Rollicking week for Daniels, Pence

As speculation builds, their decisions will come later

By BRIAN A. HOWEY
FRANKLIN - There have been a number of Hoosier presidential candidates in modern times: Birch Bayh, Vance Hartke, Dick Lugar, Dan Quayle, Evan Bayh. But there has never been a week like this past one for Indiana’s two “non” presidential candidates: Gov. Mitch Daniels and U.S. Rep. Mike Pence.

As the 2012 Republican field begins to take shape, both Daniels and Pence are in the thick of speculation, even as those high up in their organizational chain insist that both are only interested at this point in the Nov. 2 elections.

In talks with reliable sources close to both Republicans, this much is clear: No decisions have been made by either Daniels or Pence on presidential runs. Both are supremely interested in crafting the GOP message to take into battle against President Obama. Both are concerned about who the party nominee will be. Both believe the Republican nomination is wide open at this point. Both have some trepidation that a nominee could emerge in a populist spasm lacking the right temperament or background for the

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The ‘T’ in Tea Party

By JACK COLWELL
SOUTH BEND - Republican primary voters, teed off about Washington, have selected nominees not matching to a T the type of candidates with the best chance to win back Republican control of Washington.

We’re talking of course about the Tea Party.

The movement, with Sarah Palin again providing the key endorsement to bring another upset of the Republican organization choice, propelled ethically-challenged GOP dissident Christine O’Donnell from nowhere to

“‘There’s no conspiracy here. I didn’t sit around and think about this.”

- Charlie White, Republican secretary of state candidate after resigning from the Fishers Council due to residency issues
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Brian A. Howey, Publisher
Mark Schoeff Jr., Washington
Jack E. Howey, editor
Beverly K. Phillips, associate editor

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Call 317.627.6746

Contact HPI
Howey Politics Indiana
6255 N. Evanston Ave.
Indianapolis, IN 46220
www.howeypolitics.com
bhowey2@gmail.com
Howey's cell: 317.506.0883
Washington: 703.248.0909
Business Office: 317.627.6746

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nominee for the U.S. Senate in Delaware.

O'Donnell, despite attacks from her own party over her resume claims and handling of campaign funds and personal finances, defeated a long-time Republican vote-getter in Delaware, Congressman and former Gov. Mike Castle, who had been regarded as a shoo-in to capture the Senate seat in November and perhaps provide the final victory needed for GOP control of the Senate.

Now, if primary campaign warnings of Republican strategists hold true, and if Republican election guru Karl Rove is correct, O'Donnell will be such a weak and damaged candidate that Delaware voters will keep the Senate seat once held by Vice President Joe Biden in Democratic hands.

Other Tea Party upsets include the surprise in Nevada, where Senate Democratic Leader Harry Reid, once thought politically dead, is now instead in a dead-heat race with a Republican challenger who said so many whacky things that she had to hide from interviewers.

For the Republican Party, the Tea Party is a mixed tea bag.

Tea Party anti-Obama, anti-tax, anti-government, anti-health-care-bill enthusiasm helped to churn up the waters threatening to wash away Democratic control of the House and maybe even of the Senate. These enthusiasts will vote, mostly for Republicans, but not necessarily because of any affection for the Republican Party.

Republican candidates in most competitive races cannot win without them.

But the tide from those raging waters also threatens an undertow to pull under Republican chances now of actually controlling the Senate. Did the Tea Party in showing primary election muscle, defeat too many potential Republican winners, selecting instead candidates too “far out” to appeal to voters in the middle ground where most elections are decided?

A national poll shows an increasingly negative view of the Tea Party among independent voters — 30 percent unfavorable, 18 percent favorable, with about half not knowing what to think about this tea.

We will see if the tide is strong enough to elect even Christine
Daniels & Pence, from page 1

presidency. And both the Pence and Daniels operations are in contact periodically with each other. The contact comes in the spirit of keeping each Republican apprised of plans and intentions.

On Wednesday, former Alaska Gov. Sarah Palin said she would run “if nobody else were to step up with the solutions that are needed to get the economy back on the right track and to be so committed to our national security.”

The past week began when Pence spoke last Friday at the Family Research Council’s Voter Values summit in Washington. There, Pence took issue with Daniels’ suggestion last summer that there be a “truce” on social issues. “We must not remain silent while great moral values are being waged,” Pence said as he got a rock star reaction on the same day that obvious presidential candidates Mitt Romney and Mike Huckabee were there. Huckabee had a table at the convention and operatives were there to push his candidacy.

The statement appeared to clash with what Daniels had told the Weekly Standard last June, suggesting the next president “would have to call a truce on the so-called social issues. We’re going to just have to agree to get along for a little while” until economic issues are resolved. A few days later, Daniels was quoted by WISH-TV, as saying, “I really believe for the first time the future of the American experiment is at risk and it’s a thought that maybe we could just agree to disagree. I picked the word ‘truce’ because no one has to change their point of view, no one has to surrender.”

Pence led the effort to include a defense of “traditional marriage” and anti-abortion stances in the GOP “Pledge to America” unveiled today (See page 6).

Also on Friday, Daniels named Boone Circuit Judge Steven David to the Indiana Supreme Court. The selection earned the praise of Indiana Right to Life’s Mike Fichter, who said, “Gov. Daniels is to be applauded for taking this opportunity to steer the Indiana Supreme Court back to its proper role in strictly interpreting the Indiana Constitution.”

On Saturday afternoon, as Pence was attending the Purdue-Ball
State football game, he got a text from his staff: You won the straw poll.

Pence, who had finished in the 3 to 12 percent range in other pre-2012 straw polls, finished with 24 percent of the 723 Family Research Council social conservatives who weighed in, finishing ahead of Huckabee with 22 percent, Romney with 13 percent, Newt Gingrich with 10 percent, Palin with 7 percent and Mississippi Gov. Haley Barbour with 1 percent.

That ignited what one Pence confidante described as a “crazy few days” with more speculation on a presidential run. Pence told the Washington Post’s Chris Cillizza what key associates told HPI: “I have no plans to run for president.”

Then came Monday, when Pence delivered a lengthy address at Hillsdale College in Michigan on this topic: the American presidency.

“The presidency, a great and complex subject upon which I have only touched, has become symbolic of overreaching,” Pence said without irony. “There are many truths that we have been frightened to tell or face. If we run from them, they will catch us with our backs turned and pull us down. Better that we should not flee but rather stop and look them in the eye.”

It was an apt description for both Pence and Daniels and where they are now.

Pence continued, “The president is not our teacher, our tutor, our guide or ruler. He does not command us, we command him. We serve neither him nor his vision. It is not his job or his prerogative to redefine custom, law and beliefs; to appropriate industries; to seize the country, as it were, by the shoulders or by the throat so as to impose by force of theatrical charisma his justice upon 300 million others. It is neither his job nor his prerogative to shift the power of decision away from them, to him and the acolytes of his choosing.”

Pence then drew on the current experience. “Without proper adherence to the role contemplated in the Constitution for the presidency, the checks and balances in the constitutional plan become weakened,” the Columbus Republican said. “This has been most obvious in recent years when the three branches of government have been subject to the tutelage of a single party. Under either party, presidents have often forgotten that they are intended to restrain the Congress at times, and that the Congress is independent of their desires. And thus fused in unholy unity, the political class has raged forward in a drunken expansion of powers and prerogatives, mistakenly assuming that to exercise power is by default to do good.”

And Pence explained, “Power is an instrument of fatal consequence. It is confined no more readily than quicksilver, and escapes good intentions as easily as air flows through mesh. Therefore, those who are entrusted with it must educate themselves in self-restraint. A republic -- if you can keep it -- is about limitation, and for good reason, because we are mortal and our actions are imperfect. The tragedy of presidential decision is that even with the best choice, some, perhaps many, will be left behind, and some, perhaps many, may die. Because of this, a true statesman lives continuously with what Churchill called ’stress of soul.’”

The spotlight returned to Daniels on Monday morning, when he discussed national issues at an Indiana Chamber of Commerce event, saying he was “very alarmed” by the growing U.S. debt. “The mathematics says if we do not grow at an extraordinary rate, we’ve got serious trouble. You won’t be able to cut your way out of it. You won’t be able to avoid the consequences,” the governor said. “For the first time ever, I’m very alarmed.”

Finally, on Tuesday, former House Speaker Newt Gingrich went to northern Indiana to stump for State Rep. Jackie Walorski in her race against U.S. Rep. Joe Donnelly. When Gingrich, a potential ’12 candidate, was asked about Daniels, he told the South Bend Tribune, “I think he’d make a great presidential candidate.”

Daniels priorities

In talking with sources in the Daniels hierarchy, what emerges are two things HPI has long covered. First, his goal of retaking the Indiana House for the Republicans. Daniels currently is running an Aiming Higher PAC television ad promoting House Republicans. He is expected to convey that message into individual House districts over the next six weeks. Secondly, if he gets the majority, from
January through April perhaps the most emphatic reform agenda will be presented to the Indiana General Assembly, ranging from education, to local government, to the Hoosier lottery.

If sine die occurs as scheduled on April 30, it will be in a window of about two months that Daniels will survey the Republican presidential field. If, in the tough budget environment special sessions are needed, that could push back that timeline.

Far from being a “lame duck,” the presidential speculation could actually enhance his sway as he concludes what aides describe as a fierce obligation to Indiana. The White House prospects have already attracted Democratic criticism.

While he has conducted meetings with influential Republicans at the Governor’s Mansion since Spring, sources close to Daniels insist they were to weigh in on the message. The sources insist that there is not, as Indianapolis Star columnist Matt Tully wrote last week, a decision made to seek the presidency. Nor is there a presidential campaign under construction at this point. It hasn’t been ruled out, but it is not a done deal.

Daniels said last Thursday at the Beech Grove press conference promoting property tax caps that he tried to talk “four” candidates into the race. HPI has learned that two of them are former Florida Gov. Jeb Bush and Federal Express CEO Frederick W. Smith.

**Pence’s priorities**

Today, Pence took part in unveiling the 2010 version of the famous 1994 “Contract with America.” It will be the House GOP’s agenda they hope will help them achieve a majority. Perhaps even more so than Daniels, Pence will play a conspicuous role in crafting and communicating the GOP agenda. That’s his conference job.

It comes as CNN and Politico reported that Tom Donohue, the powerful president of the U.S. Chamber of Commerce, has privately shared with colleagues in recent weeks he believes Democrats will just barely hold on to the House majority. Two sources familiar with the conversations said Donohue has privately said he’s gone over every key race in the House, and he thinks Republicans will lose a few seats he believes they don’t see coming because it is predicted to be more of an anti-establishment election than an anti-Democratic election.

Team Pence sees the dynamic as “anti-establishment” and since the Democrats “are the establishment” they will take the brunt of voter anger. But the Donohue assessment underscores the work and pressure that Pence is laboring under.

Whether or not Republicans regain the House majority, Nov. 3 promises to be a fascinating day for Mike Pence. If the GOP retakes majority, Pence will be faced with a decision of staying in his current leadership position as Republican Conference Chairman. Some will push him to challenge Minority Leader John Boehner for the speakership. Almost immediately, a presidential campaign or an Indiana gubernatorial run will join the speculation plate. It is at that point that Pence, his wife, and his team will start sizing up his political options.

If the GOP does not recapture the House, Pence, in an atmosphere of searing recrimination, will almost certainly be presented with an opportunity to take on Boehner.

That could also prompt him to take a look at the Indiana governorship, with U.S. Sen. Evan Bayh a potential obstacle on the horizon. As far as Bayh goes, he, too, will be dealing with fallout from the election and the impact of his jarring retirement last February.

Pence has trips long scheduled for California, North Carolina and Iowa over the next few weeks that will certainly continue to stoke up the presidential buzz. Later in October, an Indiana bus tour has been scheduled designed to boost the prospects of Walorski in the 2nd, Marlin Stutzman in the 3rd, Larry Buchson in the 8th and Todd Young in the 9th.

On Election Night, Daniels and Pence will come together at Union Station in downtown Indianapolis for what they hope will be a celebration of a new-found majorities. At that point, the speculation about their futures will aim for the stratosphere.

Pence will have much more flexibility than Daniels to reach a presidential decision. In essence, his time frame comes in November and December. Daniels is looking at the April-June window. Pence might be in a better position to take the Indiana mantle earlier and run with it nationally.

Just as this past week has proven, and as Ronald Reagan might well have put it, “Indiana, you ain’t seen nuthin’ yet.”

Pence has already done one statewide tour on behalf of GOP Congressional candidates, as he is shown here with Jackie Walorski. Another is planned for October.

Pence has trips long scheduled for California, North Carolina and Iowa over the next few weeks.
GOP unveils ‘Pledge to America’

By BRIAN A. HOWEY

INDIANAPOLIS - U.S. House Republicans unveiled their “Pledge to America” at a hardware store in Virginia this morning.

U.S. Rep. Mike Pence helped in the drafting of the Pledge, with multiple news sources saying that behind the scenes, Pence pressed to include “values” positions as related to abortion and the defense of traditional marriage.

The Pledge was meant to be a 2010 version of the 1994 "Contract with America" that helped the GOP end 40 years of Democratic Congressional rule. Republicans need to win 39 Democratic seats on Nov. 2 to retake control of the lower chamber. In 1994 the party won 55 seats.

Pence told HPI in August that the party purposely fanned out across the country to “listen” to people. GOP leaders wore casual shirts and jeans when they unveiled the plan in Sterling, Va., this morning. That was in contrast to the 1994 unveiling which took place on Capitol Hill. Pence has scheduled a conference call with reporters this afternoon and had issued no statement at HPI deadline.

"America is more than a country," the pledge draft begins. "America is an idea – an idea that free people can govern themselves, that government’s powers are derived from the consent of the governed, that each of us is endowed by their Creator with the unalienable rights to life, liberty, and the pursuit of happiness. America is the belief that any man or woman can – given economic, political, and religious liberty – advance themselves, their families, and the common good."

Republicans pledged to "honor the Constitution," explaining the original intent of those precepts that have been consistently ignored – particularly the Tenth Amendment, which grants that all powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states respectively, or to the people."

The pledge calls for enacting all of the Bush tax cuts, repealing "Obamacare.” Republicans promised to replace the health reforms. The Washington Post reported: In its place, they would enact a series of ideas long touted

by the GOP, such as health savings accounts, enrolling people with chronic illnesses in state-run, high-risk pools, and limiting lawsuits against doctors that claim medical malpractice.

Republicans would halt the hiring of non-security federal employees, cut the budget of Congress, freeze increases on most domestic spending programs, stop any additional spending under the TARP program and last year’s stimulus, and cut government waste. Some of those ideas had been issued by Gov. Mitch Daniels in a Wall Street Journal op-ed piece earlier this month.

“Our pledge to America is that the Republicans stand ready to get it done and beginning today,” said House Minority Leader John Boehner.

White House Communications Director Dan Pfeiffer, writing on the White House blog, said Republicans “doubled down on the same ideas that hurt America’s middle class,” listing tax cuts for millionaires and billionaires, tax hikes for the middle class, “cutting rules and oversight” for financial services, health care and oil, all while adding to the deficit.

Pfeiffer notes that the document does not mention education, clean energy, protecting Social Security and bolstering infrastructure. "This is the same agenda that caused the deepest recession since the Great Depression, costing 8 million jobs, wiping out trillions in family wealth and setting middle-class families back," Pfeiffer wrote. "Instead of a pledge to the American people, Congressional Republicans made a pledge to the big special interests to restore the same economic ideas that benefited them at the expense of middle-class families."

The conservative blog “RedState.com” was critical, saying, “Instead of getting a clear plan, we get an 8,000 word term paper on beltway regurgitation.”

Democrat U.S. Rep. Baron Hill responded this morning, issuing his own "pledge" on Social Security. “I signed this pledge back in June because of the importance of Social Security,” Hill said. “Hoosiers have relied on Social Security for generations and we need to protect it for generations to come. This means we cannot put Social Security at risk by privatizing it. I had hoped that my Republican opponent would join me in this common sense pledge to protect this program, but despite having 100 days to make up his mind, he has failed to do so.”
Dobis denies Bauer plot, but says building trades in rebellion

By BRIAN A. HOWEY

FRANKLIN - Some Indiana Democrats are restive over the Battle for the Indiana House and have suggested that Speaker B. Patrick Bauer could face a leadership challenge following the election.

But scratch State Rep. Chet Dobis from the palace intrigue list.

Asked if he was making phone calls for caucus members seeking their support, Dobis told HPI on Wednesday afternoon, “Absolutely untrue.”

“Do I like Speaker Bauer?” Dobis asked.

“No.”

“I can tell you what I’ve done this summer,” the 20-term Democrat said. “Nothing. No study committees.” He traveled and played golf.

Dobis won a primary contest in May, three months after Bauer bounced him out of his speaker pro tempore position in February after defying the party line and voted against committee report.

At the time, Dobis declared himself a “free agent.” He told the Times of Northwest Indiana’s Dan Carden, “I’m a Democrat, and I’m not going to change my stripes, but I do feel that I now have the freedom to vote as I please. I don’t feel bound by anything, and I was when I was in a leadership position.”

Dobis said Bauer’s tenuous hold on his position as speaker of a Democratic majority in the House is making him “paranoid” about the governor. “I think he must see him in his dreams because he’s always lurking in the shadows even when he’s not even around,” Dobis told the Times last winter. “You don’t get positive things done that way. I think the speaker is trying to imitate Speaker Nancy Pelosi. She tries to control her caucus, and she’s lost control. The chemistry is not good in here. We’ve got to get civil again. We’ve got to take politics off the table on important projects.”

The rumor mill is rife that Bauer is not only facing loss of the 52-48 Democratic majority, but that members are plotting against him and that the various building trade councils around the state are making campaign donations to Democrats with the caveat that those members do not support Bauer to leadership.

“All of the building trades councils are doing that,” Dobis said. “They are just tired of Pat Bauer.”

Bauer has also had a rocky relationship with the House Black Caucus. He had a public dispute with State Rep. Vernon Smith over the last biennial budget that Gov. Daniels vetoed.

Region Black Caucus members have been at odds with Bauer over moving the Gary Majestic Star casino inland.

If there is a leadership challenge and Dobis is having no part, it’s not clear who else would have the stature and ability to get votes. ♦
GOP to probe for more House races; Dems to attack Klein, Karickhoff

BY BRIAN A. HOWEY

FRANKLIN - The next couple of weeks will see House Republicans probing for races to invest in, while Democrats will seek to defend incumbents in districts that are overlapped by intense races in the 2nd, 8th and 9th Congressional Districts.

Mike Gentry of the HRCC told HPI that generic and national wrong track numbers from Southern Indiana media markets taken in July and August are comparable to what the party saw in late September of 1994. "This environment is breaking early," Gentry said. "Southern Indiana is poised for a real realignment. I don't see how the Democrats can defend all the incumbents, particularly along the (Ohio and Wabash) river. The experience I went through in '06 and '08? This is double that."

Indiana Democratic Chairman Dan Parker acknowledged that the House Democrats had taken 15 polls in competitive districts, though he refused to release much information. He insisted that incumbent State Reps. Nancy Michael, Nancy Dembowski, Gail Riecken, John Barnes and Bob Bischoff are not as endangered as conventional wisdom suggests. All are in HPI's "Tossup" category.

Gentry said the generic ballot shows national wrong track numbers around 80 percent and Republican generic numbers "in the double digits" in districts held by Bischoff, Sandra Blanton, Paul Robertson and Dale Grubb. "They're all going to be in very challenging races," Gentry predicted. He added that HRCC will be in the field in the next two weeks with new data determining which races will be prioritized.

On the HPI Horse Race, HD30 between State Rep. Ron Herrell and Kokomo Councilman Mike Karickhoff is moved from "Republican pickup" to "tossup" while in HD70, the race between State Rep. Paul Robertson and Republican Rhonda Rhoads was moved from "Leans Democrat" to "Tossup." (See complete chart on Page 12)

Parker also ridiculed the Republican strategy of tying Democratic legislative candidates to President Obama, as has occurred in the challenge by Republican Kyle Hupfer to State Rep. Scott Reske and Sharon Negele against Rep. Dale Grubb. Negele sent a direct mail piece with Obama pictured that asked, "Two years ago we elected a nice guy. How's that working out?"

Parker insisted, "These should all be viewed in an individual context." But history from 1994, 1980, 1974 and 1964 suggest that when a national wave builds behind a party, it can have a dramatic impact on the Indiana House.

Parker added that Democrats will play offense against State Reps. Rich McClain, who faces a rematch from Tim Banter, and Auburn attorney Codie Ross who is challenging State Rep. Dick Dodge.

Republicans are sniffing around in two Lake County districts and seats held by Democrat State Reps. Maria Candeleria Reardon and Dan Stevenson. "What we're seeing there is Republican intensity," Gentry said. "We ask, 'Where's the next Elrod?'" he said, referring to Republican Jon Elrod's stunning upset of Democrat State Rep. Ed Mahern in 2006 in a race that developed in the final two weeks of the cycle.

Currently HRCC is running TV ads on network affiliates in these races:

Evansville on behalf of HD75 Republican Ron Bacon against Democrat Mike Goebel in the open seat vacated by State Rep. Dennis Avery;

Terre Haute where Republican Matt Ubelhoer is challenging State Rep. Sandra Blaton;

South Bend where Republican Frances Ellert is challenging State Rep. Nancy Dembowski;

Louisville where Republican Rhonda Rhoads is taking on State Rep. Paul Robertson;

And in Lafayette where State Rep. Randy Truitt is attempting to stave off Democrat Paul Roales.

House Democrats are running cable TV in:

Kokomo where State Rep. Herrell is being challenged by Karickhoff;

Paoli and French Lick where State Rep. Sandra Blanton is facing Ubelhoer;

Anderson/Pendleton where State Rep. Scott Reske is facing Republican Kyle Hupfer;

Louisville network affiliates on behalf of Robertson;

Terre Haute where Bionca Gambill is trying to stave off Republican Bob Heaton in the open seat vacated by State Rep. Vern
Here is a rundown on how Gentry and Parker see the Battle for the House shaping up.

HD17: Coca-Cola executive Frances Elert is challenging Rep. Dembowski. Republicans see Elert as benefiting from the intense 2nd CD race. Parker said that Dembowski won a tough race in the 2004 Bush/Daniels year.

HD19: Lake County Democratic Chairman Tom McDermort acknowledged that former Crown Point mayor Dan Klein was pressing State Rep. Shelli VanDenBurgh. “The problem with that is that Klein has a record that got him thrown out of office once,” Parker said. “The very issues that his primary opponent used in 2007 will be used again. That one won’t be close.” State Rep. Chet Dobis told HPI that rumors are that HRCC was about to commit “350,000” to the race. Dobis called Klein “arrogant.”

HD30: Rep. Herrell is a lackluster campaigner, but Democratic sources who have seen caucus polls believe the race has tightened. Parker acknowledged, “That’s going to be a very intense race” and added, “Karickhoff has a record and it will be explored.”

HD31: This district has been in HPI’s “tossup” category for most of the decade. Republicans think that freshman State Rep. Joe Pearson won’t be able to depend on the turnout Obama inspired in central Marion in 2008. Democrats don’t think Kevin Mahan will run as strong in Grant County. We see it as a pure tossup between two very good candidates.

HD37: The big issue in this race continues to be Hupfer’s residency, with State Rep. Scott Reske calling the former DNR commissioner “a carpetbagger,” while Hupfer is trying to tie President Obama to the Democrat. Parker notes that Hupfer “doesn’t have a base in Anderson.”

HD44: Republicans don’t believe that challenger Jim Baird has closed the deal against State Rep. Nancy Michael. Parker defiantly says, “Nancy is the strongest feshman there is.”

HD66: Some Republican sources say that State Rep. Terry Goodin could get washed out in a wave, due to the trends lines. District sources tell HPI that Republican Tea Party activist Jim Lucas will run better in Seymour, but those numbers won’t offset what Goodin will pull out of Scott and Clark counties. “Scott County is blindly Democrat,” the source said. “If Jesus ran as a Republican there he would finish second.” This race is in our “Leans D” column.

HD68: Parker insists that Bischoff is working hard, while Republicans see the national trends lines going against him, which should help Republican Jud McMillin in this rematch. “When Bob Bischoff takes his race seriously, no one can beat him,” Parker said. Democrats also believe a rift between McMillin and Republican State Sen. Johnny Nugent will be a factor. But multiple GOP sources cite the generic and wrong track trends lines as a considerable headwind for the incumbent. This race could go the same way the 9th CD race goes. If U.S. Rep. Baron Hill flags in the homestretch, that could hurt Bischoff.

HD72: Republicans insist that State Rep. Ed Clere will survive the challenge from New Albany city attorney Shane Gibson. “If Clere can beat Bill Cochran in the year of Obama, he should be able to hold on in an anti-Obama year,” Gentry said. Parker said that Gibson will run much better in New Albany than Cochran did in 2008.

HD73: HRCC’s Gentry confirmed that Republicans believe the open seat of State Rep. Denny Oxley is “a target.” Republican pharmacist Steve Davison is facing Democrat Ryan Bowers. Parker acknowledged HD73 is competitive.

HD74: HRCC has placed a field manager in this district as Republican Susan Ellspermann is challenging House Floor Leader Russ Stilwell in a race HPI rates as “Likely” Democratic.

HD77: Even though State Rep. Gail Riecken has acted like an endangered incumbent, Parker insists this should not be in “Tossup.” Republicans note that Cheryl Musgrave is undefeated in Vanderburgh County and has run strongly in the district.

U.S. Senate: Coats leads 50-34%

A Sept. 14-15 Rasmussen Reports poll shows Republican Dan Coats with a 50-34 percent lead over Democrat Brad Ellsworth, with 8 percent preferring another candidate and 9 percent undecided. Howey Politics Indiana’s Horse Race lists the Indiana U.S. Senate race as “likely Coats.”

The Wall Street Journal last week
indicated that the Democratic Senatorial Committee would likely divert resources away from Senate races in Indiana and Arkansas. Eighty-two percent of Indiana Republican voters support Coats. Ellsworth picks up 72 percent support from the state’s Democrats, while voters not affiliated with either major political party prefer Coats by 8 points. The survey of 500 Likely Voters in Indiana was conducted on September 14-15, 2010 by Rasmussen Reports. The margin of sampling error is +/- 4.5 percentage points with a 95% level of confidence. Sixty-three percent of Indiana voters favor repeal of the health care law, including 53 percent that Strongly Favor it. That’s well above voter support nationally. Just 32 percent of the state’s voters oppose repeal, with 22 percent who are Strongly Opposed. Ellsworth voted for the health reforms last March. Seventy-six percent of the voters in the larger group that Strongly Favors repeal of the health care bill support Coats. Fifty-six percent of all Indiana voters view Coats favorably and 35 percent view him unfavorably. Ellsworth is viewed favorably by 38 percent of voters and unfavorably by 44 percent, Seventy-four percent of voters in the state are angry at the current policies of the federal government, including 47 percent who are Very Angry. Indiana voters are even angrier than voters nationwide.

Ellsworth picked up endorsements this week from the VFW and the FOP. Horse Race Status: Likely Coats

2nd CD: Gingrich endorses Walorski

Considered a possible GOP presidential candidate, former House Speaker Newt Gingrich was in town Monday to stump for Indiana 2nd District Republican nominee Jackie Walorski and to introduce a new film about Pope John Paul II’s 1979 trip to Poland (Allen, South Bend Tribune). Calling Indiana’s 2nd District congressional campaign a bellwether race, Gingrich urged area residents to back Walorski. “The choice here is so clear. You have a Republican candidate who represents solid values, Indiana Midwestern values,” Gingrich said. “And there is such a clear track record of the Pelosi/Reid/Obama machine fundamentally destroying jobs and fundamentally weakening our economic future,” he said. Gingrich’s endorsement came at a news conference at Windsor Park Conference Center in Mishawaka. He had just spoken to an audience of about 180 people at a $150-per-plate luncheon to raise money for Walorski’s campaign. Organizers expected to raise close to $60,000 from the luncheon. Gingrich and his wife, Callista Gingrich, on Monday night introduced their new documentary film, “Nine Days That Changed the World,” to an audience at the University of Notre Dame. A dozen protesters who gathered near the university’s Main Gate questioned federal spending on war efforts and Gingrich’s commitment to family values.

Donnelly has voted for Nancy Pelosi to be speaker of the House during both of his terms in Congress (Allen, South Bend Tribune). But Donnelly, D-Greater, also has distanced himself from the Democratic speaker in two of his campaign ads this year. One ad highlights his differences with party leaders on immigration policy — he says he doesn’t work for “the Washington crowd” — and another calls Cap-and-Trade legislation “Nancy Pelosi’s energy tax on Hoosier families.” So will Donnelly vote for Pelosi to be speaker for another two-year term if he’s re-elected in November? He was noncommittal when asked that question Friday. Donnelly wouldn’t say he’ll support Pelosi again as speaker, but he didn’t rule out the possibility of voting for her either. “Well, I don’t know who the choices are going to be. I’ll take a look at that at the time,” he said at the South Bend Fire Department Central Station during a breakfast to benefit the Community Oriented Policing Leadership Council. “I don’t know if she’ll run for re-election (as speaker), I don’t know if there will be somebody else,” he said, “so I don’t want to make any pre-judgments on that issue.”

Walorski has complained that Donnelly’s ads are “an absolute crock” aimed at distracting people from his support for major legislation such as health care reform and the economic stimulus package (Allen, South Bend Tribune). She lashed out last week at a Donnelly ad that implied Pelosi’s energy tax on Hoosier families. “Nine Days that Changed the World,” to an audience at the University of Notre Dame. A dozen protesters who gathered near the university’s Main Gate questioned federal spending on war efforts and Gingrich’s commitment to family values.

With an easy breeze and sunshine aplenty, Saturday made for a good day to ride (Boyce, Terre Haute
**Weekly Briefing on Indiana Politics**

**Thursday, Sept. 23, 2010**

**HOWEY**

**Politics Indiana**

Tribune-Star). “This isn’t your typical campaign event,” Democratic Congressional District 8 candidate Trent Van Haafken said outside the Operators Local 841 facility on U.S. Highway 41. Van Haafken’s campaign hosted a ride from Mount Vernon to Terre Haute on Saturday themed as “Born to Be Hired.” The Steppenwolf-inspired theme alludes to Van Haafken’s main campaign theme of jobs. “I feel good because we’re addressing all the right things,” he said of his race against Republican counterpart Larry Buschon, an Evansville-area physician. Van Haafken, Democratic state representative for Indiana’s 76th district near Mount Vernon, said eliminating tax loopholes that benefit corporate transference of jobs overseas remains one of his largest priorities, along with creating incentives for development inside Indiana such as tax credits for small business. Riding his 2000 Heritage Classic Harley Davidson, the former Posey County attorney said he’s been riding for about 12 years. Mayor Al Baldwin of Vincennes came along for the leather-clad party. “Beautiful day,” he said. “Any excuse to ride.”

**9th CD: Dems ‘reallocate’ TV funds**

U.S. Rep. Baron Hill is losing Democratic Party support according to a report out of Washington, D.C. (WISH-TV). The 9th District battle between Democrat Baron Hill and Republican Todd Young will likely come down to the wire. That’s why a report that House Democrats canceled the purchase of a TV ad for Hill has Republicans buzzing. Two weeks worth of television ads for Hill, scheduled to run in mid-October, have been canceled, according to a story in the Capitol Hill publication Hotline. It’s campaign fodder for Republicans. “The reality is that they’re doing it, we believe, because Hill’s campaign hasn’t gotten the kind of traction they’d like to see,” Indiana GOP Chairman Murray Clark said. “And his over-the-top negativity in his approach and his advertising just is not getting him anywhere in the 9th District.” Hill’s ads, including one that features a woman saying, “Todd Young is not for us,” are negative. But so are the ads from Republican Todd Young. They include one featuring Hill telling a town hall attendee, “And you’re not going to tell me how to run my Congressional office,” along with horror show sound effects. Democrats say Hotline only got part of the story. State Democratic Chairman Dan Parker says that Hill’s re-election bid is still a priority even as Washington Democrats re-allocate resources in the effort to maintain control of Congress. “I think that you’ll be seeing the state party step up their efforts in support of Baron,” Parker said. The Hill campaign told HPI that national Democrats will out-spend the GOP $900,000 to $700,000. The VFW endorsed Hill this week. **Horse Race Status:** Tossup

**SOFs: White resigns from council**

Republican Secretary of State candidate Charlie White abruptly resigned from his Fishers Town Council seat this week, kicking off allegations of a “litany of voting improprieties and irregularities.” Fishers attorney Greg Purvis provided the news media with a packet which detailed “residential inconsistencies” on the secretary of state nomination certification form, voter registration form and real estate forms. White resigned from his council seat abruptly, telling the Associated Press it was because of his statewide campaign and recent marriage he didn’t realize that his new condo is outside his council district. “There’s no conspiracy here,” White told the Indianapolis Star. “I didn’t sit around and think about this.” White blamed his busy schedule for his failure to notice that his new condo is outside his council district and to change his voter registration to reflect his new address. Purvis reacted, saying, “It is apparent to me from the timing, from the documentation, that Mr. White, contrary to his statement of (Tuesday), did not simply overlook this. He’s been a town councilman for 10 years and he doesn’t know where his district is? That’s absurd.”

Democrat Vop Osili jumped on the resignation. “If these charges are true, this is not only alarming and troubling, but it also raises questions to as whether this individual should be given the public’s trust to oversee elections and the voting process,” Osili said. “As our state’s Chief Administrator of Elections, the Secretary of State should set the standards for integrity, and fairness with regard to voting and the election process, and of course adhere to the letter of the law—not bend or break the rules to suit personal gains.”

Our take on this? Yikes! This is the guy who is supposed to enforce election laws and his excuse is pretty lame. We had this race “Likely” White, but he’s given Osili a real opening here. If the Democrat has money to exploit this, we could see this race tighten. **Horse Race Status:** Leans White

**2012 Governor: Skillman tantalizes us**

Perhaps Lt. Gov. Becky Skillman shouldn’t do any sit downs on her political future ... until she has something to say. Here’s what she told WTHR-TV’s Kevin Rader last night. Rader asked her if she had talked to Gov. Daniels. “I’ll leave that conversation between the two of us. We have a very close relationship and have always shared a lot over the years,” she said. Have you decided when you might make it? “There is plenty of time to sort out the future,” she responded. Rader asked, are you a candidate for governor? “I am seriously considering running for governor but there is still plenty of time to make that decision,” said Skillman.
Democrats  Republicans
  52  48

Republican Pickup
HD46: (Open, Tincher) Bionca Gambill (D) vs. Bob Heaton (R)

Tossup
HD17: Rep. Nancy Dembowski (D) vs. Frances Elert
HD30: Rep. Ron Herrell (D) vs. Mike Karickhoff (R)
HD37: Rep. Scott Reske (D) vs. Kyle Hupfer (R)
HD68: Rep. Bob Bischoff (D) vs. Jud McMillin(R)
HD72: Shane Gibson (D) vs. Rep. Ed Clere (R)
HD77: Rep. Gail Riecken (D) vs. Cheryl Musgrave(R)
HD73: (Open, Oxley) Ryan Bowers (D) vs. Steve Davison (R)

Leans D
HD36: State Rep. Terri Austin (D) vs. Kim Builta (R)
HD66: Rep. Terry Goodin (D) vs. Jim Lucas (R)
HD75: (Open, Avery) Mike Goebel (D) vs. Ron Bacon

Leans R
HD15: Timothy Downs (D) vs. Rep. Don Lehe (R)
HD51: Cody Ross (D) vs. Rep. Dick Dodge (R)

Likely D
HD27: Rep. Sheila Klinker (D) vs. Don Brown (R)
HD43: Rep. Clyde Kersey (D) vs. Al Morrison
HD97: Rep. Mary Ann Sullivan (D) vs. Wes Robinson

Likely R

Safe

Judge Moores, Lomont heading to Afghanistan

By BEVERLY K. PHILLIPS

INDIANAPOLIS - Lt. Col. Marilyn Moores is off to Khost.

This Saturday the Marion Superior Court judge, and Lt. Bart Lomont, a policy director for Lt. Gov. Becky Skillman, will be among the Indiana National Guard’s 3-19th ADT (Agribusiness Development Team) departing for Afghanistan’s Khost Province, a rural area south of Kabul near the county’s border about 12 miles from Pakistan.

They’ve spent the past year preparing for a yearlong mission that is as far removed from the Indiana judiciary and politics as you can get: they’ll be teaching sustainable “good farming practices” that includes the use of horses and other livestock.

Low-tech by American farming standards, Moores explained, “You can’t drop a John Deere tractor in their fields; it would be of no use. They don’t have the mechanical skills, the fuel, or the spare parts. Weeding is also done by hand and so there are capacity issues for planting.”

Horses are a natural resource and a major mode of transportation. Physically, Afghani horses have shorter legs and are well suited for the rough terrain and traversing the mountains. They’re also used in the national sport of Buzkashi; think polo using whips and vying for a headless goat or calf carcass.

Moores and her husband George Burge own a horse farm, but she had to learn other animal husbandry skills like goat and sheep farming. She says Indiana farmers provided enthusiastic training for her unit, including a goat farm near South Bend and a sheep farm in Franklin.

“I am strictly going as a farmer,” though she serves as Chief, Military Justice in the Office of the Staff Judge Advocate. In 2005 Moores was appointed to the Marion Superior Court by Gov. Mitch Daniels and has been a driving force behind many of the court and detention reforms at the juvenile center.

Protected by a 36-member security force, the 3-19th ADT spent most of the summer in combat training and refresher classes in soldier skills for required individual and unit certifications. Training included the use of heavy weapons, isolation training, personnel recovery, and land navigation - all while wearing nearly 50 pounds of combat gear. "We were all retrained in basic soldier skills from the ground up,” Moores said.

Moores is one of five women in the unit, including two female medics. They also plan to do outreach to women by teaching them to knit usable items, like cell phone holders they can sell locally to help support their families. (Ironically, while the country is poor and war-ravaged, Moores says cell phones are everywhere.)

“Afghanistan women are some of the most isolated women in the world, but it doesn’t mean they are powerless. They carry tremendous weight in their communities as news carriers. This is an opportunity that has been overlooked by the Taliban and our own military as a resource. Helping women help themselves will support the counter insurgency in winning the hearts and minds of the people,” she said.

Asked how she feels about going into such a dangerous area, she’s quick to praise her unit, “Everyone is so committed and excited about going. We really want to help the country. I just received my 25 year pin in the National Guard and I didn’t want to train for 25 years and never ‘do the mission.’ This is the kind of mission that every soldier hopes for. It’s an opportunity to help people with the skills that we have and still serve as a soldier.”

Any advice from others who’ve been there?

“Keep your head low,” she said with same infectious smile the Afghanistan people will see very soon. ♦
What Coolidge can teach about Bush tax cuts

By LAUREN CASEY

FRANKLIN - When Americans hear the word “depression,” the Great Depression of the 1930s pops into their minds. I estimate a small percentage of Americans think of the Depression of the early 1920s, and it is safe to assume that most have never heard of it until now. The depression during the 1920s is unknown compared to the depression that occurred a decade later.

I believe the true reason why this piece of history disappeared from textbooks is because President Calvin Coolidge saved the economy through a drastic series of cuts in taxes and government spending.

Our government wants people to believe that FDR’s spending method is the only solution.

The heroes of this recovery were Coolidge and his Secretary of Treasury, Andrew Mellon. Shortly after Congress ratified the 16th Amendment, which created the Federal Income Tax under Wilson’s administration, the top tax rate for the wealthiest Americans was 77 percent of their income.

This tax increase was implemented in 1918, and the Depression of the 1920s followed. Coolidge carried out Harding’s plans to reverse this trend.

Following Mellon’s plan, they cut taxes in 1924, 1926 and 1928, along with cutting government spending. This reduced the national debt by nearly 25 percent, which created the Roaring Twenties.

Why does our government insist on stimulus bills, social programs and higher taxes as a way to cure our economy when the greatest macro economical experiment shows they should do the exact opposite? Also, why do Americans support the expiration of the Bush tax cuts for the upper class?

Those Americans believe that as long as Uncle Sam isn’t dipping directly into their wallet then they have nothing to worry about.

Wrong.

Mellon said, “The high rates inevitably put pressure upon the taxpayer to withdraw his capital from productive business.”

Many taxpayers who make more than $250,000 per year are small business owners. Statistics show that nearly 64 percent of jobs in America come from small business.

For a small business owner, $250,000 is not much money considering they also pay Corporate Income taxes. This is the government’s way of double-dipping in the same Americans’ pocket.

When companies are heavily taxed, they raise their prices affecting every consumer.

Many people argue that the Bush tax cuts caused this recession, but that is simply untrue. However, one major error in the Bush policy was cutting taxes without cutting government spending.

Washington’s policy makers should follow Mellon’s plan to grow our economy. Instead, leaders push to let the Bush tax cuts sunset during a time when no American should see an increase in their taxes.

Casey is a freshman journalism student at Franklin College. She is from Greenwood.
**Sylvia Smith, Fort Wayne Journal Gazette:** The biggest wish in the Republican Party these days? That the tea party, Sarah Palin and Sen. Jim DeMint had some math sense. Here are the arithmetic problems: • If you need 51 and you have 50, how many are you missing? • Which is bigger, 70 or 10? To become the majority in the Senate, the Republicans needed to run the board in the November elections and end up with a total of 51 seats. That means winning several open seats, among them Indiana and Delaware, which are both occupied by a Democrat who is retiring. That's not a far-fetched possibility in Indiana, a Republican-leaning state. Delaware tilts Democratic, but it nonetheless has elected moderate Republican Mike Castle to multiple posts. He was expected to win in November if he were on the ballot. But the tea party backed Christine O'Donnell in the primary. She won, and the kind of Republican Delaware was likely to elect in November was cast aside. That's one less seat in the Senate than the Republicans had a chance to get. It means that even if the GOP wins every other possible Senate seat, the party will be one shy of a majority. (If the Senate splits 50-50, Vice President Biden would break any ties.) Why did the tea party campaign so ferociously against Castle? That's where the 70 and 10 come in. Castle's votes would please the tea party about 70 percent of the time. That's just not enough for them. But the Democrat who now is likely to win on Nov. 2 will vote the tea party's way 10 percent of the time. Or less. So rather than “settle” for a 70 percent senator, the tea party money, Palin and DeMint – who sees himself as a kingmaker in the Senate – went to bat for O'Donnell. Republicans see O'Donnell as a very flawed candidate, one who is unlikely to pull off a win in November. This was a scenario that could have happened in Indiana. What saved the Hoosier GOP from ending up with a less-solid candidate (from an electability standpoint) was another math equation: 100 divided by 5. Dan Coats was the establishment favorite because he was considered the strongest Republican for the fall election – either against Sen. Evan Bayh or (if, as it turned out, Bayh retired) running for an open seat. Coats' decade in the Senate in the 1990s was thought to give him a major head start in being a known quantity to Hoosiers, being able to raise money and knowing how to campaign statewide. But the tea party was not impressed. Four others got into the race, including three who were solidly backed by the tea party. Five candidates had to share in 100 percent of the votes. Coats got barely four of every 10 votes cast, but the others split 60 percent of the vote. Had the race been like Delaware – an establishment candidate vs. a single tea party-backed candidate – would Coats have won the primary?

**Gary Gerard, Warsaw Times-Union:** I get the sense that Tea Party types really don't feel like they need any advice, but I'm going give them some anyway. At the outset of the Tea Party movement, I was pretty excited about it. Lately, I've become a little concerned about it - nationally and locally. The whole thing started out being about taxes and limited government. I'm all for that. Remember Taxed Enough Already? That's what put the Tea in the Tea Party. Tea Party members harkened back to Revolutionary War days - taxation without representation and the like. And some Tea Party groups have stayed the course with regard to their core issues. To me, the Tea Party movement should be about three main issues: Promoting fiscal responsibility in government. Ensuring a constitutionally limited government. Encouraging free markets and private-sector business growth. Now, the elephant in the room that affects all three of those issues is, of course, taxes. If you encourage free markets and business growth there will be more tax revenue flowing to the treasury. If you constitutionally limit government and promote fiscal responsibility in government, taxes will be inherently lower because government won't need to gobble up as much private sector wealth to feed itself. As government expands, it adds more employees. Government employees are paid by tax dollars. There are only so many workers. When you move a private sector worker into a government job, you deplete the pool of people paying for government and add to the amount of money needed to fund government. Government hiring is up 17 percent. The median government worker is compensated at a rate just about double that of the median private sector worker. At the same time, federal deficits are threatening the stability of the dollar and the viability of essential government services. These are issues that I believe are the greatest threat to our way of life - our liberty. If the Tea Party took laser aim at those issues, I think a vast swath of the American political spectrum could get on board. They are fiscally conservative issues, to be sure, but there are plenty of people out there who may not consider themselves "conservatives" who still espouse those ideals. Do people like that feel comfortable in the Tea Party movement? Would a Libertarian feel comfortable showing up at a Tea Party rally? The more I watch the Tea Party movement, the more I see it alienating significant numbers of the very people it needs to support itself long term. Instead of sticking to the core, bread and butter issues of limited government, low taxes and fiscal conservatism, many Tea Party groups are pushing cultural and social values. When they do that, they push people away. They make people feel unwelcome, uncomfortable. There is no "Big Tent" sentiment in some of the Tea Party.
Indianapolis was scene of classified nuke exercise

INDIANAPOLIS - A classified exercise held earlier this year had Indianapolis as the target of a nuclear attack by terrorists, according to a book to be released Monday. The revelation is part of the book “Obama’s Wars,” written by journalist Bob Woodward. The Washington Post received an early copy of the book, and published a story Wednesday Woodward claimed the exercise was held in May to gauge the government’s response to a nuclear attack inside the United States. The scenario included terrorists detonating a small, crude nuclear device in Indianapolis, with the threat of a second, simultaneous attack on Los Angeles. The Washington Post article did not indicate why Indianapolis was chosen as the target. Woodward wrote that the scenario showed the government was “woefully unprepared” for such an event. In an interview with Woodward, President Barack Obama called a potential nuclear attack on U.S. soil “a potential game changer.” “When I go down the list of things I have to worry about all the time, that is at the top, because that’s one where you can’t afford any mistakes,” the Post reported Obama said.

Elkhart GI killed in Afghan chopper

ELKHART - The body of a soldier killed in Afghanistan is on its way back to his northern Indiana hometown. The casket with 23-year-old Sgt. Marvin Calhoun Jr. of Elkhart arrived Wednesday at Dover Air Force Base in Delaware, a day after the military says he was among nine American troops killed in a helicopter crash in southern Afghanistan. The crash Tuesday was the worst coalition helicopter crash in Afghanistan in four years. Family members tell WSBT-TV of South Bend that Calhoun joined the Army soon after graduating from Elkhart Central High School in 2006 and that he was on second tour of duty in Afghanistan. He was married with a 2-year-old daughter.

Murphy says FSSA hybrid successful

INDIANAPOLIS - Indiana human services chief Anne Murphy has told a legislative panel that the face-to-face contact for clients that she added to the state’s error-plagued welfare automation system is showing success, but lawmakers say many problems remain (Kusker, Associated Press). Murphy, secretary of the Indiana Family and Social Services Administration, said Tuesday that error rates are down and the percentage of new applications for food stamps, Medicaid and other benefits on backlog has fallen by 83 percent or more in southwestern and west-central Indiana after her agency made the changes in those two regions. “Hybrid is what’s driving down this percentage,” Murphy told the Medicaid Oversight Commission. Family and Social Services rolled out the so-called “hybrid” system to 10 southwestern counties in January and 11 west-central counties in June. The agency added 16 more southern counties this month.

State infrastructure rates a D+

INDIANAPOLIS - Indiana’s roads, bridges, dams, railroads, airports and water services need billions of dollars in upgrades to continue safely serving Hoosiers and to meet the state’s needs in the future, according to a new report (Times of Northwest Indiana). The Indiana Section of the American Society of Civil Engineers issued its first-ever “Report Card for Indiana’s Infrastructure” Wednesday, grading the state’s condition on seven critical infrastructure needs. Overall, the civil engineers gave Indiana a D+. That’s slightly better than the national grade of D. The state’s highest grade was a C+ for bridges. The state’s lowest grades were two D-s for wastewater treatment and dam conditions. Airports earned a C, roads a C- and rail and drinking water were both rated D+. Karl Zimmerman, an assistant professor of engineering at Valparaiso University, said he would have liked the grades broken down by region of the state. While bridges statewide might be average, the recent closures of the Cline Avenue and Martin Luther King Drive bridges in Northwest Indiana suggest region bridges might need additional attention, he said. “There’s kind of that feeling that we’re up here in the corner of Indiana, and we’re not as high a priority as Indianapolis,” Zimmerman said. “We have a little different snow conditions, we have different freeze-thaw conditions, things don’t look the same here.”

City workers on the clock for Pabey

HAMMOND - Current and former city employees testified in federal court Wednesday they did work on the Miller Beach home of East Chicago Mayor George Pabey at the direction of former city engineering department director Jose Camacho on the city’s dime (Tomkins, Times of Northwest Indiana). Alex Sanchez, a former employee in the engineering department and Russell Breger, a current employee, testified in the public corruption trials of Pabey and Camacho. Sanchez and Breger testified that
Camacho took him to Pabey’s Miller Beach home to do home improvement projects on weekdays during work hours. The testimony came on day three of the public corruption trial. Pabey and Camacho are facing charges of conspiracy and theft of city funds for allegedly having employees work on the home of Pabey’s daughter while on the city clock. Camacho is also charged with tampering with witnesses. Pabey bought the brick home in Gary’s Miller Beach neighborhood in 2007 for $67,000, according to county records. A real estate appraiser testified Wednesday morning that she appraised the home after the improvements were made for $135,000.

**IBM deal cost state $500M**

INDIANAPOLIS - Indiana’s human services chief says the costs to modernize the state’s welfare eligibility system since 2007 top $500 million. Family and Social Services Administration Secretary Anne Murphy told state lawmakers Tuesday that IBM Corp. has received nearly $442 million of that total through Aug. 31 (Associated Press). Gov. Mitch Daniels fired Armonk, N.Y.-based IBM for poor performance last October. Its work ended in December, but it collected more than $4 million more afterward for “disengagement services.” FSSA and IBM now are suing each other to recover costs each says it’s owed. Murphy says federal agencies have paid more than $275 million of the total. The state’s share comes in just under $225 million. Nearly $59 million has gone to IBM subcontractors who now work directly for FSSA.

**Montalvo, wife found guilty**

CHICAGO - Cook County Judge David Skryd found both Lake County Democratic Party secretary Manuel Montalvo and his wife guilty of all charges they faced for an incident at the Millennium Park commuter train station in May (Times of Northwest Indiana). Manuel Montalvo was charged with two counts of battery for his alleged chest bumps of two commuter train police officers, a disorderly conduct charge for his shouting and use of obscenity during the May 27 confrontation with police, and a criminal trespass to state property charge for refusing to leave the train platform when police told him to. Estela Montalvo was charged with resisting arrest, obstruction of a police officer and disorderly conduct. Manuel Montalvo, who also is director of the East Chicago Public Library, was sentenced to one year of court supervision and 40 hours of community service for the misdemeanor counts, while Estela Montalvo was sentenced to one year of conditional discharge, a step lower than court supervision.

**Razzle dazzle Lake County budget**

CROWN POINT - The seven Lake County Council members reduced their projected 2011 deficit by $3 million Wednesday with a few hours of financial razzle-dazzle at their latest budget workshop (Dolan, Times of Northwest Indiana). However, it will take at least another week for many more county officeholders and supervisors to decide the remaining $9.9 million in cuts from current spending levels that will probably result in the elimination of about 150 government jobs now funded by county property taxes. Councilman Larry Blanchard, R-Crown Point, said county officials have the choice of eliminating the jobs entirely or moving them from tax-based to user fee-based revenues, but he said user funds -- fees charged for specialty government services -- are unlikely to support many more salaries. Lake County Sheriff Rogelio “Roy” Dominguez said he has been told he may have to terminate at least 28 police officers. “And they want me to provide free services to the town of Winfield,” Dominguez said. Dominguez is vowing to cut police patrols in the town after Oct. 1 because of budget austerity. Council members insist more reductions are on the way. They voted Wednesday to cut $1 million taxpayer contributions to government employees’ insurance plan, another $861,000 from the employees retirement benefit fund and directed $1.1 million from their “rainy day” and election cash reserves to deficit reduction.

**Mike Smith farewell today**

INDIANAPOLIS - A “farewell and good luck” reception will take place from 5:30 to 8 p.m. today for Associated Press reporter Mike Smith, who is leaving after 18 years at the Statehouse bureau. The event will be at the Skyline Club.

**Clarification**

In the Aug. 16 edition of Howey Politics Indiana, Susan Rider, president of the Indianapolis Association of Health Underwriters, was quoted as saying that a new bundled payment system will be required of hospitals. She would like to clarify that this is not required. The writer had other sources explaining that the system will be moving towards a bundled payment method. It was also stated within the story that hospitals will be prohibited from charging uninsured individuals in various ways. Kevin Woodhouse, an Ice Miller attorney, explained that “it clarifies what the approach is for everyone” on how to charge and treat the uninsured.