's not legal to have employees - ghost employees - at the White House. It's also not legal to have people who aren't paid by the the government working there on secret, sensitive national issues."

On Feb. 19, McIntosh said on NBC Nightly News over the topic of DNC employees working at the White House: "If you can come in for a couple of weeks, that's not a problem. But if you've been there for several years, that raises serious legal, ethical questions."

He later told NBC's Jim Miklawszewski, "There is a terrible conflict of interest there."

TICKER TAPE

select members of the Blue Ribbon Panel on tax reform in early March. "We are working on finalizing some names," said Chief of Staff Tom New. The panel will be charged with reviewing Indiana's entire tax structure and make recommendations for a comprehensive overhaul.

Secretary of State Sue Anne Gilroy is sponsoring a fund-raising event at the Omni North Hotel in Indianapolis on March 15. Cost will be $250 a couple for dinner and $1,000 a couple for a VIP round table. The theme of the event: "The beginning of something big."

Gilroy spoke to 300 Vanderburgh County Republicans at their annual Lincoln Day dinner last week and told them that Republicans will have to put aside "their petty differences" if they are to defeat former Gov. Evan Bayh (Alan Julian, Evansville Courier). Gilroy added that Democrats have adopted Republican issues and said, "They are wearing our conservative message like some trendy cologne." And Gilroy noted that some are comparing Gov. O'Bannon to former Gov. Otis Bowen, both of whom hail from small towns. "Well I know Doc Bowen, and I can tell you this governor is no Doc Bowen."

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Speaker Gregg sees harmony, talks of Bayh-O'Bannon differences

HPR INTERVIEW

" I couldn't be Mike Phillips if I wanted to be. Mike will go down in history, as well as Bob Dailey, as one with an iron fist. I'm more flexible, but I need to be more flexible."
- Speaker Gregg

INDIANAPOLIS - A conversation with House Speaker John Gregg can be a mental gauntlet, if for no other reason than the torrent of phone calls, people at the door and demands on the third helmsman to guide a 50/50 House (Michael K. Phillips and Paul Mannweiler were the others).

At one point, Gregg looked at HPR Publisher Brian Howey after a phone call and said, "I'd hate to have to transcribe that."

So, here goes, a rollicking interview with Gregg that covers such topics as the top new freshmen, the budget and working with two very different governors.

HPR: We're getting to the halfway point of the session and no one has really covered how the 50/50 House is faring this time.

Gregg: They haven't. But that's a good sign. What that tells me is that it is working. We have yet to have one blowup on the floor. Nobody has stormed out or walked out. We've only had the rule of the chair challenged once. We've had, let's see, one, two, three, four, five, six, seventh week of the session and I think it shows a couple of things. One is dealing with the 50/50 tie, giving them not the majority, you can't change that, but the responsibility to at least run the system and the committee system. (Then) once it hits second reading we're all even. But I think that by shifting it so one party is responsible has made the operation and the committee process work and shows there was merit to it. For that I commend Paul Mannweiler.

HPR: How is your relationship with Mr. Mannweiler?

Gregg: That's the reason we haven't had a blowup. He and I have a good working relationship, as well as Brian Bosma, Jeff Linder and their entire leadership. Pat Bauer and Jeff Espich have met numerous times. We've had leadership meetings in here with Paul and I and Pat and Jeff (Espich). We've met with the fiscal people, we've met with our leadership. There is good dialogue and communication in the House. That's paid off. We've had disagreements, but not personal diagreements. In the past, personalities had gotten crossed.

HPR: Usually by this point in the session, someone springs a surprise, like prevailing wage or redistricting in 1995. Will there be a surprise this year?

Gregg: No, I don't think you're going to see any surprises. The reason we're sitting here with 50 members was they took the election of 1994 and what they tried to do was exercise power. We've tried to exercise justice and I think there's a big difference. Our version of prevailing wage isn't a total repeal. There is about a six-step modification plan to it. I think it's proven that the big savings Hoosiers were going to see are not going to come about anyway. It was a power play. I think it was unfortunate and I think that's one reason we've got 50 members. Prevailing wage was the key in the Terre Haute race (Kersey over Kimmell), it was a key in the Boonville race (Stilwell over Lambert), and also the Muncie seat (Adams over Vanleer).

HPR: Are you satisfied with the pace of this session?

Gregg: I know Paul said we were working slow here and we were compared to their 1995 agenda. They came in with this 10-point agenda and they started moving it. But it wasn't the real agenda. I thought it was. I think I voted for eight or nine - most everybody (Democrats) voted for seven. But that wasn't the real agenda.

HPR: Will the political impact of the debates over fair share and prevailing wage be more moderate after this session than in 1995?

Gregg: That's already borne out. We have the fair share through here and the arguments weren't heated, it wasn't lengthy. Of course, the makeup is about the same in the Senate, Gregg says with a smile. But with that being the case, it moved through here smoothly. This place this time is kinder and gentler I don't feel that it's an armed camp when I walk out on to the floor. When it gets down to it, it takes 51 votes to pass a bill and we've seen cooperation in committee and on the floor. The whole tone is better. Both sides have some great freshmen.

HPR: Who are the standouts in both

parties' freshmen class?

Gregg: On both sides, there are a lot of good ones. I've been impressed on both sides. One thing I've noticed is their freshmen all talk with me, compared to the last time when I was minority leader and they didn't. I don't think it was because I wasn't Speaker. Last time I think some of them thought Democrats were evil, but these Ds and Rs get along well. On their side, I've been impressed with Matt Whetstone. Matt seems to understand the system. Jerry Torr seems to be a good one. On our side, it's hard to say. We've got a good mix of people. We have Brian Hasler, who comes from a good economic development background with Washington, D.C., experience. Russ Stilwell as an active participant of the United Mine Workers who understands coal, understands industry. Tiny Adams brings an urban flavor to this and not because of his union background. Tiny has been a tireless worker - one of the first ones here in the morning and one of the last to leave. Ed Mahern has gotten in here and has carved out a niche as one who sits, listens and thinks. John Frenz and Dave Crooks are good businessmen, which adds a needed perspective in our caucus and they are both self-made people. And another one who gets overlooked is Clyde Kersey. The surprise is Bob Kuzman. I know he's going to be targeted (in 1998) but here's a guy who can light a candle at both ends. I really think our freshmen are going to be a tough bunch to knock off. That means we're going to have real tight 1998 elections.

HPR: Some of the senior members of your caucus have been bitchin' and there have been the inevitable comparisons between yourself and Michael K. Phillips. They maintain that Phillips, for instance, would never have allowed multiple amendments to the budget from the caucus. How do you respond?

Gregg: I couldn't be Mike Phillips if I wanted to be. Mike will go down in history, as well as Bob Dailey, as one with an iron fist. I'm more flexible, but I need to be more flexible. You have to realize I've got only 50 members and you have to keep all 50 happy plus you have to reach out to the other side. So my position as speaker is one that nobody else has had before.

HPR: Would you operate differently if you had 51 or 53 Democrats?

Gregg: No, I'm too old to change. We have done everything we can to reach out to the Republicans and even if we had 52 or 53 we would still be reaching out to those who are moderate. We're going to have to deal with a Republican Senate for some time.

HPR: Do you see the kind of criticism from your caucus as something to be expected?

Gregg: Oh, sure. You can take criticism personally, but being from a small town, I learned a long time ago you can't. If anything, a bulk of our members like having a little more flexibility. We've stood together on most issues to date. On the bill to raise a dollar on the gaming for the Build Indiana Fund, to the surprise of the people in the hall, we were there. We'll be there on the budget. But to put us lock step on everything, that's something we don't want to do. I think our caucus is as happy as it can ever be.

HPR: Your members have talked - some bitterly - about carrying a lot of water for Evan Bayh. What are the big differences between Govs. Bayh and O'Bannon?

Gregg: I was probably criticized, and rightly so by our caucus members, for being the staunchest Bayh supporter in the caucus. When Evan would introduce a program, the way it came down, he was not real flexible. He didn't want to see changes made and that it made it more difficult. Mike did a good job with that. I've got the luxury of having a governor who comes from a different background. He also will be a great governor. Mike and I had different backgrounds. Evan was fortunate to have Mike as speaker, just as I'm fortunate to have Frank as governor. Frank is real flexible. He realizes the legislature wants to massage and move bills. It's like, here's where I'm starting, here's where I'd like to get. It's a great working relationship. I think he feels more comfortable working with the legislature and that's a great advantage I have.

HPR: Because Gov. O'Bannon is so flexible, I've wondered if he might need more of an iron-fisted speaker to instill discipline.

Gregg: I think the two of us being flexible works beautifully together. I really do.

HPR: So let's forecast what things will look like by the end of March when the legislation starts to crystalize.

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TICKER TAPE

Eric Allan Koch, chairman of the Opportunity Project of Indiana is calling the group's March 8 "Indiana Issues Conference" at the Columbia Club "the conservative event of the year." Speakers and panelists include U.S. Rep. Dan Burton, Senate candidate Peter Rusthoven, Bill Smith of the Indiana Family Institute, columnist Jackie Cissell, State Rep. Jim Buck, and Steven Ertelt of the Indiana Republican Liberty Caucus.

The Evansville Courier's Gerard Shields reports that there was a 244 percent increase in soft money contributions in Indiana between 1994, when there was $494,363 given, and 1996 when it exploded to $1.7 million. "The soft money problems started when we tried to limit contributions to candidates," said Julia Vaughn of Common Cause/Indiana. But Indiana Republican Chairman Mike McDaniel doesn't view it as a problem. "We still have freedom of expression in this country," McDaniel said. "If people want to give and it's all reported and all accounted for, I don't have a problem with it."

Darvin Stilwell, a Boonville High School teacher and brother of State Rep. Russ Stilwell, was elected Democratic chairman in

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TICKER TAPE

Warrick County. He succeeds Boonville attorney Anthony Long, who held the chair for 12 years before deciding not to seek re-election.

Gov. Frank O'Bannon has appointed David H. Maidenberg as director of the Indiana State Ethics Commission. Maidenberg had previously served as executive director of the Indiana State Election Board. O'Bannon also appointed Patrick R. Ralston as director of the Indiana State Emergency Agency. Replacing Ralston as director of the Indiana Department of Natural Resources is former state senator Larry D. Macklin.

A 50/50 vote in the House on Thursday killed a bill that would have lengthened terms of representatives to four years.

Indianapolis Mayor Stephen Goldsmith announced a plan to using savings from his competitive government intiatives to help fund the United Airlines maintenance facility, police and fire pensions, and sewer construction. He also announced a proposed tax rate decrease for city residents.

Lake County taxpayers in communities of St. John, Cedar Lake and Lake Station have

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COLUMNISTS ON INDIANA

William Safire, *New York Times*- You've long heard about "Emily's List" - a legitimate fund-raising operation created to elect women. You'll soon be hearing more about "Hillary's List" - an unprecedented abuse of federal power in political fund-raising. Officially called the White House Data Base (WhoDB), this computerized list of 355,000 names was compiled over the past four years at taxpayer expense to help the Clintons raise money to stay in power. Never has technology been married to power greed to produce such political gain. Despite an early planner's assurance that the data base was "government property and cannot be given to or used by a campaign entity," its central purpose has been fund-raising and it has been wrongfully used by DNC-paid White House "volunteers," to get payment for Clinton favors bestowed. Representative David McIntosh told NBC's Lisa Myers "the taxpayer was fleeced"; his committee will focus on how Erskine Bowles built the Mailing List From Hell. But misappropriating $1.5 million to match donors with favors is not all. What has gone unremarked is the rape of individual privacy.

Stuart Rothenberg, *Roll Call* - What do Bill Clinton, Ronald Reagan, Jimmy Carter and Dwight Eisenhower all have in common? In one way or another, they were all likable. That brings us to the 2000 presidential race, which is already under way. In 1996, Clinton could run on his accomplishments. As long as the parties stay generally where they are - and there is no guarantee that will happen - personality will take on even greater importance than in the past. For the Republicans, personality makes Gov. George W. Bush and Sen. Fred Thompson appealing as candidates. Both men are likable, and both appear comfortable talking to different kinds of Republicans and different varieties of Americans. Bush is more the congenial frat guy, while Thompson is the straight-shooting prosecutor, but they are both appealing on a solely personal level. Likely GOP contender Dan Quayle is very likable, but he has other political problems that turn his congenial style into a net minus. After all, voters look for smarts and leadership, too.

Morton Marcus, *Indianapolis Business Journal* - The same day the Dow Jones industrial average hit 7000, Thomson Consumer Electronics announced the closing of manufacturing plants in Bloomington and Indianapolis. Two days earlier, Nine West, a manufacturer of women's shoes, had announced the closing of its facility employing 200 in Crothersville. A Hoosier might wonder, "How can the stock market be doing so well while our citizens are losing jobs?" The answer seems to be, "The stock market is doing so well because our citizens are losing their jobs." Stock prices are based on the expectations investors have about the earnings of corporations. If companies can cut their costs while maintaining revenues, their earnings will rise and so, too, will their stock prices. Costs can be cut by substituting lower wages in Arkansas, Mexico or Thailand for wages paid in Indiana. It's a good deal for those other workers. It's hard to see how it is good for Hoosier workers and their communities.

Phil Wieland, *The Times* - You know you're from The Region when: You think toxic waste means it's a shame they had to shut down that old foundry. You heard who won the Civil War and wondered which local it was and what their dues were. You know for a fact that East Chicago is not in Illinois. You want the Bears to move because they'd be closer to their real fans. You think Indianapolis is a boulevard, and the capital's in Crown Point. The term "rust belt" cuts you deeply. You write with a Jay's potato chip pencil. Your favorite beach has smokestacks at both ends. You like your lake perch boned and buttered, thank you. You've walked or driven across "da Harbor." You can hardly fall asleep without freight train sounds. You've wondered why New Yorkers drop the New Year's ball an hour early. You look for rainbows on water puddles and not in the sky.

PERHAPS .. WE WANDER

By Brian Howey

Annexation becomes a major political issue

FORT WAYNE - Annexation.

Now there's a loaded local political issue that exploded onto the statewide scene this past week. It is an explosive proposition for Republicans in Allen and Hamilton counties divided by city limits. It has implications in the upcoming U.S. Senate race with Fort Wayne Mayor Paul Helmke taking a pivotal role in the debate. And it is bipartisan in nature, for in addition to the aforementioned Republicans, such Democratic areas as Terre Haute and Jeffersonville are soon to enter into this fray.

Sparking the debate are two bills: SB 326 and HB 1412, both of which passed out of their houses of origin. SB 326 requires property taxes collected from an annexation be spent only within the annexed area for five years. HB 1412 requires the court to block annexations where the city or town has a significant financial liability that would be assumed by the annexed area. As the Indiana Association of Cities and Towns pointed out, "Most municipalities have a mandated, unfunded police and fire pension liability and many have outstanding bonds for capital projects."

SB 326 pits Helmke, the three-term mayor of Fort Wayne, against freshman Sen. David Long, a former Fort Wayne city councilman. Helmke has aggressively annexed in suburban areas north and now southwest of Fort Wayne in Aboite Township. Long and Allen County Sheriff Joe Squadrito have vehemently opposed the annexation, insisting that the city offers nothing new to homeowners and businesses in those area.

Helmke sees a need for "elastic" boundaries where cities can offer services that match demographic trends. "Annexation is one tool cities and towns have to ensure orderly growth, and is necessary if services are to be provided efficiently and paid for equitably," said Helmke, who is president of IACT. "Legislators are dangerously close to creating a war between those in the suburbs and those within the city limits. This type of legislation could also spur cities to stop assisting economic development efforts outside their city limits and to start charging non-city residents more for their use of municipal facilities like parks, golf courses and even roads."

Helmke was joined by two Democratic mayors - David Butterfield of Valparaiso and Bill Gothenet of Tell City - to refute the perception that annexation was simply an issue affecting Fort Wayne and Carmel. "This bill affects every city," said Gothenet. He noted that Tell City has extended sewer and water lines to outlying areas and its expensive fire equipment serves unincorporated areas.

"Under this legislation, why should we do this?" Mayor Gothenet asked.

Butterfield was equally emphatic. "This is just bad public policy," he said.

Helmke was asked if cities were being fair to those living in targeted annexation areas. "The question that needs to be asked is this: why do we have cities? We want them to be engines of economic growth. Boundary lines need to reflect economic and demographic realities. But if we don't allow cities to grow, then you'll get inequitable and inefficient."

If cities can't annex and their growth is stilted, Helmke questioned whether there should even be cities and towns. "Let the townships and counties provide the services then," he said.

All three mayors noted that two-thirds of the state's population live in cities and towns and 90 percent work in them. Why, then, with that kind of clout already benefitting from expanded cities, did both these bills pass?

"That's why we're here today," Helmke insisted in an effort to mobilize public opinion. The mayors contended that people being annexed are always more vocal than those who have been incorporated.

Call it the squeaky wheel syndrome.

TICKER TAPE

been warned that their property tax bills will be going up dramatically (Robin Biesen, The Times). The average St. John homeowner will pay about $800 more in property taxes this year. "This situation is killing us, it is absolutely killing us," said St. John Town Council President John Taylor.

Tom Wyman of the Associated Press quoted what he called an "exasperated" former Gov. Evan Bayh on whether he should screen campaign donors. "What do you suggest we do?" Bayh asked Wyman, who was doing the story because Bayh had invited Democratic fund-raiser John Huang to a 1995 retreat in Indiana. "He was like dozens of other people who have been active politically," Bayh said. "That's all we knew. I have no reason to believe that we had reason to handle it any differently." Political scientist William Blomquist of IUPUI agreed. "He definitely has a point there. Campaigns are hard enough to keep staffed and funded to begin with, without adding an investigative branch."

U.S. Sen. Richard Lugar met with Gary Mayor Scott King to talk about highway funding and the federal government's role in reviving the Steel City. He told King that when he became mayor of Indianapolis

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TICKER TAPE

in 1968, he was authorized to have 1,100 police officers but only 800 were on the streets. In Gary, the authorization level is 238, but there are only 210 officers. Lugar told The Times, "It takes awhile to fill that gap. He is offering incentives to fill those and it's simply a sense of deja vu."

Rep. Mark Kruzan is pushing a bill that would require all Indiana campaign finance data to be posted on the state's Access Indiana Internet pages.

Former congressman Ed Roush tells Dell Ford of the Fort Wayne Journal Gazette that he wouldn't want to go back to Congress "for all the tea in China. They lost their camaraderie. They're mean. They don't respect each other as we did." Roush lost to Dan Quayle in 1976 and has lived in Huntington since.

HORSE RACE ANSWERS: 1.) Sen. Dan Coats; 2.) Robert F. Kennedy; 3.) Gen. Colin Powell; 4.) Arianna Huffington; 5.) President Franklin D. Roosevelt; 6.) Gov. Lamar Alexander.

O'Bannon, from page 1

point of the amendments lined up. "We'll have to have a spendthrift budget."

House Republicans attempted to goad Democrats into fiscal no man's land. When Rep. Ralph Ayres sought $500,000 from the Build Indiana Fund for the Calumet Trail along the Indiana National Lakeshore, Republicans like Rep. Jeff Espich attempted a wedge.

"If there isn't room for Rep. Ayres' project, there's no room for 267 other projects," Espich said, later adding, "Quite frankly, I understand the need for local projects. It's just not pork anymore. It's piggish. We are 50/50 here, but 53 percent of the people who voted voted for people on our side of the aisle."

Kruzan responded, "Rep. Espich says we're piggish. His solution is to put three-quarters of a billion dollars into this budget. I think Senate Republicans will take care of their side of the aisle when it gets over there."

Ditto, Borst indicated. "The House budget has a lot of little knits and gnats in it. It has seven pages of Build Indiana in it and that's $18.5 million. My caucuse will instruct me to put in $18.5 million in Republican projects, which we'll probably do."

In addition, Senate Republicans will attempt to address key areas of the budget the House ignored: an end to the inheritance tax and addressing the unfunded state pensions. Borst said he wanted to commit an equal amount to the unfunded liabilities that went into the 1995 budget.

Borst said it was "unlikely" that a repeal of the inventory tax would occur. "The governor would have to come out for it and to do that, the governor would have to change his philosophy 180 degrees. He's already told me he doesn't want anything done because of his Blue Ribbon Committee.

New explained that **the** administration hasn't received "any meaningful indications" as to where Borst will take the budget. The Senate Finance Committee chairman said he doesn't plan to plunge into the budget until after the break.

"You pretty much have to put everything on the table," Borst said. "I know Pat Bauer well enough to know he has a plan. I haven't seen it yet and I won't until conference committee. Pat Bauer and Mike Phillips are two individuals who always favored the conference committee. Mike Phillips once told me, 'Why have any bills? Let's have a conference committee and go home."

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Gregg: The overall goal of the session is to get a budget that's good and everybody can support and get out on time. That's the goal. It's a good reflection on the cooperation of both Chambers. That's my goal. That's the goal of Paul Mannweiler, Sen. Young and Senate President *Tempore* Robert Garton ... he loves that Latin. I know Pat (Bauer) has been talking with (Sens.) Borst and Mills a little. We have a good relationship with Peggy Boehm and the budget agency. That's not to say we won't have disagreements, but things will come together. But ever since I've been here, the budget always comes down to the last week, the last moment. Everyone wants a surplus and I think the fiscal leaders and the caucus leaders realize the economy is not as robust as it was before. We'll try to leave a healthy balance in there.

HPR: The O'Bannon education package: what's your prediction for that?

Gregg: It's moving along. The charter schools are moving along. It's my impression the dereg bill is moving more slowly but I talked with (Rep.) Paul Robertson and we'll work on that. I think we'll get out something the governor can support and be pleased with. It's hard for me to sit here and say what's going to happen in the Senate on these bills. There will be a compromise; there has to be a compromise. Our ace in the hole is that Frank O'Bannon is respected by everybody, including the Senate. When Gov. Bayh came into office, Republicans were mad and they stayed mad through 1992.

HPR: You and Rep. Bill Bailey took a lot of heat in the caucus for hearing partial birth abortion. What's the fallout from that?

Gregg: That's a bill that had 88 votes for it so it wasn't a partisan issue.