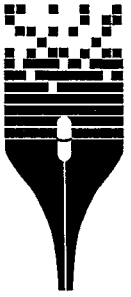
THE HOWEY POLITICAL REPORT



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Governor's tax panel is precarious

Political dangers lurk in membership, time span

INDIANAPOLIS - While the O'Bannon administration is in its earliest days of power, it may have launched its most fateful and dangerous initiative with the announcement of the blue ribbon Citizens Commission on Taxes.

While Gov. Frank O'Bannon's commission was a campaign issue last year and widely anticipated, the risk revealed last Monday is that its findings aren't due until Dec. 1, 1998. That would allow the Indiana General Assembly to work the findings into comprehensive tax reform during the next biennial budget session in 1999.

But it leaves the administration virtually no time to implement a new system or reveal its workings to voters in the 2000 gubernatorial race. And a warning shot was fired almost immediately by State Rep. Jeff Espich, the ranking minority member of the House Ways and Means Committee and a member of the panel, who said of O'Bannon, "It's a cop-out. He's hoping the commission will make a recommendation and take the heat off him" (Barb Albert, *Indianapolis Star/News*).

Even more risky is the smorgasbord approach to the noble cause that Gov. O'Bannon explained as "looking at the total tax structure. It's never been done." The risk is that the blue ribbon panel has the potential of being a bureaucratic monster out of Dr. Frankenstein's lab.

Will Sen. Larry Borst and Rep. B. Patrick Bauer be able to find common ground? Will the Chamber of Commerce's Kevin Brinegar compromise with the AFL-CIO's Chuck Deppert? Will there be a counter-personality nimble enough to catch the grenades launched by Espich? The panel is represented by just about every special interest that has ever made noises on taxes and many have sharpened swords that while sheathed at the onset will likely be ready to defend their interests.

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"QUOTE" OF THE WEEK

" Gingrich's decision is fatally flawed. Abandoning tax relief cuts the legs out from Republicans' core principle...."

- U.S. Rep. David McIntosh, in an article he wrote for USA Today

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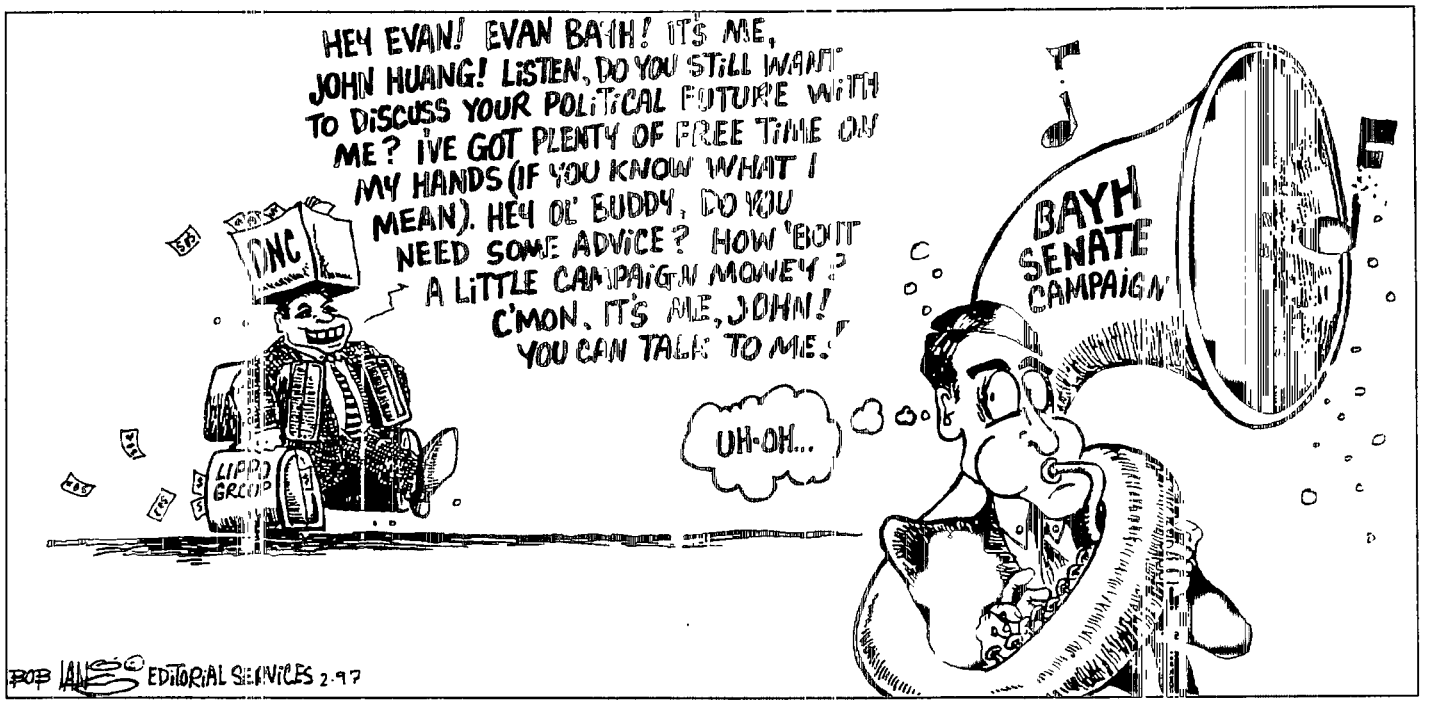

TICKER TAPE

PLAY OF THE WEEK: Gotta give it to ol' Pappy, or Jumpin' George Bush, our 73-year-old former president who sky-dived this week. It was the first time he did that since he bailed out of a burning Navy plane in the Pacific Theater in World War II. We never did think President Bush was a wimp or a lapdog.

■ ■ ■

Evansville City Councilwoman Constance Robinson, a Democrat, has pled innocent to misdemeanor battery charges filed in February after she allegedly struck her boyfriend with an axe handle.

Indiana Democratic Chairman Joe Andrew has joined the Indianapolis law firm of

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O'Bannon, from page 1

Observers tell HPR that while Prof. Kurt Zorn, chairman of the Indiana University School of Public and Environmental Affairs, is a talented scholar, he is not a dominant personality. At first glance, the question begging to be answered is which panelist will step forward to pull together consensus as opposed to presiding over the "cop-out."

William Sheldrake of the Indiana Fiscal Policy Institute is more of a technician than a consensus builder. Purdue University Vice President of State Relations John Huie is considered by some to be the closest personality to fill the consensus-builder role. But Huie has institutional duties geared toward Purdue and higher education, as do a number of other commission members.

The probable "hammer" within the committee, as one observer put it, will probably be State Budget Director Peggy Boehm, who should have good working relationships in both parties due to her past tenure in Republican Gov. Robert Orr's administration.

The ultimate "hammer," however, will have to be Gov. O'Bannon himself, who promised that he would be involved in the process. It will take O'Bannon to introduce or initiate the new paradigm needed to get the special interests off their political fulcrums.

Immense political risks

Going into the process, the time frame available to O'Bannon to make changes in the tax structure is keyed to the next two election cycles.

The Dec. 1, 1998, deadline could be a problem due to the "term paper syndrome" - putting off decisions until the last moment. Giving the committee 20 months to study and deliberate creates a process that can potentially lose its focus. Republican leaders like Senate President Pro Tem Bob Garton and Rep. Paul Mannweiler like to say there are already enough studies available.

O'Bannon resisted that notion. "I don't think there has ever been a total study," the governor said.

The administration has expressed concern that dealing with comprehensive tax reform during the 1998 election cycle - which is also a short legislative session - could set off dangerous political confrontations. "I had hoped we could get it done by the end of this year," O'Bannon explained. "In the interim, I still have a short-term tax cut that focuses on Hoosier families and the property tax.

"There is always concern as it develops

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O'Bannon steps into Lake County tax revolt

HORSE RACE

TRENDLINE: Last week we forecast that the Lake County tax rebellion could become a sticky issue in the next two election cycles as homeowners in some communities were looking at $1,000 increases from previous years. Earlier this week, Gov. Frank O'Bannon stepped in and requested the State Board of Tax Commissioners to look into recalculating the tax rates to include new construction. Phil Bremen of the governor's office told the *Munster Times* that O'Bannon had learned a full-page newspaper legal notice containing provisional property tax rates was incorrectly published six times. Bremen said the tax board is looking into O'Bannon's request "based on new information."

1998 REPUBLICAN U.S. SENATE: Secretary of State Sue Anne Gilroy challenged Evansville area charities "to try new ideas as they face this question: After the welfare state, what next?" (Polly Bigham, *Evansville Press*). Gilroy participated in a day-long United Way conference and declared that the government approach has failed "because it replaced fathers with welfare checks." Gilroy said that Sen. Dan Coats' Project for American Renewal should be enacted with its cornerstone the charity tax credit. While Gilroy said local charities are more effective at addressing the country's social problems, she added, "We must make sure we don't trade one welfare system for another welfare system." And Gilroy warned local charities "must make sure that the federal dollars now going to the state don't get stuck at the state capitol." As we reported last week, Gilroy is expected to make a decision on whether to seek the U.S. Senate seat or re-election as secretary of state in early April.

U.S. REP. DAVID McINTOSH was a major player in the Republican rebellion against House Speaker Newt Gingrich over the issue of tax cuts. Penning an editorial page article for *USA Today*, McIntosh wrote, "Speaker Newt Gingrich's position on postponing tax cuts is flat-out wrong. Gingrich says Congress should "delay" providing tax relief for working families until after the budget is balanced. Translation: Tax cuts will never happen." McIntosh added, "Gingrich's decision is fatally flawed. Abandoning tax relief cuts the legs out from the Republicans' core principle."

The political positioning here is intriguing. McIntosh has always been astute at working inside Gingrich's inner circle on Capitol Hill, but keeping a nice distance here in Indiana, where Gingrich is about as popular as lockjaw. Now McIntosh has found a nifty wedge issue that, should he happen to run for the U.S. Senate against Evan Bayh, would allow the Muncie Republican to unleash his 10-foot pole while at the same time handcuffing the former governor to President Clinton.

McIntosh's position on the tax cut issue also plays right into the heart of Bayh's forte of no new taxes. Horse Race can't help but think that McIntosh is keeping his powder dry for a Senate race, waiting to see how the political tradewinds are blowing later this summer

State Auditor Morris Wooden continues to back his friend and embattled chief of staff Robbie Hensler. The new smoke emanating from this situation are allegations that Hensler initiated the improper signing of pay slips.

While Wooden's backing of his friend may be noble, the first-term Republican is leaving himself open to a credible challenge in 1998 from a yet-to-surface Democrat.

TICKER TAPE

Johnson Smith Pence Densborn Wright & Heath. Andrew will help launch the law firms' entrepreneurial services and intellectual property practice group. Andrew joins former Attorney General Pamela Carter as prominent Democrats who have joined the previously Republican law firm.

Bill Sheldrake, president of the Indiana Fiscal Policy Institute and a member of Gov. O'Bannon's tax reform panel, told the Logansport Pharos-Tribune that the governor's proposal for removing gasoline sales tax revenue from the general fund to pay for roads "does not represent sound fiscal policy. They either need to find alternative methods of financing or determine if they need a gas tax increase. States can't make policy without thinking about economic development. That's particularly true with the case of infrastructure and roads."

One of the first things Al Hubbard did as Indiana Republican chairman in 1993 was to hot-foot over to the Indiana Senate to implore his party to reject taxes on cigarettes and hospitals. Four years later, we find Senate Republicans and Gov. O'Bannon in a tit-for-tax (pun intended) exchange over new taxes for highways. Republican

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Sen. Skillman sees campaign reform agreement coming on disclosure

HPR INTERVIEW

" For Sen. Rogers and me, we had several months to get comfortable with the change we were making, while understanding that without our caucuses we were dropping a bombshell...."
- Sen. Skillman

INDIANAPOLIS - After almost two decades in county government, State Sen. Becky Skillman has twice run for Indiana's upper chamber. Twice she found herself in competitive races and raising $120,000 to secure her election in the 44th District.

Now the Bedford Republican will be one of the conferees in an attempt to reform campaigning financing. And with that, she finds her stock rising as one of the future stars of the Republican Party.

Sen. Skillman conducted this HPR interview despite calls for her on the Senate floor last Tuesday.

HPR: How did it come about that you would be one of the key sponsors of Senate Bill 1, the campaign finance reform bill? And what were your thoughts coming into the process?

Skillman: In 1996, I was the Senate sponsor of the only campaign finance legislation that moved during that short session. That included three provisions. One on the prohibition on contributions from gaming interests, automating the records of the State Election Commission for easy access, and the establishment of the blue ribbon commission on campaign finance. So I was a logical choice to co-chair that commission last summer and fall. Being a member of the majority in the Senate, it was also logical that I would author the legislation for campaign finance. Rep. Bob Behning was the other co-chair of the committee and he had written legislation as well. But mine is the measure that is effectively moving. The designation as Senate Bill 1 was a pleasant surprise. I didn't ask for that special treatment but I think it speaks well of leadership and the importance they see in campaign finance as well.

HPR: What kind of personal campaign experiences have you had that influenced this legislation?

Skillman: I was an elected county official for 16 years before I was elected to the legislature. I was the Republican county chairman or vice chairman for 14 years during that time period. With my background in election law, I think that was a good training ground.

HPR: You had a pretty good race this time around.

Skillman: Both that and in '92 and in '96. The one in '92 was for an open seat. Obviously there is much focus on both sides when you have a contested race for an open seat. I think a legislator that represents an area that is not predominantly Republican or Democrat is a good choice to carry campaign finance reform and I'll tell you why. I'm likely to be affected more than 90 to 95 percent of the legislators by any reforms that will be put into place. Should you be a legislator who comes from a 90 percent Republican district or a 90 percent Democratic district, it might appear a little arrogant to say "We're going to change the rules for everyone in Indiana and that's not the case with me." I know that with any contribution limits or whatever, I'm going to be affected as much as anyone else. But I was willing to say the time has come to make some changes.

HPR: I've heard a number of legislators say this is crazy to have to spend this kind of money on a campaign....

Skillman: Well, indeed, it's the fund-raising pressure. My predecessor, Sen. Corcoran, and I had talked before I made the decision to run and he threw out the number of $100,000 you must raise if you're serious about this seat. It was somewhat overwhelming to someone who came from a county government background and I realized that rather than campaign in one county in my area I'm branching out into five counties. I'm confident that all the legislators agree that if there is anything we can do to reduce the fund-raising pressure. Of course in the Senate we have a four-year period in which to prepare but, undoubtedly, in the House it is a constant fund-raising effort. And I won't tell you our Senate Bill 1 does that. It takes some steps in that direction. Of course, mandatory limits are unconstitutional.

HPR: During the 1996 presidential campaign I watched Sen. Lugar being escorted into a room in Des Moines, handed a list and make

calls asking for money. Did you have to do anything like that?

Skillman: It's not a very pleasant task for me. It's very difficult to ask for money. I've been a very self-sufficient person all my life and would rather not depend on anyone. You are always pleasantly surprised when the support is forthcoming. But it takes a tremendous amount of time from the candidate.

HPR: How much did you have to raise?

Skillman: I think we now know how much it costs to run a Senate campaign in this district because in '92 and '96 the dollars were almost identical - $120,000.

HPR: You alluded to other legislators involved with this who don't have to run hard or even have an opponent at all. It sounds like Rep. Thomas Kromkowski is that type of person. I thought the bill coming out of the House was absurd because of the spending limits the U.S. Supreme Court has already shot down. Be as nice as you want to be or as candid as you want to be about that.

Skillman: (laughs) From being privy to the testimony from experts on campaign finance from the hearings this summer, we were told numerous times that mandatory spending limits were unconstitutional. I have a little problem if we could adopt mandatory spending limits to the amounts stated in the House bill. As I said earlier, I would likely have a rate that would cause you to spend more money not in the TV market. I do want to qualify that. I'm not heavily in a TV market. If we were to limit expenditures on electronic media and postage to $110,000 for the Senate and $55,000 for the House, which is $1 dollar per each constituent, it sounds reasonable except that in 95 percent of the races in the Senate, $110,000 limited to those areas is no limit. If I spent $120,000, I could assure you that not one tenth of that was spent on postage and electronic media. It might work in a House race, which have become as expensive as Senate races in many areas. One is Rep. Brent Steele, who represents an area like mine, not predominantly Republican or Democrat and spends almost equal to the amount I would spend. Yet he has half the constituents that I do.

HPR: You expressed some concerns in the *Bloomington Herald-Times* that money could be steered around campaigns through the state parties. Are these just incremental steps?

Skillman: I would prefer that we make a law and live with it for a couple of years to see how it's working. After hearing from Prof. Alexander and others on the subject there have been states who acted too hastily and adopted reforms that could not be implemented. I would like us to have dramatic reform and live with that for two or three years.

HPR: What are the guiding principles behind your legislation?

Skillman: I introduced Senate Bill 1 which was only the recommendation of the committee on campaign finance that did not include any limits on PAC contributions or individuals. I chose to add an amendment to Senate Bill 1 in committee that goes farther. Essentially the Committee on Campaign Finance recommendation was to have greater disclosure, further enforcement for the State Election Commission and with a prohibition on fundraising during the budget adoption session of the legislature. The Senate committee accepted those and the full Senate accepted them as well. For Sen. Rogers and I, we had several months to get comfortable with the change we were making, while understanding that within our caucuses we were dropping a bombshell. Many had not heard everything we heard over the summer. There were a lot of practical questions about whether in-kind contributions would go over the limit.

HPR: What kind of working relationship do you have with Rep. Kromkowski?

Skillman: Well, I don't know who the conferees will be but were I to guess I would say Reps. Kromkowski and Behning and Sen. Rogers and I. It could be quite different. But the four of us have the background of sitting on the committee for campaign finance. I think we can work together very well on what a minimum package should be and go from there. There is a lot of agreement between Sen. Rogers and I and Rep. Behning.

HPR: But where do you think Kromkowski is coming from? I know the governor is not so pleased.

Skillman: I'm not the Thought Police. I believe Rep. Kromkowski is sincere and that he thinks that by crafting some different language that our state can be exempt and ask for this

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TICKER TAPE

Sens. Morris Mills and Steve Johnson told a Statehouse press conference, "Indiana is rapidly approaching a crisis in highway maintenance and construction." The two senators maintained that "no workable solution has been offered to the legislature yet." They contended they were trying to "nudge" O'Bannon, who was accused by Mayor Stephen Goldsmith in the 1996 gubernatorial race that there wasn't "a tax he didn't hike." O'Bannon returned the nudge, telling the Senators that he was willing to entertain solutions from the legislature. Stay tuned.

The O'Bannon administration dealt a severe blow to the phone deregulation bill backed by Ameritech and GTE. The governor unleashed a report from the Office of the Utility Consumer Counselor that called Senate Bill 426 "anti competitive" and "anti-consumer." That prompted House Speaker John Gregg to call the bill "dead meat." Munster Times reporter Kevin Corcoran noted a shift in how Indiana's last two governors have gotten involved in utility matters. He noted that State Rep. Win Moses "praised" the governor "for setting an early tone on utility matters by stepping into the high-stakes lobbying battle." Former Gov.

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TICKER TAPE

Evan Bayh "shied away from such entanglements during his two terms in office. Bayh preferred to allow utility bills to reach his desk without comment, regardless of whether they were good or bad for consumers."

It was a wild week for U.S. Rep. Dan Burton, who last Thursday watched fellow Hooiser Rep. Mark Souder lead a charge to deny funding for his House Oversight and Government Reform Committee in what was described as a crushing blow in wake of allegations that Burton had "shaken down" a lobbyist for campaign contributions. Press reports described Burton as berating a reporter in his office so loudly that people were pausing outside of his office to listen. By Friday, however, the House passed the funding 213-179 that, as George Stuteville of the Indianapolis Star/News reported, "leaves him as one of the most powerful men in Washington." Stuteville noted that on Thursday, Burton "appeared nervous as he stalked the House floor lobbying Republicans. Friday morning he was relaxed, clapping colleagues on the back, smiling and clearly enjoying the proceedings." This past week, Burton hired high-powered Washington lawyer Joseph E.

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COLUMNISTS ON INDIANA

Chuck Malloy, *New Albany Tribune* - Former state Sen. Jean Leising of Oldenburg may be the most recognizable of those lining up to run for the 9th District congressional seat being vacated by Rep. Lee Hamilton. But don't assume she's a lock for the Republican nomination. The talk among Republicans is that Kevin Kellems, a 32-year-old former staffer to Sen. Dick Lugar, could be the one to beat if he decides to make the race. And for right now, that's a big "if." "The only downside is fundraising," he said. Kellems probably could get backing from a good many of the same individuals and organizations who have donated to Lugar's campaign over the years. It seems strange that a 32-year-old man who has never run for public office can run as "the experienced" candidate. But in Kellems' case, there would be no need for on-the-job training. Some GOP leaders are concerned about Leising's ability to defeat someone in the caliber of Baron Hill, and see Kellems as the fresh face Republicans need in the next campaign.

Sylvia Smith, *Fort Wayne Journal Gazette* - The leader of the House, the wizard of the GOP revolution, the grand pooh-bah of Republican power suffered a public rebuke last week. Ironically, Newt Gingrich's comeuppance was at the hands of his own party. At the center of the humiliating scolding was Rep. Mark Souder. Souder and 10 other dissident conservatives banded with the Democrats to defeat a bill to provide a whopping spending increase for the House committees' operation this year and next. It was a measure Gingrich personally lobbied for, that he sent his lieutenants to twist arms for, that he thought might be the end of his tenure as speaker if he lost. Souder's objections to the bill were completely different from the Democrats'. He and the other conservatives were furious at the idea of a huge increase in House committee budgets when Republicans had campaigned to shrink the size of Congress. If anything, Souder's stock went up among the folks who appreciate someone who stands up for conservative principles. He might not be the most eloquent speaker in the room, but when Souder's being earnest, he can resonate.

Stephen Schwarnbach, *Evansville Press* - Is the almighty feeling threatened by this cloning thing? Or is some of the hysteria we're seeing based on fear rather than fact? Fear: Cloning invades God's territory, because it creates life. Fact: Actually, cloning merely manipulates the life that is already there. Only God can create life. A husband and wife do not have the power to walk into their bedroom and create life. They can make love ... but only God creates life. Fear: a cloned human would be a soul-less, robot-like automaton who would do the bidding of its parent/master. Fact: A cloned human would be no different than having a much-younger identical twin. Fear: God never intended for babies to be conceived like this. Fact: Careful. Wise people have learned to be very cautious about speaking for God when they have no Scripture to back them up. Nowhere in the Bible does it say, "Thou shall not clone." Fear: There are some things God never intended for us to discover. Fact: Well, then, since God is all-powerful, He can probably manage to keep that particular class of secrets securely hidden from us, don't you think? Maybe even without breaking a sweat.

Phil Wieland, *Munster Times*- Unable to get the legislators in Indiana, Illinois or Michigan to back her bill, Myra Rosenbloom now must prepare herself to take on the Newt Gingrich gang. Rosenbloom has taken her in-house doctor campaign national, talking to several congressmen over the past year about introducing her bill requiring hospitals with 100 or more beds to have a doctor other than the emergency room physician on duty 24 hours a day. "My personal feeling is she raises a very valid issue and ought to have her voice heard in the Congress," (U.S. Rep. Pete) Visclosky said. "It is my intent to introduce the bill on her behalf barring some unforseen developments."

PERHAPS... WE WANDER

By Brian Howey

Michigan City's mayor gores a beautiful ox

MICHIGAN CITY - Not so long ago, this was a place where caucasian males could get naked with Oriental ladies, and Hoosier women would come to town each summer clad in swimsuits with the idea of becoming Miss America.

Mayor Sheila Brillson has rattled all of that. One of her first initiates as mayor in 1996 was to close down six massage parlors that catered to not only local traffic but those coming off I-80/90 and I-94.

Now the first-term Democrat has the city in an intense debate concerning the Miss Indiana Scholarship Pageant which has been held there for the past four decades. Pageant supporters wondered why the mayor hadn't organized the customary luncheon for contestants this summer. The mayor was then asked by the *Michigan City News-Dispatch* why.

"I responded that while I have no objection to the pageant taking place, I disagree philosphically with the event and I will not use the office of Mayor to promote it," Brillson explained in a letter to HPR. "I stressed that my message, which I deliver consistently to our young citizens, is that hard work, education and perseverance are the true ingredients to success.

"I could not have guessed at the publicity this issue would generate," Brillson explained. "Comments have ranged from editorials in support of my position to a most unusual letter from the CEO of the Miss America Pageant who tacitly agrees that the pageant could not exist without inclusion of the swimsuit competition and suggests that I 'compromise' my position."

Meanwhile, the Michigan City Chamber of Commerce has formed a task force to promote and encourage local involvement in the pageant. "With the lack of support from the mayor, we felt it especially important to release a statement to let state pageant officials know that the mayor does not necessarily represent the majority viewpoint on this issue in Michigan City," said Chamber President Brad Allamong, who was also a 1996 Republican primary congressional candidate. "In fact, the Chamber will work to fill the void of her participation. The public message we want to send to other Indiana communities is, 'This pageant stays.'"

Added Paul Alinsky, vice president of the Michigan City Economic Development Corporation, "The publicity we receive is something we couldn't afford to buy. I hope the mayor has not endangered the pageant by her lack of support."

The plot thickened when Hoosier newspapers weighed in. The *News-Dispatch* editorialized, "We admire Mayor Brillson for her strong personal convictions, but she should have been more diplomatic and held her tongue. That would have been wise. Unfortunately, when people from all over the state hear about the Miss Indiana Pageant, they may remember Michigan City as not being a very gracious host."

News-Dispatch columnist Deborah Sederberg responded, "Some of us are proud of the mayor's courage. Those who ask the mayor to mind her manners and go with the flow might want to remember that the mayor is elected to direct the flow. No one has elected the Chamber of Commerce to anything."

The *South Bend Tribune* editorialized, "Brillson has responsibilities that take precedence over being the city's No. 1 cheerleader. She's also Michigan City's No. 1 role model for girls and young women. Beauty, as they say, is only skin deep. But we hope the mayor has thick skin. She may need it."

And T*he Indianapolis Star* wrote, "In saying no ... Brillson (has) angered some constituents and probably lost some votes. But it is gratifying to know there are elected officials willing to put principle before politicking."

TICKER TAPE

diGenova to respond to the FBI investigation in regards to having shaken down lobbyist Mark Siegel. And Siegel announced he would be testifying soon before a grand jury. DiGenova prosecuted South Bend native Jonathon Pollard in 1987 for spying on behalf of Israel.

U.S. Rep. Lee Hamilton believes that "if the cloning of human embryos is possible it will happen somewhere, sometime. The history of science is the history of dominance of science and technology, and Presidents and Congresses do not have the power to defy it. I am extremely reluctant to see government poking around in the business of deciding what scientific research can go forward and what cannot." Hamilton added that in the wake of cloning Dolly the Scottish sheep, "I have a sense that a towering wave is about to crash over us."

Last week, HPR reported that "Robert Laird" was the Shelby County Republican Chairman. Actually, the chair is "Roger Laird." He wrote HPR and in pointing out the error said, "Robert Laird is my father, and he is much too intelligent to become a county chairman."

County taxes are under fire in LaPorte and St. Joseph Counties. The LaPorte County Council voted 6-1 to reduce the

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TICKER TAPE

county adjusted gross income tax to a half percent (Stacey Manner, Michigan City News-Dispatch). In St. Joseph County, a poll conducted by Mason-Dixon revealed 57 percent oppose a county option income tax while 26 percent support it (Jack Colwell, South Bend Tribune). The findings were reported the day before the South Bend City Council was to vote on the option tax. "Council members, as their counterparts on the County Council already have done, will have to balance anti-tax sentiment against any perception of community needs for more revenue," Colwell wrote.

HPR Publisher Brian Howey will be writing on social issues for NUVO Newsweekly in Indianapolis. Howey's joining the NUVO staff will not change his publication of HPR. Since joining NUVO, Howey's weekly political column will no longer run in the Indianapolis News. Howey's column will begin running weekly in the Churubusco News and the Albion New Era beginning this week.

Next HPR edition will be published on April 11

O'Bannon, from page 1

through next year during a campaign year is that one of the great ways to campaign is to campaign against something. I don't want this debate to enter that campaign any more than it has to."

In recent history, legislators and their leadership have prioritized short, innocuous sessions that allow them to spring back into their districts with trophies of success (like the 1996 excise tax cut) or ammunition to aim at their opponents.

By waiting until 1999, O'Bannon risks dealing with Republicans controlling both chambers. While there is the current 50/50 split in the Indiana House, the Democrats will have to weather the so-called "Six Year Itch" election in 1998 that has historically been cruel to the party occupying the White House and even more so with the numerous scandals swirling around Washington, D.C.

Republicans will also have their appetites whetted for reclaiming the governor's office after a 12-year absence.

While Espich called the O'Bannon plan a "cop-out," O'Bannon was optimistic that something will emerge that can pass in 1999. "I would hope they will come up with a plan that I can ask the legislature to approve," O'Bannon said, while acknowledging, "It's very difficult. It's never been done. I just want to move forward. We might have to take it in steps. I can't predict. We're dealing with the most difficult issue and that's taxes."

HPR Interview, from page 5

waiver.

HPR: What kind of conversations have you had with Gov. O'Bannon and his staff?

Skillman: Actually the introduced version of House Bill 1844, which was the governor's bill, was the same package in the Senate that I authored. We have discussions with the governor's staff only in the first few weeks. I know from other reports I've read and interviews the Governor has done that we have a lot of agreement and that a minimum package should be for reform. The governor would like to see the disclosure and enforcement provisions remain and I think that's a given. That's going to happen. The prohibitions on fund-raising, and the governor would like to see limits on individual contributions and on PAC contributions. So I think there is a lot of agreement between the Senate and what the governor wants.

HPR: Will there be disclosure provisions that will spell out ties between donor vendors and candidates?

Skillman: For the most part it's cleaning up that period of time when there is no reporting of large contributions before the election. People wait until after Election Day to disclose their $50,000 contributions. And we move one other reporting period closer to Election Day. You would have to report the occupation of anyone making a loan to the committee. But if you recall the Senate removed the provision calling for the occupation of any contributor. I voted against the removal of that provision, Sen. Rogers and I did.

HPR: Outside the Statehouse, I just don't hear regular folks talking about campaign finance reform at all.

Skillman: I think you've hit on an excellent point. I was frustrated that during this 10-month-long committee that included several remote broadcasts to Crown Point and New Albany, we were on the Ball State campus, we were on the IUPUI campus. We gave the public at large numerous opportunities to testify and have some input. Often the 25 to 30 who came to testify were always from Indianapolis.

HPR: What do you think will happen with the conferees?

Skillman: There is a great deal of agreement on disclosure and the enforcement on campaign finance. I think there's a great deal of agreement on the prohibition of fund-raising during the budget adopting session. I think there's not so much agreement on PAC contributions and limits on those and limits on individuals.