

# Hoosier Business Leaders Hear Candor on Capitol Hill

By Rebecca Patrick

**T**here was no ignoring the 800-pound gorilla at the Indiana Chamber's annual D.C. Fly-in. The gorilla: the November 7 midterm election.

With several tight races in Indiana labeled as ones to watch for Republican hopes of retaining a majority in the House, several Hoosier representatives spoke candidly about life at the political frontline to the more than 75 Indiana business leaders who made the late September trip to the nation's capitol.

During the roundtable discussion moderated by Gerry Dick of *Inside INdiana Business*, Sen. Richard Lugar (R-Indianapolis) and seven House members – Chris Chocola (R-South Bend), Mark Souder (R-Fort Wayne), Steve Buyer (R-Monticello), Dan Burton (R-Indianapolis), Mike Pence (R-Columbus), Julia Carson (D-Indianapolis) and Mike Sodrel (R-Jeffersonville) – mixed talk of policy and politics.

While all the mystery of who won another term is now known, it made for some memorable remarks on the impact of controversial state legislation and what Congress can be held accountable for. That said, the delegation didn't neglect the myriad of issues important to the business community, with discussion topics including energy, health care, homeland security, immigration, taxes and tort reform.

For its part during the two-day event, the Indiana Chamber group pushed four legislative priorities: elimination or reduction of the estate tax, continuation of the research and development tax credit, comprehensive immigration reform and drilling in the Outer Continental Shelf.

Rolls-Royce North America was the Fly-in dinner sponsor, with additional sponsorship from the Build Indiana Council; Clarian Health Partners, Inc.; Duke Energy; Indianapolis Power & Light Company; Mayer, Brown, Rowe & Maw; OneAmerica Financial Partners; Vectren; and Zimmer.

Below are highlights from the roundtable discussion:

## The Mitch Daniels effect

**Rep. Pence:** "There is some survey evidence that Hoosiers are a little grumpy in some parts of the state. I liken that (reaction) to the first two weeks I'm on a diet when I get a little edgy. Hoosiers are kind of on a diet right now. We've got a governor who has balanced the budget through budget cuts. He is perusing aggressive growth in our economy through modernizing our economy, modernizing our infrastructure, and I know that everyone of us here in Washington is excited to be some small part of continuing to keep the ball spinning."

**Rep. Souder:** "Coming from the northern part of Indiana, where the people are in the first weeks of this diet, the challenge is that the votes are accruing before the end of the diet! For Chris Chocola and I, a typical town meeting has gone this way:

*'Why did you sell the Toll Road?' I say that would be a state issue.*

*'Why did you change all the time zones?' I say that would be a state issue.*

*'Why did you close our license branches?' I say that would be a state issue.*

Still, I try to take as much responsibility as I can for the state votes even if they are not mine. Why? Indiana was stuck in the mud for 16 years and Mitch Daniels tackled the challenges that needed to be made to take Indiana forward. And – he did it all in about one year. As Republicans, we are trying to stand together with that, but it is a little tougher in the north than it has been in other parts of the state."

**Rep. Buyer:** "For a long time, I was worried about Indiana. Now Indiana is on the move. Name the industry ... you can talk about energy with BP's investment, soy diesel, ethanol, clean coal technologies, etc. Auto manufacturing, whether it's Honda or Toyota – the two new facilities –





Among the congressional delegation roundtable participants (from left): Sen. Richard Lugar and representatives Chris Chocola, Mike Pence, Steve Buyer, Mark Souder and Mike Sodrel.

and many of the spinoffs. Our health care, pharmaceutical and medical device companies. What Indiana did to change the landscape of telecommunications with its reform. Improvements to our infrastructure to attract business. So I say to my colleagues out here, when they ask about Indiana, that we have a governor who operates more like a CEO and says to businesses around the country and the world, 'It's OK to come to Indiana and do business.' I think that is pretty exciting. Indiana is supposed to be a 'to state' not a 'from state.' "

### Earmarking federal funds

**Rep. Chocola:** "We passed a bill (in mid-September) that does bring more transparency and accountability to earmarks (in the appropriations process). I support making sure that every member of Congress who requests an earmark have their name attached to it and that it is public information. I also think that every earmark should be debatable on the floor – that you can raise a point of order, and then any member of Congress can go to the floor and say I think this is irresponsible spending, and the person who requested that earmark should go defend it. The only thing that I think the American people will relate to is total repeal of earmarks. We can have that debate, but the bottom line is not only defending your earmarks but arguing that most of the earmarks that are requested, if they are taken out, they will really not reduce spending. That money will be spent anyway, and it will be spent in an arbitrary formula or by some bureaucrat either in Indianapolis or in Washington D.C. ... So having the opportunity as a member of Congress to do that rather than have that money be spent some other way, you can make an argument (that) is a good thing to do."

### Immigration intensity

**Rep. Burton:** "If we are going to get anything done on immigration this year, it's going to simply be done with border security. The administration is actually already doing that. Not a lot of people know that millions and millions and probably billions of dollars are being spent to build fencing and some walls, plus bring in new technologies to secure our border. As far as dealing with the illegals in this country, I don't think

that's in the cards between now and January. After January, if we get the border secure and the election is behind us, then we have to tackle things in a new way."

**Rep. Souder:** "I mailed a survey to households in the district; there were six questions on immigration. We expected to get 3,000 back. We got 12,000 and are still getting them two months later, and I made them put their own stamp on it because I wanted to see intensity – and I mean we got intensity!"

"About 75% favored fencing the borders, a little higher than that favored utilizing the guard, a little more of a split on dual citizenship and about 75-85% want an ID card. The intensity on the question about English as the (only) official language was incredible – 98.5% in favor, with comments like, 'Why are they here if the won't speak English?' The intensity on that question was incredible. On work permits for illegals, the results were about 35% for work permits, 55% against, with 10% undecided. Regardless, it was not a slam dunk. About 3,500-4,000 people gave us their e-mail addresses. It overwhelmed our system. For that many people to give you their e-mail address and say they want to be contacted, that intensity overwhelmed me. The anger overwhelmed me. The handwritten over-the-top letters overwhelmed me. My opinion is we have to deal with the border first and having secure IDs, or we are not going to be able to do work permits. Until you have a secure border, until you have a way to have that photo ID with your fingerprints, any work permit program will not work."

### Fueling our economy — and security

**Rep. Sodrel:** "Offshore oil drilling is one subject that is just really frustrating for me because we burn several million gallons of fuel a year, and we have the possibility of the Chinese and the Cubans drilling 50 miles off the Florida coast, but we're not going to allow American companies to drill 50 miles off the Florida coast. We need to develop the natural resources that we have in this country. We need to be independent of foreign sources of oil. Look down the list folks, these are countries that don't like us very well. Starting at the top with Iran, we can't put our entire economy and security at risk by failure to develop our own natural resources. If we can develop them and use the biodiesel and ethanol as extenders, we can become independent from foreign

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## D.C. Fly-In

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sources of oil in a relatively short amount of time, but we have to be serious about it.”

**Rep. Burton:** “One of the most vitriolic speeches I ever heard at the United Nations was done by President Chavez of Venezuela. His country provides about 25% of the oil that we use, and he is working with Fidel Castro to try and undermine several governments in Central and South America.”

**Sen. Lugar:** “On an intellectual basis, the Purdue Energy Center really offers extraordinary possibilities. They have been doing good research for a long time and people are paying attention to it now. So Indiana is an idea center. We have fewer ethanol plants that are under construction than Iowa, Nebraska, Illinois, Minnesota and a number of places, but nonetheless we are going to have a whole lot more during the next year. It is going to be an exciting year as that ethanol comes online. There are just 45 E85 (a blend of 85% ethanol and 15% gasoline) pumps in the whole state right now. We’ll need several hundred so that people can

utilize them. We are pushing the car companies very hard to make the flexible fuel cars. The big three (automakers) pledged to do 250,000 each, but my hope diplomatically is they will do a whole lot more for their own good, as well as all of ours ... but I would just say clearly that about only 13% of needs in Indiana will be supplied by corn ethanol. Conceivably, you get another single digit figure for biodiesel and you add that to it.

“The big payoff comes with cellulosic ethanol (a type of ethanol whose starting raw material is cellulose, not sugars or starches) and with the research efforts of those pilot plants. We have the elements needed in terms of the raw materials, but the particular chemistry that is going to work best is still in dispute. The Brazilians have become energy independent. They got there because almost 80% of their cars are flexible fuel. They use 52% of their sugar crop for ethanol, enough to export, and they have a lot of drilling offshore for oil. Together, those three elements have made them energy independent; they are a good model.”