How the House GOP insurrection failed

Rep. Linder survives counter assault

HPR Forecast: We analyzed in The Howey Political Report's June 24 edition (Vol. 3, No. 32) that a House legislative revolt would likely fail. It happened earlier than we expected when Rep. Jeff Linder sent out letters to the 50 House Republicans two days later, and a dramatic showdown occurred at the Statehouse on July 1. While Republican leadership Paul Mannweiler and Brian Bosma survived the vote of confidence decisively, they were unable to bounce Linder from leadership in an act of retribution. And that sets up a spicy drama that will be played out through the next 17 months. This week's showdown may not be fully settled until Reorganization Day in November 1998.

SHELBYVILLE - Rep. Jeff Linder had said all along that the unprecedented meeting of the House Republican caucus wasn't designed to bounce Reps. Mannweiler and Bosma from leadership. “It was really just to get together and address some issues,” Linder said.

In reality, Linder's bold move was perceived as a power grab by some caucus members and largely reported that way in the news media. That Linder survived as Caucus Chairman is remarkable. The last time a palace coup in the House took place, Democrat Michael K. Phillips not only won, but had enough power to banish Reps. Stan Jones and Marilyn Schultz to the back bench and ultimately a quick exit from the legislature.

Sources tell HPR that Tuesday's caucus meeting started "rocky.” One legislator moved not to have the meeting at all. Rep. Woody Burton opined that a vote was needed in order to punish a member.

What ensued was four hours of what Linder called a "pretty

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INDIANAPOLIS - Earlier this decade, U.S. Sen. Richard Lugar etched his name in the annals of statesmanship by helping pass the Lugar-Nunn Act, which has since led to the peaceful destruction of Soviet nuclear warheads.

Indiana Attorney General Jeff Modisett found himself at the crossroads of history on a domestic level, playing a key role in an incredible settlement with American tobacco companies. Modisett was key in advising Mississippi AG Mike Moore to pare the states' negotiating panel down to five of their counterparts. When the negotiations began reaching critical mass late last month, that panel reached out to Modisett and asked him to head the the crucial Allocations Committee - the group that will divvy up the settlement money to state Medicaid and smoking cessation funds.

Modisett got the kind of national exposure that many politicians would salivate over. He was often seen on network telecasts with the key AG negotiators and was present when the announcement was made on June 27. As chair of the Allocations Committee, Modisett will likely be in the center of future news coverage when settlement money is turned over to the states.

"This is the biggest public health issue of the century," Modisett told HPR. He believes that if the settlement is passed, it will keep 1 million children a year from getting hooked on cigarettes because the Joe Camel-type advertising will stop.

It was curious, however, at the lack of coverage the first-year AG received in his home state. The Indianapolis Star/News virtually ignored the Indiana angle to the story. He did receive kudos from some TV talk programs like Indiana Week in Review and The Mike Pence Show.

From strictly a political viewpoint, the first six months of Modisett's AG tenure have been activist, dramatic and historic. His role in the tobacco settlement catapults him into the role of heir apparent to the Bayh/O'Bannon stronghold in the Indiana Democratic Party. As AG, he will have an excellent pulpit to work on consumer, crime and moral issues.

Modisett has come a long way since his upset defeat by Scott Newman in the 1994 Marion County prosecutor's race. The Republicans spent big bucks to defeat him then, only to see him make a comeback two years later.
Newman's new role; Riecken emerges in 8th

TRENDLINE: Indiana Attorney General Jeff Modisett isn't the only legal eagle who finds himself at an interesting juncture in his career. The man who defeated him as Marion County Prosecutor in 1994, Republican Scott Newman, has been lifting eyebrows of late himself. In the past three months, Newman has indicted two current or former legislators - Sam Turpin and Rolland Webber. Some see it as Newman's emergence as his own man and from beneath the shadow of Indianapolis Mayor Stephen Goldsmith. And for good reason. Goldsmith may be fading in terms of political power, although that is by no means certain. Thus, it is important for Newman to create his own legacy, particularly after he was criticized for not calling for a special prosecutor in the Meridian Street police brawl of 1996.

8th CD: While Shelburn Clerk-Treasurer Jay Southwood becomes the first Democrat to declare his intention of facing U.S. Rep. John Hostettler in 1996, it is Evansville City Councilwoman Gail Riecken who appears to be picking up momentum in the party. The second-term at-large councilwoman met with district labor leaders last Friday and sources tell HPR they were impressed. A trip to Washington is on the horizon. Riecken was appointed to the council and then won her first election by out-polling Mayor Frank McDonald by nearly 1,000 votes. Said Boonville attorney Anthony Long, "Hostettler won't be able to figure how to run against her."

Democratic consultant Chris Sautter said that Riecken would be able to attract money from EMILY's List that might give her a $100,000 boost in a race against Hostettler. Sautter also said, "Women candidates are running 3 percent better than male candidates in the last two elections. What you've got in Riecken is someone who can bring in more money and more swing voters."

Southwood finished third in the 1996 primary to Jonathon Weinzapfel and Rick McConnell. Southwood is a highly respected Democrat who has yet to pick up any meaningful momentum. Weinzapfel told Alan Julian of the Evansville Courier that he is still considering a run.


McCloskey is said to not be seriously thinking about running, but might if no competitive candidate emerges.

Others, including Evansville Mayor Frank McDonald, are said to be looking at the race, but several Democratic strategists tell HPR that while McDonald would have ample name ID, he carries the big city stigma that few out-state politicians from regional metro (South Bend, Fort Wayne, Terre Haute) areas have been able to overcome. Only Dan Coats and John Brademas have been able to win congressional seats from big city power bases outside of Indianapolis since the 1960s. Most members of Congress won seats coming from smaller communities in their districts.

INDIANA SENATE: Indianapolis attorney John Price entered the race with a high-tech, statewide broadcast on Monday, emanating from the Artsgarden in downtown Indianapolis. The radio and television broadcasts of Price's announcement were carried on religious affiliated stations around the state. But a good deal of the attention Price received centered around erroneous comments about Evan Bayh vetoing an informed consent bill, which caused the Price campaign to have to backtrack.

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ful and frank discussion over what we should be doing as a group." Linder had not spoken with Mannweiler or Bosma prior to the caucus, but said he did speak with Rep. John Keeler.

As the caucus began, the word in the press corps was that Mannweiler and Bosma would easily win any vote of confidence. "Linder will be crushed like a little bug," said one veteran reporter.

HPR's source said that after the initial testsiness, the meeting moved to an open discourse among the 46 members present. Nobody pounded. Bosma took some hits, the source said, but "not too much on Paul."

A number of members expressed their irritation that Linder had called the meeting at all. Said Linder, "Virtually everyone spoke at some point. Like any other meeting, the mood went up and down. It was just a matter of everyone airing their concerns."

Linder said he would not comment "on any specifics or reactions to topics."

The so-called out-state versus Indiana-polis, sources tell HPR, was actually not as hot a topic as had been portrayed in the news media. A number of out-state legislators realized that coordinated campaign efforts and a substantial part of their fund-raising comes from Marion County.

Linder's letter did not call for a vote, but it did question whether Republican leadership from Marion County (Mannweiler, Bosma and Keeler) could redistrict the state in 2001 in a manner that would benefit the party statewide. A vote occurred about halfway into the session, with Mannweiler surviving 40-6 and Bosma 39-7.

What ensued was a dramatic twist not unlike the April 29 11th-hour to vote down the budget and send the Legislature into special session; or the post-budget bill amendments that brought about the 5-bill ultimatum package from Gov. Frank O'Bannon.

Burton, Jeff Espich and finally Keeler brought on a sustained attack on Linder, urging the caucus to yank his chairmanship. "They stood on the caucus to come down on Linder," our source said. "They had it spaced right. It was a well-orchestrated thing. These guys had a concerted effort to take Jeff out and they couldn't. They thought they had it done. But when each person had a chance, many didn't respond."

Burton, Espich and Keeler said that Linder had no reason for calling the session and had caused the caucus significant damage. But when the vote was taken, Linder survived 25-21.

Mary Beth Schneider in the Indianapolis Star/News described Linder as "chastened-sounding" and quoted him saying that his letter had been taken out of context "to make it more than what it was."

Schneider also quoted Mannweiler as saying the entire episode was "a blip" and added, "I think you can take problems and make opportunities out of them and that's what we've done today."

The fact that Mannweiler won his vote of confidence by 40-6 shows two things: that most House Republicans admire him personally; and that this was not the time to make a leadership change.

Several Mannweiler supporters told HPR they have noticed a difference in their leader's management and organization style since he and his wife, Leah, separated as well as his new executive position with Indianapolis Power and Light. Without Keeler during the first part of the special session, Mannweiler seemed adrift and that's when he stumbled into the worker's comp situation.

The fact that Linder survived creates an undercurrent of dissatisfaction with Mannweiler, a man they admire. More political miscalculations like those over worker's comp or redistricting, or minority status after the 1998 election could give Mannweiler plenty of headaches heading into the reorganization of the 1999 biennial session.

Can Linder and Mannweiler work together?

"I'm sure we can," Linder said. "In politics, it's essential to work together."
1998 not shaping up very well for members of the '94 Republican ticket's 'Lugar Team'

By Dave Kitchell
Logansport Pharos-Tribune

Maybe it can be blamed on the 25th anniversary of Watergate.

Whatever reason, the first half of 1997 has not exactly gone the way Indiana Republicans would have liked.

Heading into 1998, the party at the state level is not exactly poised for greatness, and that has to be a concern for potential candidates who would be below them on the ballot next year. The party's spiritual leader, Richard Lugar, will not be on the ballot. Members of the "Lugar Team" that swept Indiana Statehouse elections in 1994 when Lugar won an unprecedented fourth U.S. Senate term are having their problems. The year ahead may be ominous.

Consider the series of events that has happened so far this year for Republicans:
- Former House Ways and Means Chairman Sam Turpin, one of the architects of the House GOP Campaign that gave the party a majority in 1994, was indicted by a grand jury in connection with work he performed for a gambling firm while he was in the legislature.
- State Auditor Morris Wooden and his office have come under fire. Three top aides, including his chief of staff and campaign manager, have either resigned or been fired. A State Board of Accounts audit indicates late payments made through the office cost the state more than $300,000. And the investigations reportedly are not over.
- Republican John Price announced he would challenge Peter Rusthoven for the U.S. Senate nomination next year, and that means the amount of money first-time candidate Rusthoven will have to spend in his quest to defeat former Gov. Evan Bayh will have to be enough for two elections.
- Incumbent State Clerk of Courts John Okeson announced he would not seek re-election and will consider running for mayor of Fort Wayne.
- House Republicans forced a special session of the Indiana General Assembly when they refused to approve bills approved by Senate Republicans, House Democrats and Gov. Frank O'Bannon. After limited cuts were made in the budget, the House passed a "take it or leave it" set of bills presented by O'Bannon, all of which could have happened without a special session. It left many people wondering what the short session accomplished, particularly since a state budget had already been passed.

When the members of the House Republican Caucus met in Indianapolis Tuesday for what amounted to a vote of confidence for House Minority Leader Paul Mannweiler, another factor that could affect the 1998 elections unfolded. The meeting, prompted by State Rep. Jeff Linder, R-Shelbyville, signaled an uprising of legislators from outside the Indianapolis area against those inside Indianapolis's "beltway." And that may represent yet another problem for the party - a split between Indianapolis House leaders who represent the old guard leadership and the up-and-coming group of House leaders including Linder, State Reps. Mike Smith and Bill Friend.

"There's a perception that Indianapolis and the counties that are in the ring around it are against the rest of the state," said IU's Brian Vargas. "But of all the ring counties, the two that are most disconnected from Indianapolis are Shelby and Morgan."

That disconnection may be just the kind of attitude that legislators and voters from other areas of the state can relate to, and that may be a sign of the changing of the guard in the Indiana House.

In Mannweiler's defense, it would be unfair to blame him for the losses suffered by House candidates. The 1991 redistricting map approved by the legislator represented a compromise that favored House Democrats.

But in Linder's defense, give him credit. When a figurehead in the middle of the party totem pole calls for a caucus, the results represent an elevator move in a political career. Linder's stock could soar as a result and push him among the state's elite. Or it could send him to the back row of the House where he will be shunned for the remainder of his elected life.

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TICKER TAPE

this is where the compulsive gambling addiction problem is coming from," said Tom Rich of Drug Free Indiana. There are 13 compulsive gambling treatment centers across Indiana.

After the Aztar casino opened in Evansville in late 1995, community mental health centers there added dozens of gambling addictions counselors.

Other states, such as Iowa, Illinois and Missouri, have all reported dramatic increases in compulsive gamblers after riverboat casinos arrived.

Gov. Frank O'Bannon, Robert Orr and Otis Bowen showed up for a book signing at the Indianapolis Press Club on behalf of Susan Maguire and her new book, "We Are the Miracle."

Bowen has been the centerpiece of a Proctor & Gamble print ad campaign on behalf of Olean. "As former governor of Indiana, I am very pleased and excited about the fact that Hoosiers will have a choice now by eating Olean snacks, which can help reduce the amount of fat in their diets," Bowen says in the ad, which shows him sitting on a stack of logs with a chain saw behind him, as well as pictures of him with children and fishing.

The South Bend Tribune did a continued on page 6
Brian Howey, HPR - Whether there will be an unprecedented change mid-term in leadership next week remains to be seen. Young legislators go to Indianapolis to change the world and bring sense to government. Many are quickly reduced to measuring success by the number of bills they pass and the committees they chair. They fall into line, lockstep. A failed challenge to leadership not only bruises egos, but it dings stature and brings about retaliation. Having said that - and I've covered legislatures since 1985 - there is a growing sense of cynicism and discontent with the general public toward the legislature. Two indictments of members (or former members) simply underscore that. These out-state Republicans who are fueling this challenge obviously are hearing constituent ventings. For these Republicans, the new NCAA headquarters, a new Pacers arena and a renovated RCA Dome for the Colts on top of worker's corp reforms that frosted the flakes of their local Chambers has brought the pot to boil. Linder is now stirring the lidle. It will be fascinating to learn whether it's stone soup or a feast for weary travelers.

Charlie Cook, Cook Political Report - As we approach the midpoint of 1997, little has changed on the national political stage; polls continue to show both parties at roughly equal standing with the public, and no campaign themes or dynamics for 1988 have emerged. The partisan playing field is as level as we have seen in 25 years, neither party having emerged the victor from the last election or having gained any advantage since then. Early on, some danger appeared to arise for Republicans as a theme developed in news coverage that this was a "do nothing" Congress. And indeed, very little was accomplished in the early months of this session. Those suggestions now ring a bit hollow in light of the emerging balanced budget deal, although Republicans will once again be exposed to such attacks if the deal falls apart. The House majority party appears to be considerably disorganized - the leadership has so thoroughly divvied up its authority and responsibility that any decision-making now looks exceedingly difficult.

Ruth Holladay, Indianapolis StarNews - If Congress passes the tobacco proposals and regulation becomes a state's rights issue, Indiana Attorney General Jeff Modisett says two things will happen immediately: the airwaves will be flooded with anti-tobacco ads, and the price of cigarettes will go up 50 to 75 cents a pack. But Modisett is realistic: when it comes to tobacco's seductiveness for kids, the state can't legislate away the desire to rebel. "It comes down to the family to teach the right values." But the state can deny access - with limits.

Douglas W. Kraic, Chicago Tribune - If Supreme Court opinions were law school examinations, this year's term would merit an A-. Since federal judges have been chided as "imperial" and a threat to democracy as of late, it is good to report that the court's recent decisions affirmed the criminal laws of most states by rejecting the specious assisted suicide claim, strengthened the separation of powers and the delicate federal-state balance and corrected its own previous misinterpretations of the no-establishment clause. In the assisted suicide case, the court unanimously reasoned that a practice disapproved by Anglo-American common law for more than 700 years was not a good candidate for being teated as a "fundamental right" deeply rooted in the traditions and history of the nation. Not every opinion gets high marks, of course. The Internet ruling invalidating limits on the transmission of indecent material to minors is deeply troubling, even as it may have been the anticipated outcome under free speech law. Since separating adults and minors in cyberspace is tougher than at the magazine counter, the law needs some retouching.
A new Goldsmith emerges from a trip through a minefield

INDIANAPOLIS - Looking back over the last eight months, Mayor Stephen Goldsmith's public life has been like a walking trip through a minefield.

There was his November 1996 loss to Frank O'Bannon in the governor's race. “I learned that you can do a lot of wrong things in a short period of time in order to snatch defeat from the jaws of victory,” Goldsmith observed.

There have been an array of local challenges: funding for a new Indiana Pacers arena; expansion of the Indiana Convention Center that will help the Colts and spur more hotel room building downtown; dealing with the debt problems brought on by the United Airlines deal; and with a record homicide rate.

A kinder, gentler, out-reaching Goldsmith has emerged through all of this. He has been active in Republican Party events across the state. “I'm working on my contacts in the party,” he said, a remark made for the benefit of GOP leaders around the state who felt his campaign was aloof and too TV-orient-ed.

Goldsmith was willing to join O'Bannon to get the five-bill “ultimatum” package passed in the Indiana House and Senate last month.

The Star/News' Richard D. Walton's story on the “Reluctant mayor rallied to secure arena deal” portrayed Goldsmith as “dissim­usive” of a new arena, only to have pragmatism kick in when he figured that if action wasn't taken, the Pacers would be gone. “I'm walking into a situation where many of the people I'm asking to help me are those who played key roles in my defeat last year,” Goldsmith said, describing the scene as “surreal.”

As HPR's interview was in progress, at the other end of Market Street, the Republican House caucus was engaged in a showdown over leadership and the out-state versus Indianapo­lis divisions. Goldsmith spoke as if he were talking to legislators from North and South. “The Pacers and Convention Center deals actu­ally benefit the people of Indiana,” Goldsmith said. “Most people don't understand that.”

It would not be hard to see Goldsmith out on the campaign trail in, say, 2000, telling people in Kokomo and South Bend that the arena deals didn't cost Indiana taxpayers a dime (unless they use a hotel room, a rental car or have a name like Michael Jordan). “So how does that benefit Kokomo or is something that someone from South Bend can vote for?” he asks. “Because it generates tax revenue for the entire state. Circle Centre Mall, with­out any state support, is generating a great deal in sales taxes for the state.”

In late June, Goldsmith convened a law enforcement summit to seek answers on a skyrocketing homicide rate (65 thus far this year). He responded with saturation patrols, then watched as Gov. O'Bannon and the Indiana State Police swooped into one gang-infested neighborhood where they declared it a special law enforcement zone.

“We don't know what that necessarily means,” Goldsmith said of the governor's action. He blames the judicial system for allowing teenage crack dealers to flip in and out of the system, the state for building adult prisons instead of enough juvenile facilities, and lenient judges. “Here you have 20 judge posi­tions and 21 will run for them in an election,” Goldsmith said.

Might he seek to run a slate of tough judges. Probably not, he said. A better route would be for a watchdog group to issue a report card on their sentencing.

Will Goldsmith seek to challenge Indianapolis School Board members with a slate of candidates, like he did several years ago? “I haven't decided,” he said, saying he would reach out to neighborhood associations to get their opinion before he decides.

Will he run for re-election? “I told John Sweezy I wouldn't say no,” he said with a long pause and a smile.

A rematch in 2000 with O'Bannon? “I'm keeping my options open,” he said.

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INDIANAPOLIS - There were two terse phone messages received by HPR after the June 24th edition. The first was from Phil Bremen in the governor's office, miffed about HPR’s coverage of the motor voter funds used to fund computerization of state campaign finance records.

On June 19, O’Bannon and Secretary of State Sue Anne Gilroy scrambled to take credit for the unearthing of $250,000 in the motor voter fund to do a job the legislature had neglected. Bremen said that both the offices and Gilroy and O’Bannon had sought funding by approaching the State Board of Accounts.

There was little doubt that both camps were interested in getting some political capital out of the issue. The O’Bannon press release began like this: "Gov. Frank O’Bannon has beamed a little more light on the shadowy cloaking the financing of political campaigns in Indiana."

Gilroy’s release read, “Tomorrow I will drive to Brown County State Park - but this time it will not be to enjoy a sunny day exploring the Hoosier hills. I’m going there to ask for help in giving all Hoosiers, from average voters to professional journalists, greater access to records that show how Indiana campaigns for public office are financed. A case could be made that O’Bannon and Gilroy view each other from adversarial positions.

The second call was from Indiana Republican Chairman Mike McDaniel, whose “flakes were frosted” by the Perhaps We Wander column on access to GOP candidates and stars.

HPR Publisher Brian Howey left Bremen’s office and decided to feel McDaniel’s heat in person. Howey was wearing a T-shirt from Fort Wayne’s Lincoln Museum, revealing a picture of the 16th president along with the line, “A House Divided Against Itself Cannot Stand.”

“You wore that on purpose,” McDaniel charged.

“Coincidence. I was dressed before I received your phone call,” I said. Then we sat in the eminently accessible party chairman’s office and had a good laugh and told stories.

A House Divided Against Itself Cannot Stand