In a twist few had foreseen, a fledgling governor turns up the heat on legislative Republicans

By BRIAN A. HOWEY

INDIANAPOLIS – Any Hoosier who crosses paths with Gov. Mike Pence these days knows that the avenue of the future is his 2012 campaign “Road Map.” From a policy standpoint, the ultimate destination is Pence’s 10% income tax cut.

On Tuesday, before the Indiana Association of Cities and Towns, the governor found a crowd of mayors and legislators, many of whom are against the tax cut. Pence acknowledged that, saying “I know there is some disagreement within the organization” before he made his case: Tax relief for 4.4 million middle class Hoosiers, a benefit to 83% of businesses. “I ask you from my heart, keep an open mind.” That night at the Marion County Republican Reagan Dinner, WISH-TV reported that about half of those present applauded when Pence made his tax cut pitch. House

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Hershman pushes back

By MAUREEN HAYDEN

INDIANAPOLIS – If you’re outside the Indianapolis TV market, you may not have seen yet the Americans For Prosperity ad that demonizes the House Republicans for resisting Republican Gov. Mike Pence’s tax cut plan.

But GOP Senate Tax and Fiscal Policy Committee Chairman Brandt Hershman has. And he’s not impressed.

The mild-mannered, measured-worded Hershman describes it as “disingenuous” in content

“What should we do?”

- Warsaw Mayor Joe Thallemer, pressing legislators on a meth bill following a motel lab explosion in his city last weekend
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and “overheated” in rhetoric.
The ad is part of a statewide media campaign recently launched by a national Tea Party organization with ties to Pence and founded and funded by the billionaire Koch brothers of Kansas. “It reminds me of the rhetoric that takes place in Washington, D.C.,” Hershman told me last week. “It’s very aggressive in its message.”
The one-minute ad is a rip-off of a campaign commercial that former Gov. Mitch Daniels once ran. It starts with the muscular “Mutiny on the Sea” music and flashes of newspaper headlines touting the state’s budget surplus.
Then it abruptly switches to ominous music and headlines that point to the GOP House budget plan – now in the Senate – that includes $1 billion more in spending than Pence’s proposed budget and excludes Pence’s plan to cut the state income tax rate by 10 percent.
It ends with words flashing on the screen: “Will Indiana grow the economy? Or grow government spending?”
Hershman (pictured), a fiscal conservative with high ratings from pro-business and pro-tax reform groups, would like people to believe that he and his GOP colleagues in the General Assembly have been working for the first option and against the second. His major criticism of the ad is the role of the AFP “in misrepresenting the House Republican budget as a billion in new spending,” he said.
The ad, he said, fails to acknowledge that much of that spending is the backfilling of prior cuts (to schools and other public services like road repair) that was due to the sharp drop in state revenues brought on by the 2008 recession.
He’s hoping viewers of the ad will understand the reluctance of GOP lawmakers who remember that after Indiana built up a big budget surplus in 1998, a series of subsequent property and income tax cuts led to a $1.3 billion deficit six years later, prompting what Hershman recalls as “painful and difficult” decisions about what state services to slash.
And that those same viewers might be skeptical of a one-minute ad funded by an outside organization that taps into the anxiety and anger of taxpayers—emotions that Hershman attributes largely to the dysfunctional climate of Washington, D.C.
“It’s not a bad idea to have aggressive debate on tax and budget issues,” Hershman said. “As long the debate is civil and reasonable.”
The Americans for Prosperity ad, meant to browbeat reluctant Republican lawmakers, is running at the same time that Indiana’s Republican governor is traveling the state, urging voters to browbeat their legislators into accepting his plan.
Hershman said “good public policy” needs to drive the debate among legislators, not fear that an outside special interest group will come after them. (The fear is real: The Americans For Prosperity brought down Republicans who dared to disagree with a similar tax cut plan proposed by GOP Kansas Gov. Sam Brownback last year.)
“If you start allowing your decisions or the process to be influenced by fear of any special interest group, it diminishes your effectiveness as a legislator,” Hershman said. “I’m not going to do that.”

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Pence, from page 1

Speaker Brian C. Bosma and Pence "haven’t fought publicly over the issue," WISH reported, but Pence hinted at tension between the two when he referred to Ronald Reagan’s "11th Commandment" that Republicans not fight among themselves.

But in the "who’d a thunk it" category, this road map has now pitted the fledgling governor in a showdown with Republicans in the Indiana General Assembly, fueled by out-of-state money from the Koch Brothers and their Americans For Prosperity advocacy group.

And there is a “man behind the curtain,” a political “Machiavelli” from Oz, who didn’t arrive via a hot air balloon from Omaha. Instead, the key character in this Indiana story with a vital link from Kansas is a political operative named David Kensinger.

According to the website Political Fiber, Kensinger has a long history with Kansas Gov. Sam Brownback, like Pence an evangelical conservative Christian who returned to his state after more than a decade in Congress. Kensinger was Brownback’s campaign manager in his 1998 reelection bid, became executive director of GOPAC Inc., described as “the nation’s premier training ground for Republican activists and candidates,” from 1999 to 2001 before he returned as Brownback’s Senate office chief of staff.

Kensinger & Associates was formed in 2004 before he created the firm Road Map Solutions, a not-for-profit corporation. As chairman of Road Map Solutions, Kensinger said in a prepared statement, “In this role, I will be free to advocate in the public square for policies which will fulfill the goals described in Gov. Brownback’s Road Map for Kansas: Private sector job growth, increased personal income, improved fourth grade reading scores, expanded opportunities for college age Kansans and a reduction in childhood poverty.”

Road Map Solutions was described to Political Fiber as “Brownback’s policy organization.” But Kansas Democrats see Road Map Solutions as an organization prepared to take on and oust “moderate Republicans” in the Kansas Senate, some of whom proved to be obstacles in Brownback’s crowning policy achievement, an income tax cut.

Sen. Minority Leader Anthony Hensley, D-Topeka, told Political Fiber, “The plan is for him (Kensinger) to basically run those conservative Senate campaigns.”

In 2011, the Kansas City Star reported: “The departure of Gov. Sam Brownback’s chief of staff David Kensinger during a bruising legislative session has raised questions throughout the Kansas political world. Last week, Brownback, a Republican, announced that his longtime assistant and strategist left to take on two jobs: Work on Republican U.S. Rep. Mike Pence’s campaign for governor of Indiana and serve as chairman of Road Map Solutions.”

On Election Night 2008, Kansas U.S. Sen. Pat Roberts declared, “The true Machiavelli of Kansas, David Kensinger, our pit bull without lipstick, whose expertise in this new and very different world of political campaigns is unrivaled. David mounted the parapets, waved the flag, fired the first and last shots and led our troops to victory.”

Kensinger’s client – then candidate Pence – adopted the “Road Map” theme and unveiled his top campaign priority in July 2012, the Pence 10% income tax cut. And it happened without the imprimatur of Bosma or Senate President David Long. Pence was elected in a surprisingly close race last November over Democrat John Gregg, winning by just 2.7% with 49% of the vote in a race most thought would be a blowout. There were two key reasons for Pence’s tight victory. He refused to wage a negative campaign, and he was a victim of the Richard Mourdock ticket drag. The Mourdock component is part of a broader Koch Brothers and AFP strategy: Remove the GOP “moderates” such as Sen. Dick
Lugar, and replace them with ideological anti-tax, anti-government Republicans like Mourdock.

Kensinger also has franchised his "Road Map" from Kansas to Indiana. The 2010 "Road Map for Kansas" and the 2012 "Road Map for Indiana" both included increasing personal income, private sector employment, improving grade school reading levels, improving the quality of the workforce, and decreasing the number of those who live in poverty.

At any Pence Lincoln Day speech, at any Pence press conference, in his State of the State address, the Road Map – actually a staple in Daniels' self-scripted 2004 breakthrough gubernatorial campaign – is a constant point the new governor makes.

A high ranking Pence administration official described Kensinger as "our campaign consultant" and that he "continues to be a friend."

What is troubling for Bosma and Long is the prospect of a 2016 Pence presidential bid, one that would also be funded with the help of the Koch Brothers. The one policy peg this potential campaign needs is the Pence income tax cut.

Bosma, in an op-ed article in Sunday’s Indianapolis Star, explained, "When Republicans regained the House majority, our first order of business was to fill that hole through cuts, and not the tax increase proposed by Gov. Daniels. It was painful and difficult but sustainable in the long run because it avoided the wild shifts experienced in other states. I was uncomfortable being on the opposite side of Gov. Daniels’ 2005 tax increase proposal and I am not very comfortable being on the opposite side of Gov. Pence on the income tax cut proposed in 2013. But comfort isn’t the point; long-term vision is. Gov. Pence points to Kansas as a model for his tax cut proposal, and I would encourage you to look online at the fiscal instability resulting from Gov. Sam Brownback’s tax cut.”

**What’s the matter with Kansas?**

What we find in Brownback’s Land of Oz is a festering policy and political mess. Brownback and Republicans in the state legislature passed an overhaul of the Kansas tax code, which significantly reduced income taxes, particularly on those in the top income bracket and on small businesses. The Kansas City Star described it as a “grand gamble.”

“My faith is in the people of Kansas, not its government,” Brownback said at the signing.

Political Fiber reported: The result of the tax cuts is an estimated $327 million budget shortfall between spending commitments and state revenue. Conservatives insist the tax cuts will stimulate long-term economic growth and bring in more future revenues, but critics aren’t so sure.

Fox News reported that moderate GOP senators were targeted even before they joined Democrats in resisting Brownback’s successful push for income tax cuts. The state will decrease its individual income tax rates for 2013 and exempt the owners of 191,000 businesses from all income taxes in hopes of stimulating the economy, but critics believe the changes will favor the highest earners. Also, with legislative researchers projecting that budget shortfalls will emerge by mid-2014, critics fear that big cuts in education and social services funding will result.

Some moderate Republicans saw the Kansas primary as a referendum on what they called a radical conservative agenda, and Kansas Democratic Party officials said hundreds of their party's members were concerned enough to reregister temporarily as Republicans to help moderate incumbents. Conservatives defeated Sens. Pete Brungardt of Salina, Bob Marshall of Fort Scott, Tim Owens of Overland Park, Roger Reitz of Manhattan, Jean Schodorf of Wichita, Ruth Teichman of Stafford and Dwayne Umbarger of Thayer.

Since then, the courts have ruled that Kansas must restore $400 million in cuts made to education, part of the fallout of the Brownback tax cut. In a PPP Poll published earlier this year, Brownback’s popularity had plummeted to 37% approve and 52% disapprove, endangering his planned 2014 reelection.

High ranking Pence administration sources tell HPI that comparing Indiana to Kansas is an apples and oranges scenario. They say that the “comparison falls apart” because Gov. Brownback didn’t get his entire tax package through.

“They killed part of his plan and now they characterize it as a self-fulfilling prophecy. When you look at the details, that is pretty clear. Brownback is doing Phase II this session,” the source said, adding that at least eight states are in the process of cutting income tax rates.

OMB Director Chris Atkins, who developed policy for the Pence campaign in 2011-12, told HPI in a text message on Tuesday that he has studied the Kansas experi-
ence. “What happened was that Brownback proposed a big tax cut, partially paid for by some base broadening, but it was still a net tax cut. (The) legislature took his pay fors out and then dared him to sign it. He did. And this year they are putting the pay fors back with even more long term tax relief. They are not turning their backs on tax relief, just making the plan look more like it originally did.”

Atkins then made his case for the Indiana tax cut. "We have gone from one of the lowest tax burden states to (the) top 25," he said in an email this morning. “Taxes are a proven factor in economic development, along with roads, quality of workforce, and stability of regulatory climate. And many other states are moving to cut income taxes this year. The governor wants to make progress on all the key factors of economic development including taxes. And we have an historic opportunity to do that given our $1.2 billion structural budget surplus.”

And in a phone call this morning, Atkins added, “In terms of continuing the policy of the last eight years, this makes sense. If you look at the size of the surplus - $1.2 billion - we're wanting to cut $500 million. That leaves $700 million to invest.”

**Hoosier GOP fratricide?**

In November at an Indiana Chamber of Commerce legislative preview, both Bosma and Long expressed skepticism about the Pence tax cut. "We've already done tax reform," said Long. "Those two areas will put a damper" on Pence's proposed income tax reduction.

“David is setting the right tone,” said Bosma, who added that the key word will be "caution" as Indiana faces a potential decline in gaming revenues while the economy has an uncertain future. "We've cut back where we need to. And we absolutely will live within our means. That's the key. The fiscal fog is thick.”

Bosma suggested an income tax cut could throw the Indiana tax equation “further out of balance.” He added that any new tax policy must be "sustainable and conservative.” Both Long and Bosma suggested there would be more support for moving up the timetable on the inheritance tax phase-out.

Also reported in the Nov. 27 edition of Howey Politics Indiana was this nugget: HPI asked the two legislative leaders if they were in Pence's loop when he announced the income tax cut last July. The body language from the two was tense and the words, terse. Bosma said he had asked the Pence campaign to keep him apprised. And he wasn't. Pence and Long have yet to sit down and talk.

Bosma and Pence have, but the speaker dropped another little bomblet, saying the income tax cut didn’t come up. “I think on purpose,” Bosma said.

GOP sources tell HPI that Pence and Bosma communicate regularly – at least weekly – and that at times the speaker had encouraged the governor to move away from the income tax cut as his top legislative priority and opt for other legislation that would, for example, help close the skills gap in the labor market while gaining bipartisan support.

High-ranking Pence administration sources tell HPI that administration agency heads “are meeting with committee chairs every week,” shooting down the notion that was portrayed in the Indianapolis Star last weekend that the administration has been “silent” on key issues.

Rank and file Republicans like sophomore State Rep. Jud McMillin and freshman Cindy Ziemke have expressed doubts about the tax cut. “If it’s $62 a year, most people are saying they’d rather we keep it and put it on the roads,” Ziemke said at a forum in Oldenburg. "If you just ask people if they want a tax cut, they say yes. If you delineate what it is, their response is different," McMillin said in a Richmond Palladium-Item report.

But it's the McMillins and Ziemkes who are now being targeted by Americans For Prosperity, as well as Senate Republicans, when the budget – emerging from the House without the Pence tax cut – will be up for debate and passage over the next three weeks.

Some believe this could be the opening salvo of a GOP civil war that has already played out in Kansas. The $102,000 ad campaign bought on Indianapolis TV stations is aimed at swaying the votes of the Republicans who are on a path to deny the presidentially ambitious Pence with his top legislative priority.

Chase Downham heads the Indiana Chapter of Americans For Prosperity. His wife, Gloria Downham, is the executive director of government efficiency and financial planning at the state’s budget office, headed by Atkins.

In announcing the ad campaign at a Statehouse press conference, which no Republican legislators attended, AFP President Tim Phillips explained, "I am proud to visit the Indiana Statehouse today to support Governor Pence's proposed tax cut, an important next step in making Indiana the beacon of economic freedom in the Midwest. Governor Pence's tax cut will build on Indiana's leadership in the areas of fiscal restraint, lower taxes, school choice for Hoosier families, and right-to-work for Indiana's workers. We hope both parties in the Indiana legislature will support this important measure and continue down the path of..."
What is unnerving these Republicans is the Brown-nor.

And while Bosma and Long have cautioned their caucuses and constituents about the tax cut, fearing it could lead to future budget deficits, beneath the surface they are seething. “Some people in the caucus feel betrayed,” one Republican insider told HPI. “It’s just the nature of that ad.” These Republicans view Pence as coming from Washington, where budgets are not balanced and bipartisan problem-solving is rare.

The AFP also produced a “halftime scorecard” that had Republicans shaking their heads and scoffing in ridicule. It rated Democrat Reps. like Pat Bauer, Vernon Smith, Scott Pelath and Terry Goodin ahead of venerable conservatives like Reps. Eric Turner, Jerry Torr, Bill Friend and Ron Bacon.

The AFP ad is set, ironically, to “Mutiny on the Sea” – music the Daniels reelection bid used in 2008 – and it features a series of headlines touting the Daniels era budget surpluses, followed by other headlines which detail how the Republican budget doesn’t include the tax cut and that it spends $1 billion more than the Pence administration wants.

It prompted Bosma to take an unprecedented step in sending a letter to the 92 Republican county chairmen. “I apologize for including you in this ‘family discussion,’” Bosma said in a three-page Feb. 19 letter. “While Senator (David) Long and I encouraged the governor to keep our discussions in his office while we reviewed options and solutions to any disagreement (as we successfully did on many occasions with Governor Daniels), our members are now faced with public discussions at Lincoln Day dinners and with our party leadership, and I felt it best that you have all the facts to help us move forward.”

Bosma then built a case against the income tax cut. The Tax Foundation rates Indiana’s income tax as the best in the nation among the 41 states that have income taxes. He urged an expedited elimination of the inheritance tax. Bosma told the chairs that a “member of our political staff” would be contacting them. He gave the chairman his cell phone number and urged them to keep in touch.

There had been speculation that while Bosma, Long and Senate Appropriations Chairman Luke Kenley and Senate Budget Chairman Brandt Hershman might be obstacles, the “true believers” in both the House and Senate would rally around their newly elected conservative governor.

What is unnerving these Republicans is the Brown-back experience. They fear a scenario where “unsustainable” tax cuts are passed in 2013, Pence opts for a presidential bid in 2016 instead of a reelection bid, and if the economy tanks, the $2 billion surplus becomes a deficit, requiring tax increases for the bailout. Newly released unemployment rates have seen Indiana’s spike from 8.2% to 8.6%.

Bosma told reporters after the first half of the session that “we’re not having a fight, we’re having a discussion.” Bosma added that he has had a “long conversation” with the governor and added, “Disagreement doesn’t mean disloyalty in either direction.”

The political blade

Through it all, Pence has steadily adhered to the tax cut, a risky policy and political move for a congressman who in his 12 years on Capitol Hill introduced no successful bills, though his staff points out that Pence routinely influenced legislation.

In a Sunday op-ed piece opposite Bosma’s in the Indianapolis Star, Pence wrote, “With the state reporting the largest budget surplus in history, people should be able to keep more of what they earn. As governor, I am just as concerned about the family budget of every Hoosier household as I am about the state government’s budget. When it comes to excess government revenues, it’s not a question of whether the money will be spent, it’s who is best-suited to spend it. I will always believe that the people of Indiana will spend their own hard-earned dollars more productively than any agency of government. Lowering the income tax is the best way to help the most people. While corporate tax relief would benefit 17 percent of our businesses and estate tax relief would benefit 5,000 estates, 83 percent of businesses and 4.4 million middle-class taxpayers would benefit under my tax plan.”

In a New York City American Spectator dinner for Pence in 2010, the Huffington Post reported: The most prominent among them was the controversial billionaire and Tea Party backer David Koch (pictured), who was seated at Pence’s right hand for dinner, a position equal to his stature. Pence’s choice of aides for the evening also suggests the event wasn’t purely dedicated to intellectual pursuits: The lawmaker arrived with fundraiser Lisa Spies, director of his political action committee, and his chief counsel, Josh Pitcock. He also brought GOP pollster Kellyanne Conway, to whom his campaign paid $23,000 last year for market research.

Now Pence finds himself in a political battle with his own party, themed by a Machiavelli from Oz, and funded by the Koch Brothers.
Republicans begin an unprecedented level of soul searching

By BRIAN A. HOWEY

INDIANAPOLIS – Indiana Republican Chairman Eric Holcomb signed off on a scathing self-appraisal by the Republican National Committee. The 100-page “Growth and Opportunity” book was released on Monday and assessed why the party has lost four out of the last six presidential elections and is losing young and minority voters.

It was an unprecedented self-appraisal by a party that was stunned when it lost to President Obama last November with the jobless rate hovering around 8%.

"It has reached the point where in the past six presidential elections, four have gone to the Democratic nominee, at an average yield of 327 electoral votes to 211 for the Republican," the report said. “During the preceding two decades, from 1968 to 1988, Republicans won five out of six elections, averaging 417 electoral votes to Democrats’ 113. Public perception of the Party is at record lows. Young voters are increasingly rolling their eyes at what the Party represents, and many minorities wrongly think that Republicans do not like them or want them in the country. When someone rolls their eyes at us, they are not likely to open their ears to us.”

On the topic of minorities, the report noted, "America is changing demographically, and unless Republicans are able to grow our appeal the way GOP governors have done, the changes tilt the playing field even more in the Democratic direction. In 1980, exit polls tell us that the electorate was 88 percent white. In 2012, it was 72 percent white. Hispanics made up 7 percent of the electorate in 2000, 8 percent in 2004, 9 percent in 2008 and 10 percent in 2012. According to the Pew Hispanic Center, in 2050, whites will be 47 percent of the country while Hispanics will grow to 29 percent and Asians to 9 percent. If we want ethnic minority voters to support Republicans, we have to engage them and show our sincerity.

President George W. Bush used to say, "Family values don’t stop at the Rio Grande and a hungry mother is going to try to feed her child.” When Hispanics heard that, they knew he cared and were willing to listen to his policies on education, jobs, spending, etc. Because his first sentence struck a chord, Hispanic Americans were willing to listen to his second sentence. We heard this from other demographic groups as well. President Bush got 44 percent of the Hispanic vote, a modern-day record for a Republican presidential candidate. in the last election, Governor Romney received just 27 percent of the Hispanic vote. Other minority communities, including Asian and Pacific Islander Americans, also view the Party as unwelcoming. President Bush got 44 percent of the Asian vote in 2004; our presidential nominee received only 26 percent in 2012.”

The New York Times reported in today’s editions: Republican opposition to legalizing the status of millions of illegal immigrants is crumbling in the nation’s capital as leading lawmakers in the party scramble to halt eroding support among Hispanic voters — a shift that is providing strong momentum for an overhaul of immigration laws.

Holcomb, recently reelected to a second term at the behest of Gov. Mike Pence, observed, "It is important to constantly reassess, reevaluate and improve in order to be successful.” In an interview Tuesday with HPI, Holcomb explained, “It proves we are serious about righting the ship. We need a course correction, but it doesn’t mean we abandon our principals.”

Holcomb added, “We know that most Americans - we may disagree on many different issues - but we know there is one unifying issue and that’s the economy and jobs. If we’re AWOL to the jobs and economy, if we’re not relating to the jobs and economy and what it means to them, then we’re not going to get a chance to go in a defend these positions. We just elected a president with record high unemployment rate. Why? Because we were not sufficient on the issue that united everyone.”

Holcomb continued, “What motivates me was there were no constraints on the constructive criticism. this exercise was meant to bring out as many ideas as possible. There was no stifling because the topics were uncomfortable to talk about. There was a move to get people to contribute what’s on their minds.”

Republican National Chairman Reince Priebus came to Indianapolis on March 5 and met with Gov. Mike Pence, Holcomb and a couple dozen other Republicans.

“There’s no one reason we lost,” Priebus said when he unveiled the report. "Our message was weak, our ground game was insufficient, we weren’t inclusive, we were behind in both data and digital, and our primary and debate process needed improvement.”

The GOP report added, “At our core, Republicans have comfortably remained the Party of Reagan without figuring out what comes next. Ronald Reagan is a Republi-
can hero and role model who was first elected 33 years ago - meaning no one under the age of 51 today was old enough to vote for Reagan when he first ran for President. Our party knows how to appeal to older voters, but we have lost our way with younger ones. We sound increasingly out of touch.”

The report quoted Mike Gerson (a former aide to U.S. Sen. Dan Coats) and Pete Wehner wrote recently, “It is no wonder that Republican policies can seem stale; they are very nearly identical to those offered up by the Party more than 30 years ago. For Republicans to design an agenda that applies to the conditions of 1980 is as if Ronald Reagan designed his agenda for conditions that existed in the Truman years.”

The report added, “The Republican Party needs to stop talking to itself. We have become expert in how to provide ideological reinforcement to like-minded people, but devastatingly we have lost the ability to be persuasive with, or welcoming to, those who do not agree with us on every issue. Instead of driving around in circles on an ideological cul-de-sac, we need a party whose brand of conservatism invites and inspires new people to visit us. We need to remain America’s conservative alternative to big-government, redistribution-to-extremes liberalism, while building a route into our party that a non-traditional Republican will want to travel. Our standard should not be universal purity; it should be a more welcoming conservatism.”

Indiana recently sparred over the “purity” question, with the Indiana Republican Central Committee electing John Hammond III to the national committee over Terre Haute attorney Jim Bopp Jr., who had proposed a purity test for the RNC.

In the Indiana General Assembly, a vote on a constitutional amendment that would prevent gay marriage was shelved this session, ostensibly while awaiting a U.S. Supreme Court ruling on the matter. But a Washington Post/ABC News poll released today show a record 58% favor same sex marriage. An October 2012 Howey/DePauw Indiana Battleground Poll found that 48% favored the constitutional amendment and 45% opposed. On such policy issues, Holcomb said, “They will be hashed out in the statehouses and in Congress by elected officials. What I tend to be most focused on is equipping our candidates and officeholders with the information they need regardless of the topic.”

On the “purity” scenario, Holcomb noted that both the Republican and Democratic parties “are a spectrum” with a continual “tug of war” between the center and the two ends of the spectrum. “That will continue and that’s OK,” Holcomb said. “There will always be activists who want folks to agree with them 100% of the time and there are those who are more forgiving. That’s why it’s important for the national party to have a clearly understood national platform. And have a good game plan that folks can rally around. We had a plan and we had folks buy into that plan. They didn’t agree with it all. In the absence of the plan, people wander off.”

Asked if Hoosier Republicans are “soul searching” in the wake of the report, he responded, “I think so. I think everyone is reassured that there was follow through and that this loss was not swept under the carpet. We constantly need to reassess and figure out how to connect.”

Howard County Republican Chairman Craig Dunn read the report and told HPI, “I agree with the vast majority of the report. As Reince Priebus stated when he visited Indianapolis, ‘Politics is the art of addition.’ We must grow the Party. The statistics do not lie and they are ugly and challenging. Our great challenge will be expanding our Party while at the same time not losing existing segments. We must decide what are our core beliefs and adhere to them. We have waged war against ourselves on many issues. We have many people in our Party who would rather lose elections than compromise on anything. Unless, we view the world through a fresh set of glasses, we risk permanently becoming a minority party on a national basis. I predict that the mere issuance of this report will bring a firestorm down on the RNC. This is the year to thoroughly debate these issues and plan for the future.”

Zody ascends to Democratic chair

John Zody was elected chairman of the Indiana Democratic Party on Saturday. Zody replaces Dan Parker, who held the post for around eight years, one of the longest tenures at the chair in modern times.

“I’m excited to lead the Indiana Democratic Party, build on our past successes and continue to grow support for our candidates and campaigns,” he said. “I look forward to working with this new team and our supporters across the state to make that happen. After all, our party is only as strong as those who are part of it.”

Zody was unavailable for an interview for this story.
Clowning around with Chocola and Mourdock

By BRIAN A. HOWEY

NASHVILLE, Ind. – Chris Chocola is not a clown. He doesn’t wear a bulbous red nose or a bright orange bozo wig. His shoes aren’t two feet long. He doesn’t drive a little yellow taxi filled with other clowns, who tumble out at the first sounding of a Chinese fire drill.

Chocola is a former Indiana Republican congressman who, when in office, collected earmarks for his district, voted to go to war and the Medicare prescription drug plan. The wars in Iraq and Afghanistan along with Medicare—the biggest entitlement expansion since LBJ’s Great Society—helped produce America’s first trillion budget deficit before Barack Obama ever became president. He is also president of Club For Growth and it is in this latter capacity that Chocola is acting... like a clown.

Since Chocola became Club For Growth’s chief, he has become a born again deficit hawk. He is now against earmarks and wasteful spending and is seeking Republicans to punish for things he did himself.

Chocola is also a terrible judge of temperament. Club For Growth— an organization of rich, Republican white guys—decided to target U.S. Sen. Dick Lugar for defeat sometime in 2010. They consigned Lugar, who had a Republican voting record approaching the 90th percentile and who had received 7.5 million votes— a Hoosier record—over his 36 year career as a “RINO.” Chocola and his merry band of bundlers spent close to $4 million backing Indiana Treasurer Richard Mourdock, who defeated Lugar in the Republican primary.

And we all know what happened next. Mourdock took that Senate nomination, started shooting his mouth off, disappeared from the campaign trail for a couple of months because he needed adult supervision, and then made what was the epic blunder of the television age of Indiana politics. His “God intends” rape remark at the New Albany U.S. Senate debate with Joe Donnelly was a fiasco that gift wrapped a reliable GOP seat for the Democrats.

When Mourdock first met with Club For Growth’s PAC, he was unprepared, became testy and essentially blew his first interview. That should have gotten the political hurricane flags flying, but Club For Growth gave Mourdock a mulligan, invited him back in and he handled the second chance well enough that they decided to chip in $4 million.

Because of Chocola and all the other Super PACs, there was $51 million—FIFTY-ONE MILLION DOLLARS—raised and spent on this one Senate seat. And some $32 million of that money didn’t come from Hoosier voters, but from rich people in New York City—NEW YORK CITY!—and Washington, Texas and Florida and beyond. And here’s the real kicker: Almost none of that money went to Indiana businesses. Club For Growth and the other Super PACs spent its money on cable TV broadcasters/Fox News and Washington-based TV, direct mail, and email production firms.

These Super PACs don’t care about Indiana businessmen and women or their firms. They just saw a chance of buying a U.S. Senate seat and they treated us as rubes. They don’t know this state or its people and they don’t care.

You would think that after the Mourdock fiasco that resulted in “U.S. Sen Joe Donnelly, D-Ind.,” Chocola and Club For Growth would have been embarrassed, would have sent letters of apology to Indiana Republicans for staging the sacrifice of a Senate seat.

But no.

Chocola and Club For Growth are back. They have shamelessly targeted U.S. Rep. Larry Bucshon, a second term Republican from Newburgh, for defeat in the 2014. They’ve set up the www.primarymycongressman.com website to list Bucshon’s transgressions.

And the sins of Bucshon? His debt ceiling vote (he wisely decided against risking a U.S. credit downgrade), another to bail out the Highway Trust Fund and a vote for blocking an ethanol blender pump. They claim that Bucshon, a vociferous critic of Obamacare, voted a budget extension that funded the Affordable Care Act.

“We’ve been planning this for awhile but we’ve really wanted to release it in (context with) our scorecard because it really kind of drives who qualifies for the list,” Chocola said. “We came up with this idea and started developing the website and everything long before (Karl) Rove started developing his Victory Project.”

And who has a home in Darmstadt deep inside the 8th CD? Richard Mourdock!

If he takes the bait, Mourdock will have a chance to lose his fifth Congressional race (he’s already waged three unsuccessful races in the 8th CD). As one Republican
Lake County GOP now powered by Dumezich

By RICH JAMES

MERRILLVILLE — If it wasn’t clear earlier, it is now. Former state Rep. Dan Dumezich, a Schererville Republican, engineered the election of Dan Dernulc as chairman of the Lake County Republican precinct organization.

That became evident over the weekend when it was reported that Dernulc had named William Fine and Dumezich’s wife, Dana, to the Lake County election board. The two replace Allan Katz and Kim Krull.

Krull decided not to seek re-election as chairman and supported Katz. Krull would have been Katz’s vice had he won. Being a member of the election board provides some clout and means easy access to election materials.

It also means a nice chunk of change — somewhere around $15,000 a year — for doing little work or spending little time.

When she was chairwoman, Krull had named herself to the board, which is somewhat unusual.

Fine, by the way, lost a bid for state representative last year. He is an attorney.

Dumezich, who serves on the State Election Commission, has been a behind-the-scenes force in local Republican politics for years.

He also won the appointment to the State Election Commission largely because he raises tons of money for the state Republican organization.

While Dumezich is good at what he does — largely fund-raising — not all Lake County Republicans have embraced him over the years.

The late John Curley, when he was county GOP chairman, had a disdain for Dumezich because of the large amounts of money he raised locally and sent downstate. Curley’s point was that Lake County Republicans struggled to build a competitive party largely because they couldn’t compete with Democrats financially.

Dernulc’s appointment of Dana to the Election Board raises Dan’s visibility tremendously. It also is like coming out of the closet politically.

With Dumezich becoming much more visible, the question is whether he will take an active role in raising money for the local organization.

I suspect that will depend in part on the direction Dernulc wants to take the party. Dernulc thanked Katz and Krull for their service and said, “They were good people, but I want to move in a new direction.”

Maybe at a later date, Dernulc will expand about that “new direction.”

It is hard for two members of an Election Board to establish a new direction in that their duties and powers are somewhat limited.

I guess that simply is the easy way of dumping Krull and Katz.

I guess it also is how Dernulc caters to Dan Dumezich’s wishes.

Although his wife sits on the Election Board, Dan will be directing the action. And having a piece of the county Election Board, while sitting on the State Election Commission, is a tremendous amount of power.

Dan wouldn’t have been allowed to sit on both boards. But he figured out how to do it without creating a conflict.

Rich James has been writing about state and local government and politics for more than 30 years. He is a columnist for The Times of Northwest Indiana.
Mayors press for solutions as methamphetamine labs engulf their cities

By BRIAN A. HOWEY

INDIANAPOLIS — Warsaw Mayor Joe Thallemer held up a box of Sudefed in the north atrium of the Statehouse Tuesday, his head bowed, and he related what happened in his city last weekend.

That's when a methamphetamine lab exploded at a Days Inn motel on Saturday, injuring a 36-year-old man who, Thallemer explained, had a lengthy meth-related rap sheet. The blast was strong enough to "blow the toilet off the floor" while displacing the ceiling by four inches. A 22-year-old bystander was also injured when he attempted to put out the ensuing blaze.

By the time Warsaw police located Brad Luna, his clothes and skin were smoldering and his hair, the mayor said, had been burned down to his scalp. "We had to send the addict to a Fort Wayne hospital in a helicopter where he'll be for a long time," Thallemer said. "Who pays? The motel owner will pay. The hospital will pay."

The story, Thallemer noted became "just another story buried on page 5 in the Fort Wayne newspaper."

The new trend in smaller Indiana cities is for meth labs to operate in hotels. The crime spree runs a course from homes and garages, to vehicles, shopping carts and hotels, similar to how the crack cocaine crisis in places like Fort Wayne went through phases, with hundreds of crack houses popping up, then crime sprees such as burglaries, turf wars and drive-by shootings.

Last November, Thallemer observed the meth production moving into motels and he wrote hoteliers asking them to be diligent in efforts to prevent meth manufacturing, according to a local Warsaw blog. "The battle to end this scourge must be fought at all levels," Thallemer said. "The cost of these crimes includes big dollars spent for toxic cleanup, medical care, investigation, prosecution, incarceration, rehabilitation, family social services, etc. The real cost of these crimes, however, is the human toll on the victim, their families and our community."

"What should we do?" the mayor asked at the Indiana statehouse.

Just minutes before, Gov. Mike Pence had lauded local officials who presented the first line of service to 70% of the state's population that live in cities. "When I meet someone in local government, I feel very humble," Pence said, adding that his door is open.

As fellow mayors attending the Indiana Association of Cities and Towns event at the Statehouse and legislators milled about, Thallemer explained, "Unless you choke off the supply of Sudafed, it will only get worse. Something has to be done."

He noted that SB496 restricts the annual over-the-counter purchase of Sudafed to "85 boxes a year. He added, "While that's a step in the right direction, it doesn't do what needs to be done."

Evansville Mayor Lloyd Winnecke said there have been 111 meth lab busts in his city and in Vanderburgh County in the past year. He noted that State Rep. Ron Bacon had pushed for a four-month supply, and not the eight-month supply in the current legislation. "My hope is for a four-month supply," Winnecke said.

State Rep. Rebecca Kubacki, R-Syracuse, remembered former Gov. Mitch Daniels calling for a meth-free Indiana. "We have made inroads," she said, noting that Indiana ranks third in the nation in meth production. "But we don't make a difference until we make Sudafed a prescription drug."

She noted that police have made meth busts where children roam around the lab in diapers. "What are we doing for children in our community," Kubacki
SENATE PASSES K9 MURDER BILL: The Indiana Senate today passed a bill 42-7 that would require restitution from those who kill or harm police dogs (Indianapolis Star). The bill would require a court to order restitution of a person convicted of harming or killing a police dog or interfering with the actions of a law enforcement officer while the animal is assisting. Police dogs can cost more than $8,000. The legislation comes after several police dogs were killed or injured last year, including two killed in Anderson. The bill passed the Indiana House by an overwhelming 97-0.

KENLEY WON’T SPONSOR MASS TRANSIT BILL: Already skeptical of a mass-transit plan for the Indianapolis metro area, influential Sen. Luke Kenley has dropped his sponsorship of a related bill that’s due for its first Senate hearing today (Indianapolis Business Journal). Kenley, R-Noblesville, said he decided it was inappropriate to be listed as a sponsor without giving the bill his unqualified support. “I’ve never been too persuaded by the need for this,” he said Tuesday morning. House Bill 1011 would allow Marion and surrounding counties to hold an advisory referendum on whether to raise local income taxes to help pay for a new transit system. If the bill passes this year, Marion and Hamilton counties could put the question on ballots in the 2014 general election. The Senate’s local government committee is scheduled to hear the bill at 1:30 p.m. today. The debate is to center on “policy issues only,” according to Ron Gifford, executive director of Indy Connect Now, the group promoting the transit plan, declined to comment on Kenley’s position, since he hadn’t spoken with the senator himself. Based on conversations with members of the local government committee, Gifford said the bill should survive the Wednesday hearing. “I’m not aware of any significant opposition at this point,” he said.

UTILITY INFRASTRUCTURE BILL PASSES: Hoosiers could see incremental bumps in their gas and electric bills as utilities upgrade power delivery infrastructure under a measure approved Tuesday by the Indiana House (Evansville Courier & Press). The bill allows for “trackers” to cover the costs of power lines, substations, transformers, pipes and more. After a shortened regulatory process, utilities could tack those costs onto ratepayers’ bills. That would be a departure from the state’s current requirement that to adjust their rates to cover such costs, power companies first go before the Indiana Utility Regulatory Commission for a “base rate case” that can last more than a year. Under Senate Bill 560, utilities would have to get the commission’s approval for a seven-year plan that includes tracking the costs for those infrastructure improvements — and they’d have to go through another base rate case before the end of that seven-year period. “This is a balanced bill. It allows utilities to replace and upgrade aging infrastructure while doing as little as possible to consumers’ pocketbooks,” said Rep. Eric Koch, the Bedford Republican who chairs the House Utility Committee and sponsored the measure.

SPECIAL COURTS BILL ADVANCES: Legislation authored by State Sen. Brent Steele (R-Bedford) to promote rehabilitation in the state’s justice system by expanding problem solving courts passed the Indiana Senate today by a 49-0 vote. Steele said problem solving courts are courts created to assist individuals with special needs or unique circumstances that may not be adequately addressed in a traditional court setting, such as mental illness or drug addiction. House Bill 1016 would expand the circumstances under which a person can participate in a problem solving court and allow these courts to provide rehabilitative services to individuals. “Problem solving courts are designed to not only seek justice, but also to address the reasons behind why these crimes are committed in the first place, such as drug abuse, mental illness and domestic difficulties,” Steele said. “These courts serve as an important tool in tackling the problems that plague our society and in helping rehabilitate individuals so they do not become repeat offenders.”

ALLEN GOVERNMENT REVAMP PASSES: Allen County voters would get to decide on the structure of county government under a bill passed 9-3 Tuesday out of a House Committee – if it ever gets to them (Kelly, Fort Wayne Journal Gazette). “It’s time we give folks in Allen County good government if they want it,” said Sen. Travis Holdman, R-Marle. He authored Senate Bill 475, which has already passed the Senate and now moves to the full House. It affects only Allen County and is being viewed by some lawmakers as a pilot project for the rest of the state. Under the legislation, if at least two county commissioners adopt an ordinance to change the executive and legislative structure of county government, it would trigger a public referendum. At least one commissioner, Nelson Peters, is on board. But counterparts Linda Bloom and Therese Brown have serious reservations. “The whole initiative makes a lot of sense to me,” said Peters, who has supported the measure for years. “Maybe it’s my business perspective. Things move quickly and efficiently in that environment.” He was the only county commissioner to attend Tuesday. In fact, Bloom and Brown – reached by phone in Fort Wayne – said Peters did not tell them of the hearing or that he would be testifying.
County population changes raise alarms

By MORTON J. MARCUS

INDIANAPOLIS - With all the hoopla about basketball, several important issues are being neglected. But what else can arouse the passions of our citizens?

OK. Forget passion. What piques our interest, stimulates our concerns? Clearly the high-handed machinations of our political leadership don’t do the job.

The governor wants to lower the income tax rate. If he wants to keep spending down, he could give each taxpayer a one-time fixed sum of money ($30). He need not, however, lower the tax rate and make financing state government even more difficult in the future.

The Republican-dominated legislature wants to decide three things for Indianapolis instead of leaving them to the people of our largest community. 1) They want to give $100 million to the Indianapolis Motor Speedway from state money. 2) They plan to change the structure of the city-county council to favor the GOP, and 3) they assume the right to tell the people of metro Indianapolis whether they can decide for themselves the future of public transit in the area.

All the while, no one pays attention to a sentence buried in the middle of a recent news story out of IU: “54 of Indiana’s 92 counties lost population last year.” Doesn’t this send alarm signals to all of us?

All right. You don’t want to take one year’s evidence as cause for concern. Try this: Over the past ten years, 39 of our 92 counties have lost population. The biggest losers include the urban counties home to the cities of Muncie, Marion, Richmond, Anderson, Logansport and Kokomo.

Does the legislature or the administration have any policies for reversing urban decay? They seem happy to let matters take their course. During the past ten years, six Indianapolis metro counties have accounted for 59 percent of the population growth in the state. We hear no discussion of this increasing centralization of economic, social, and political power.

People and power are flowing to central Indiana and leaving the balance of the state. Between 2002 and 2012, 67 Indiana counties have seen more people moving out than moving in. This net out-migration totaled nearly 111,000 persons. At the same time, we have seen 171,000 moving into our other 25 counties.

Most of this churning of population is county-to-county, with the difference of 60,000 providing net growth for the state.

This kind of movement has important benefits and costs that deserve attention and possibly policy responses from the state. Benefits include the basic freedom to live where one has the best opportunities consistent with the one’s desired life-style. Yet they come at a cost we often call urban sprawl.

Communities that lose population have growing fiscal problems as they must maintain the infrastructure of a larger population. When houses become empty or have fewer residents, the same miles of streets need to be maintained and plowed in winter. Growing communities typically have an increasing tax base; contracting places suffer from declining revenues.

No one recommends the state take action to retard the growth of population in central Indiana. However, we could consider how to revive our slowly decaying urban centers before they deteriorate further.

Mr. Marcus is an independent economist, writer and speaker. Contact him at mortonjmarcus@yahoo.com
Ballard misses point of Indy identity

By DAVE KITCHELL

LOGANSPORT – It was just a short story at the bottom of an inside page in the Indianapolis Star last month, but one word could have made it a front page story.

Indianapolis Mayor Greg Ballard acknowledged his city had been among those asked to submit bids to host the summer Olympic games. Keep in mind, this is something Chicago coveted so greatly just five short years ago that it sent Oprah Winfrey, former Mayor Richard Daley and presidential nominee Barack Obama to campaign for it – and Chicago lost to Rio de Janeiro.

Ballard took a pass on the greatest international exposure Indianapolis would ever have, in part because it lacked about 12,000 hotel rooms of being able to meet the minimum requirements. If that’s all that stood in the way, there should have been more public dialogue about the potential the games would have provided not only for Indianapolis, but for Indiana.

This isn’t a folly that will probably be on Ballard’s tombstone, but it’s one that Indianapolis and Indiana leaders should have taken more seriously and deliberatively. For starters, the point of Indianapolis being a sports destination is that it is a city that has branded itself as the amateur sports capital for the past 25 years.

It’s not just about hosting the NCAA men’s basketball tournament or the Big Ten championship football game, but having the NCAA move to Indianapolis as well as hosting the Pan Am Games and the National Sports Festival. In short: This is what Indianapolis has been building itself for all along. Once Indianapolis made it to the altar, it jilted the Olympics.

Had Ballard rallied city leaders to submit and secure a bid, he could have put the frosting on the cake of the amateur sports capital for the past 25 years.

Ditto that message to the Indiana delegation in Congress, who would have been able to schmooze colleagues from both sides of the aisle with ring-side seats for the Dream Team games at Bankers Life Fieldhouse.

Had Ballard studied the example of the former White River Park State Games and the effort made to incorporate Indiana cities across the state into the competition, he might have realized 12,000 more beds in places like Lafayette, Fort Wayne, South Bend and Michigan City.

He might have found that an Indiana Olympics, if not an Indianapolis Olympics, would more than be able to accommodate international crowds thanks to airports in Chicago, Indianapolis, Fort Wayne, South Bend and smaller regional cities.

He might have found out what visitors from other countries have known for decades when they visit the Indianapolis 500 – Indiana knows how to host major sports events and shows its true colors when it does.

Plenty of foreign drivers have taken the checkered flag at Indianapolis, but Ballard was the first mayor in over 40 years to raise a white flag when Indianapolis was under consideration for a major event.

With this kind of thinking, Bill Hudnut would never have built the Hoosier Dome. Robert Irsay would have moved the Colts to Florida, Arizona or Los Angeles. The Pacers wouldn’t have applied to join the NBA and gone the way of the Kentucky Colonels. Tony Hulman would have sold the Indianapolis Motor Speedway to a shopping center developer after World War II and Tony Hinkle would have scheduled Division III opponents instead of Ohio State, Notre Dame and UCLA.

Ballard has a world class swimming facility in his jurisdiction, the IUPUI Natatorium. But when it comes to attracting major events to Indianapolis, the mayor’s office has become a “Not-atorium.”

Kitchell is an award-winning columnist based in Logansport.
What would have Lincoln done today?

By JACK COLWELL

SOUTH BEND – With focus now on Lincoln and other celebrated figures in American history, we hear discussions of what they would think, do or say today.

Since they can’t speak now for themselves, no certain answers are to be found. That doesn’t stop discussions, even arguments, over whether Lincoln could be elected today, whether he would be a Republican or a Democrat and whether the Founding Fathers would be pleased or dismayed if they could see America now.

Here is something Thomas Jefferson said:

“The man who reads nothing at all is better educated than the man who reads nothing but newspapers.”

Nasty political attacks didn’t just start. Jefferson was attacked viciously at times. He no doubt disliked seeing that stuff printed.

I’ve suggested in some recent talks that Jefferson quite likely would revise that quote today to include women as well as men and to reflect the decline in the influence of newspapers and the rise of the opinionated cable news commentators. Here’s what he might now say:

“The men and women who view nothing at all are better educated than those who view nothing but newspapers.”

Perpetuation of polarizing views leads to polarized voters who send polarizing figures to Congress, where compromise becomes a dirty word. Thinking back again to the Founding Fathers, it’s a good thing they would compromise. There would have been no Constitution, no United States without great compromises.

Lest this be misunderstood, I’m not suggesting that folks should never listen to opinionated commentators on cable TV and talk radio and never even glance at the wild stuff on Internet blogs.

Neither Rush Limbaugh nor Al Sharpton should be silenced. Each can be entertaining. Really funny, sometimes when not intending to be. Nor am I suggesting that conservatives should listen nightly to Rachel Maddow or that progressives must hear Sean Hannity.

There would be less divisive stalemate in the nation, however, if they didn’t always listen to and believe one side, never thinking for themselves about the possibility of finding truth somewhere in the middle. They don’t have to make themselves sick listening to someone they can’t stand, but they can at least turn to more objective presentations of actual news. They could sometimes listen to mainstream fact-checkers without concluding that any challenge to “facts” they want to believe can’t be factual.

Internet sites can not only polarize but also spread flat-out untruths. A partisan website told a story of Chuck Hagel, then in the midst of confirmation hearings for defense secretary, taking a large fee for speaking to “Friends of Hamas.” The rumor flew across the Internet and onto cable news and drew critical comments from senators.

There’s no such group. Hagel never spoke to any group even remotely similar. It begun as a joke that was spread as “news.”

Some Americans list Jon Stewart and Stephen Colbert on Comedy Central as prime sources of news. At least they don’t pontificate like cable news commentators, expecting to be taken seriously. But then there was a study showing that a sizeable portion of viewers take Colbert’s mock conservative comments seriously.

I bet Lincoln, with his sense of humor, would today understand that comedy satire. And he would warn that you can’t believe all of the cable commentators all of the time.

Colwell has been covering Indiana politics over five decades for the South Bend Tribune.
**Greg Sargent, Washington Post:** For all the continued chatter this morning about the sincerity and limits of presidential schmoozing, the real reason for the fiscal impasse is hiding right there in plain sight, and it can be summed up in two sentences: 1) Obama can’t sell entitlement cuts to his base, or indeed Democrats in general, without Republicans agreeing to new revenues, and has offered them a straightforward compromise — one that would anger the base on both sides — based on the premise that total victory for the GOP is not an acceptable or realistic outcome. 2) Republican leaders can’t even begin to acknowledge that Obama has offered them a real compromise, because they can’t sell their base on the idea that the President is being flexible, let alone get them to seriously entertain accepting any compromise with him, because the base sees total victory over Obama as the only acceptable outcome. In essence, a variety of political constraints prevent Republican leaders from acknowledging the reality of the situation. That makes any reality-based dialog impossible. The press has largely failed to reckon with this basic disconnect, which is why the discussion continues to spin its wheels around irrelevant questions, such as whether the president’s outreach is “sincere” enough, as if hurt feelings have anything at all to do with the stalemate, or whether Democrats have gone quite far enough with their offer to Republicans, when the latter won’t even say whether there’s any compromise they could accept. In his meeting with Republican Senators, Obama reportedly presented them with a choice: They can accept a deal that includes Chained CPI for Social Security and means testing of Medicare in exchange for new revenues, or end up with no entitlement reform. Republicans continue to respond by claiming the President is being inflexible — by pretending he hasn’t offered them what he has offered — while refusing to say what could induce them to compromise. Ultimately, though, the GOP’s reality-denying strategy is self-defeating, and will make it harder for Republicans to agree to a way out of the impasse. In addition to refusing to acknowledge what Obama has offered on entitlements, Republican leaders also continue to refuse to acknowledge all the spending cuts ($1.5 trillion in 2011) Obama and Dems have already agreed to. This is partly because admitting to all of this would reveal the GOP’s own intransigence to the public with too much clarity. But there’s another reason for it, which is aptly spelled out by Steve Kornacki. John Boehner can’t admit to any of it for his own self-interested political reasons.

**David Orentlicher, Indianapolis Star:** As Indiana and other states decide whether to participate in the Affordable Care Act’s expansion of Medicaid, they remind us that federal-state partnerships can compromise the effectiveness of national benefit programs. Local control may respect differences in community values, but it also prevents fair access to essential government services. In states that expand their Medicaid programs, every poor person will be eligible for benefits if family income does not exceed 138 percent of the federal poverty level. The poor person in Arkansas will have the same level of access as the poor person in Massachusetts. (Currently, 138 percent of the poverty level is about $32,500 for a family of four.) In states that do not expand their Medicaid programs, it often will not be sufficient to be very poor. Traditionally, Medicaid has provided coverage to people who not only are poor but who also fit into an eligibility category — children, parents with dependent children, pregnant women, or persons with a disability. In addition, states set different income levels for eligibility. A parent may lose eligibility in one state when family income exceeds 20 or 30 percent of the federal poverty level while retaining eligibility in another state with a family income above 150 percent of the poverty line. As a result, eligibility always has varied from state to state. In terms of access to health care, it is much better to be poor in Arizona or Minnesota than in Texas or Indiana. And because some states will opt out of Medicaid expansion, the variations in eligibility will widen even further.

**Doug Ross, NWI Times:** Indiana Gov. Mike Pence insists a 10 percent income tax cut would create Hoosier jobs, which would make this tax cut pay for itself. His proposal hasn’t had a warm welcome in the Indiana General Assembly, however. House Speaker Brian Bosma has been particularly cool to the idea. In a recent letter to county Republican chairmen, Bosma said he’s willing to work with Pence but remains unconvinced the tax cut is right for Indiana. “The most important job of state government is to be lean, efficient and, most importantly, sustainable in the long run, avoiding wild shifts in one direction or another,” Bosma wrote. Republican governors in a number of states are making a bid to lower the income tax rate, or eliminate it, to become more business-friendly. The idea is that executives would be more likely to move to a state that doesn’t take as much of their money. But cutting one tax rate generally means raising another. Some of these governors are talking about raising the sales tax to compensate for the lower income tax rate. Indiana Democratic Party Chairman Dan Parker offered his own idea last month when he met with The Times Editorial Board. If Pence wants to cut taxes, Parker suggested, the sales tax would be a better option. “We have the highest sales tax rate in the Midwest,” Parker said. I looked up those rates, and he’s right.
Obama arrives in Israel

TEL AVIV, Israel (AP) — President Barack Obama plunged into the turbulent Middle East on a mission aimed primarily at assuring America’s top ally in the region and its friends back home that it will not be forsaken amid bitter domestic political squabbles and budget crises in Washington.

Obama arrived Wednesday in Israel for his first visit to the country — and only his second to the Middle East, outside of a quick jaunt to Iraq — since taking office. He will also be making his first trips as president to the Palestinian Authority and Jordan this week. But on an itinerary laden more with symbolism than substance, an Israel that is increasingly wary of developments in Syria and Iran is Obama’s main focus.

Air Force One touched down in Tel Aviv early Wednesday afternoon after an overnight flight from Washington. Among those there to greet him were President Shimon Peres and Prime Minister Binyamin Netanyahu. After an arrival ceremony at the airport, Obama will head to Jerusalem for meetings with Israeli leaders. Obama arrived to face an Israeli leadership and public anxious to hear the president affirm America’s commitment to the security of the Jewish state while standing on their soil.

Philpot reports early to prison

MILAN, Mich. - Former Lake County Clerk Thomas Philpot surrendered Tuesday at a federal prison in Michigan to begin serving an 18-month sentence imposed by the court last month (NWI Times). Philpot’s arrival was confirmed by James Dunn, executive assistant to the warden at the low- and minimum-security facility in Milan, Mich. Milan is a facility of about 1,500 inmates located in southeastern Michigan, some 45 miles south of Detroit. Philpot, 55, initially had been ordered to surrender April 3 to a federal facility in Pekin, Ill. “We generally don’t have anyone arriving early,” he said.

Rally denounces voucher expansion

INDIANAPOLIS - A proposal to expand Indiana's private school voucher program was denounced during a Statehouse rally on Tuesday as a step that would take millions of dollars away from the state's public schools (Associated Press). About 500 people applauded and chanted “Yes to public schools!” and “No more vouchers” as speakers attacked the Republican-backed bill to expand Indiana’s 2-year-old voucher system, which is already the nation’s largest.

Obama picks IU to win NCAA crown

WASHINGTON - In his annual NCAA bracket exercise, President Obama has picked Indiana to win the title this year. “I think Indiana will pull it out,” Obama said, while picking Louisville, Ohio State and Florida for the Final Four.

AFP opposes mass transit

INDIANAPOLIS - Tea party activists are organizing the first formal opposition to expanded mass transit in Central Indiana, and they’re willing to spend cash to defeat a proposed referendum on the issue (Indianapolis Star). “Our concerns are not only about the local tax increase, but about the overall cost of such a proposal,” said Chase Downham, president of the Indiana chapter of Americans for Prosperity. "We think this particular plan is costly for our city, and we are concerned about the impact on the budget going forward.” The group opposes legislation that would allow residents to decide through a referendum whether to raise their income taxes by up to 0.3 percent to pay for most of the local portion of a 10-year, $1.3 billion transit expansion. That tax would amount to roughly $10 to $15 per month for the average worker and would pay for most of the $700 million local share. Americans for Prosperity, a national tea party group founded by the billionaire Koch brothers, is becoming increasingly involved in state politics throughout the country. Downham will meet today with Indiana lawmakers individually to discuss the group’s concerns about transit.

Assault gun ban out of bill

WASHINGTON - Senate Majority Leader Harry M. Reid on Tuesday declared politically dead the effort to ban military-style assault weapons, a setback for President Obama and gun-control advocates who are pushing the Senate to move quickly on bills to limit gun violence (Washington Post). Reid (D-Nev.) is preparing to move ahead with debate on a series of gun-control proposals when the Senate returns from a two-week Easter recess in early April. Although he has vowed to hold votes on measures introduced after the Sandy Hook Elementary School massacre in Newtown, Conn., in December, Reid told reporters Tuesday that the proposed assault-weapons ban isn’t holding up against Senate rules that require at least 60 votes to end debate and move to final passage.