

We the people of Maine...

THE MAINE HERITAGE POLICY CENTER



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QUARTERLY Impact Report

AUGUST 2013



Peter W. Ciriello

The Maine Heritage Policy Center is pleased to welcome new board member Peter W. Ciriello to our Board of Directors.

Peter Ciriello is an experienced senior manufacturing and business executive with more than 25 years of leadership responsibility in the manufacturing of industrial specialty materials and packaged media for the entertainment industry. Mr. Ciriello started his career with the U.S. Steel Corporation in Pittsburgh, Pennsylvania as a project engineer and then joined specialty chemical manufacturer, W.R. Grace & Company in Lexington, Massachusetts, as a process engineer.

In 1989, Mr. Ciriello joined personal care products company, Kao Corporation of Japan, where he served as Managing Director of the Media Products Division of Kao Infosystems Company until 1997. In 1997, Mr. Ciriello joined Shape Global Technology as president & CEO. In 2000, Shape was acquired by Carthulias, a Belgium manufacturer of CD and DVD packaging, after which he stayed on as CEO until 2007. In 2007, Mr. Ciriello joined Cinram International, the world's largest manufacturer and distributor of packaged media to the movie and music industry, as global executive vice-president of engineering and technology. In 2010, Mr. Ciriello rejoined Carthulias, Inc. again as CEO.

Mr. Ciriello holds a BSCE from the University of Maine and an MSME from Boston University. Mr. Ciriello is a specialist in optimizing manufacturing and business systems for the purpose of creating efficient and high performing organizations. Mr. Ciriello is also a registered professional engineer in the State of Maine. Mr. Ciriello was formerly on the board of directors of the International Tape Association (ITA), the Content Distribution and Storage Association (CDSA), the Digital Entertainment Association (DEG) and Caring Unlimited.

Remembering Patricia B. Becker



The Maine Heritage Policy Center lost a dear friend when Patricia B. Becker passed away. She was an incredibly generous person and faithful supporter of MHPC since its founding.

An avid traveler of the world, she recognized first-hand the importance of freedom. Mrs. Becker gave generously of her time and resources to help preserve and expand liberty in Maine and America.

Born in Illinois, raised in New York and Massachusetts, Pat and her husband William G. Becker, Jr. raised their two children, Bill and Robert, in New Jersey and resided there for more than 30 years. In 2004, she moved to Maine to be closer to her children. She was a passionate volunteer and quickly became a regular attendee of MHPC's events. Mrs. Becker was a firm believer in MHPC's work and frequently brought guests

and friends to many of the events.

Mrs. Becker always had a terrific sense of humor, was loyal with her opinion, determined, and was a champion for conservative values. She was a strong advocate of personal responsibility and her children said "It is fitting that she passed on what would have been Ronald Reagan's 101st birthday."

True to her generosity, Patricia Becker provided the inaugural gift to **The Maine Heritage Policy Center's Legacy Society**. The Boards and staff of MHPC are deeply appreciative of Patricia Becker's thoughtful gift that will help continue the work of MHPC. Thank you Mrs. Becker!

Should you wish to include The Maine Heritage Policy Center in your estate plans, please contact Heather Noyes at 207.321.2550 or hnoyes@mainepolicy.org.

UPCOMING EVENTS

◆ MAINE PROSPERITY EVENT

Wednesday, August 14
5:30 p.m. to 7:00 p.m.
Jeff's Catering
15 Littlefield Way, Brewer

◆ MAINE PROSPERITY EVENT

Thursday, August 15
11:30 p.m. to 1:00 p.m.
DiMillo's on the Water
25 Long Wharf, Portland

For more information regarding our calendar of events, please contact Ms. Kate Clark at 207.321.2550 or kclark@mainepolicy.org.

The majority of our elected officials in the Maine State Legislature, Democrats and Republicans alike, joined forces to raise taxes on all the people of Maine.

This means Mainers will pay 10 percent more in sales tax when we shop, and 14.3 percent more when we take our families out to dinner or stay at a campground. In short, you and I will keep less and less of our paychecks while we are forced to watch state government continue to grow and grow.

The budget was not only balanced through tax increases, but also through accounting gimmicks and promises to cut spending in the near future. We've all been down this road before – we always get the taxes, but we never get the spending under control.

Unlike the majority of the politicians who roam the statehouse halls in Augusta, our Founding Fathers understood that prosperity is achieved by allowing our citizens to keep and use the fruits of their labor. Unfortunately, the majority of Maine's elected officials seem to have forgotten this simple truth – perhaps it is time for a wakeup call.

Far from discouraging us, these challenges are invigorating reminders that it is imperative, now more than ever, for conservatives to redouble our efforts to promote conservative public policies based on the principles of free enterprise; limited, constitutional government; individual freedom; and traditional American values.

The fight against Maine's organized Left is daunting, but The Maine Heritage Policy Center is committed to providing bold policy solutions that work for *We the people of Maine*.

In the coming months, you will hear us introduce a bold initiative to reduce taxes, limit government, and liberate Maine's working class from the oppressive over-reaches of state government. We look forward to sharing our ideas with you and hope you will stand and join us in the important work of ensuring that our children and grandchildren can enjoy a free and prosperous life in Maine.

In Liberty,

J. Scott Moody
Chief Executive Officer

We the people of Maine...

THE MAINE HERITAGE POLICY CENTER

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The Maine Wire

BEST OF THE 126TH LEGISLATIVE SESSION

With the adjournment of the 126th Maine State Legislature, taxpayers can rest easy knowing their liberty is safe – at least for now. Here's a review of what happened in Augusta this year.

GANG OF ELEVEN PUSHES "BUDGET NEUTRAL" TAX INCREASES:

Perhaps one of the most interesting events of the 126th Legislature was the Gang of Eleven's bipartisan proposal to reform Maine's tax code. In order to sell their tax reform, lawmakers coined an altogether original phrase: "budget neutral." As opposed to "revenue neutral," which means a bill does not increase tax collections, budget neutral means the tax reform would not increase spending. The proposal, the gang members would eventually admit, would absolutely increase taxes collected by the state.

Although many people agreed with the underlying philosophy of the Gang of Eleven's proposal – i.e. taxing consumption is better than taxing labor, – extending tax collection into myriad new service realms proved too complex for the bill to move this year. The tax bill changed significantly at every public hearing and work session, which made it difficult for other lawmakers to embrace what was basically a moving target.

So, what's next for the Gang of Eleven? While the Gang has probably disbanded for good, the idea to trade sales tax increases for income tax cuts will likely return.

The Gang of Eleven said their plan's bipartisan sponsorship signified its great worth, but the proposal also had bipartisan opposition. Liberal Democrats feared that taxing consumption would disproportionately harm low-income families, and their

MAINE OPEN GOV Transparency & Open Government

MHPC's Center for Open Government continues to provide the most comprehensive collection of state data in the country. By filing more than three dozen Freedom of Access Act requests each year, our analysts acquire and compile troves of information regarding state and municipal governments. With fresh numbers for fiscal year 2012, MaineOpenGov.org provides both policymakers and average citizens with a transparent way to see how government spends Maine's hard-earned tax dollars.

concerns were not assuaged by the Gang's proposed low-income sales tax credits. Conservative Republicans, for their part, rejected the proposal because it was not revenue neutral and seemed identical to a proposal that Maine voters rejected four years ago. (Lending fuel to GOP criticism, one of the lead members in the Gang of Eleven even said text from the rejected tax law could simply be "cut and pasted" into the new proposal.) Republicans also pointed out that a future Legislature could easily raise income taxes, whereas it would be much more difficult to rollback an expansion of sales and excise taxes.

But still, the Gang of Eleven pushed on, arguing that the increased taxes the state collects would be paid by out-of-staters. The Maine Revenue Service, however, was never able to produce reliable estimates of how much of the newly increased and expanded taxes might be paid by non-Mainers.

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MAINE MAYORS ORGANIZE FOR HIGHER TAXES: In response to Governor LePage's decision to suspend revenue sharing to Maine's municipalities, several Maine mayors banded together to resist the budget proposal. In one instance, a few mayors decided to gather at the University of New England for a banquet and plot ways to avoid cutting revenue sharing – that is, ways to raise taxes. If having Maine's political class plot tax increases wasn't bad enough, TMW readers were outraged to learn about the mayors' gourmet menu, which included bacon wrapped scallops, among other delicacies. This story, however, has a happy ending, as the mayors organizing the event ultimately had it cancelled. They assured us, though, that it had nothing to do with our reporting.

DEMOCRATS WASTE TAXPAYER TIME WITH DUMB BILLS: Despite all the talk of hard work and progress from majority leaders, the 126th Legislature brought Maine's oldest deliberative body to new lows with the frivolous, the asinine and the just plain stupid. Take, for example, two proposals which amount to blatant political attacks of zero benefit to the Maine people: a proposal to sell the Blaine House and a proposal to confiscate Governor LePage's pension.

CLOWNING AROUND: When majority party lawmakers weren't busy wasting taxpayers' time and money with ridiculous bills, they found other ways to frustrate and offend Maine's

citizens. In one instance, two Democratic lawmakers decided to don clown noses – yes, big red clown noses – while a Maine man testified at a public hearing. The man had waited several hours to testify about nursing home bed days and a bill that would help ensure Maine's elderly are properly cared for. Nearly moved to tears, he stopped abruptly mid-testimony once it was clear that these lawmakers were more interested in clowning around than listening to the Maine people.

LABOR DEPARTMENT OVERPAID JOBLESS BENEFITS BY \$100,000,000:

TMW reported exclusively on a bombshell report from the State Auditor. According to the report, produced by a Democratic political appointee, the Maine Department of Labor overpaid jobless benefits by a whopping \$100,000,000. As a result of the overpayment, the federal government could ask Maine taxpayers to pay back nearly \$60 million in improperly paid benefits. A spokesperson for the Department assured TMW that the enormous figure was just one estimate.

DEMOCRATS TRY AND FAIL TO ATTACK LEPAGE'S SCHOOL GRADES:

In his January State of the State address, Governor LePage announced that his administration would follow the lead of several other states by evaluating every public school and providing A-F grades. In May, to announce the finalization of the school grades, LePage held a well-orchestrated press conference at the State Library near the State House. One week later, the majority party held a press conference of their own.

Under the pretense of introducing an alternative school evaluation scheme, the majority party co-chairs of the Education Committee, surrounded by more than a dozen of the most prominent Democratic lawmakers, launched a series of attacks on LePage, calling his grades demeaning and unproductive. But when TMW asked how long the majority party had been working on their alternative, they refused to answer. Even when pressed by reporters from other news outlets, the best and brightest of majority party would not say how much time went into their school evaluation alternative. Why? Possibly because the plan was given little thought, as the imperative to damage LePage trumped the desire to produce good policy.

MEDICAID EXPANSION MEANS MILLIONS FOR THE HOUSE SPEAKER'S BOSS:

As the debate of Medicaid expansion reached fever pitch in the State House, TMW reported exclusively on House Speaker Mark Eves' glaring conflict of interest. Eves, who was the foremost Democratic proponent of expanding Medicaid, serves as business development director for Sweetser, a social services agency that receives the bulk of its funding from Medicaid. The majority party brushed aside the conflict as unimportant and continued to insist that expanding the dysfunctional welfare program is the morally right thing to do.

By S. E. Robinson
Investigative Reporter



The Success of Customized Learning in Maine

By Amanda R. Clark
Education Policy Analyst

Customized learning is an educational model whereby students can enroll in the school which best meets their needs and interests. In this model, the allocated per-pupil public dollars follow each student to their choice curriculum of learning, whether that be through private school, charter school, home school, traditional public school, online learning or town academies. This system of individualized learning has not yet reached its full potential in Maine.

In this case study, you will meet three Maine families who have sought out customized learning for their own children and have managed, despite limited options, to find models that suit their students' unique strengths and weaknesses. The results include, but are not limited to, the children thriving at their own speeds, gaining tools and resources to be equipped for their futures, finding extra time for activities and sports in which they would not otherwise be able to participate, and discovering a sense of being "included, accepted, challenged and allowed to excel."

EYE ON HEALTH CARE REFORM

The fight to promote patient-centered, free market health care policies continues...

With the veto of Governor LePage, Maine narrowly held off Medicaid expansion passed by the legislature. MHPC played an important role in educating both policymakers and the public; and in the end, efforts to overturn the Governor's veto failed.

MHPC played an integral role in PL90's passage and continues the fight to sustain these important reforms. The Maine legislature passed two bills, LD.161 and LD.225, aimed at repealing provisions of PL90—both vetoed by Governor LePage.

MHPC will continue efforts to educate lawmakers to ensure these important measures are sustained.



Joel Allumbaugh
Director, Center for
Health Reform Initiatives

WE THE PEOPLE OF MAINE

Fort Kent to Kittery, Fryeburg to

Calais, and all the places in between, MHPC is working hard to

defend the principles of free enterprise; limited, constitutional government; individual freedom; and traditional American values—all for the purpose of providing conservative public policy solutions that benefit

We the people of Maine.

