

*We the people of Maine...*  
THE MAINE HERITAGE POLICY CENTER



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QUARTERLY  
**ImpactReport**  
JULY 2014  
THE MAINE HERITAGE POLICY CENTER

*We the people of Maine...*



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*Have you heard? Maine conservatives are gaining ground.*

**T**hanks to conservatives like you and The Maine Heritage Policy Center, a recent court decision has dealt a devastating blow to the left's progressive agenda in Maine.

In 2011, Governor Paul R. LePage and Maine's 125th Legislature enacted historic public pension reforms that reduced Maine's enormous public pension debt from \$4.1 billion to \$2.4 billion. This 41% reduction in Maine's unfunded pension obligation brought the system closer to sustainability by limiting the growth of retirement benefits for retired state employees and teachers.

Following the enactment of Maine's pension reform law, several associations and various special interest groups (unions) filed a legal challenge to the law. The plaintiffs argued pension reform constituted a violation of the Contract Clause. In fact, according to a *Bangor Daily News* article from June of last year, "The unions claimed that the elimination of annual increases to keep up with inflation represented unlawful taking of property without just compensation."

As a strong advocate for the pension reforms challenged in this appeal, MHPC filed an amicus brief in defense of the State of Maine's pension reform.

Fortunately for the taxpayers of Maine, the U.S. Court of Appeals for the First Circuit ruled in our favor and concluded the public pension reforms enacted under Governor Paul R. LePage in 2011 do not violate the Contract Clause of the U.S. Constitution.

This is huge — not only for Maine, but also for conservatives nationwide!

It is important that Maine be able to keep promises made to civil servants and retirees. Unfortunately, our ability to keep those promises is jeopardized by an unsustainable pension system.

Maine's government workers union wanted to block all pension reforms — effectively turning Maine into Detroit and leaving pensioners high and dry. This ruling protects the smart reforms made to Maine's unsustainable pension system under Governor LePage, thereby helping Maine keep its promises.

And that's just what we're doing at The Maine Heritage Policy Center — keeping our promises.

We promised to fight for conservative public policies. We promised to stand strong for free enterprise, limited government, liberty, and traditional Maine values.

We're winning in the courtrooms and gaining ground in the court of public opinion.

We've weakened the left's ability to expand public sector unions — protecting our constitutional rights and moving us one-step closer towards right-to-work.

We're pushing back. We're delivering victories by eliminating mandatory agency fees and implementing true pension reforms.

And it's all thanks to you!

Without you and your support, these victories would not have been possible. By working together, Maine conservatives are gaining ground.

Thank you for all you do to support MHPC and the cause of freedom.

Thanks to you, Maine is winning.

In Liberty,

Peter V. Anania  
Chairman, Board of Directors

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**2014**  
**FREEDOM & OPPORTUNITY LUNCHEON**

Featuring **Mr. Brent Bozell**  
*Founder and President | Media Research Center*

**TUESDAY, JULY 29, 2014**

**THE FREEDOM & OPPORTUNITY AWARD**  
Presented each year by The Maine Heritage Policy Center to the Maine citizen who has best demonstrated a core commitment to the principles of Freedom & Opportunity that serve to improve the economic well-being of this great State.

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- Maine Motor Transport Association
- National Worksite Benefit Group
- Noyes Hall & Allen Insurance
- Patriot Insurance Company
- James and Christiana Poole
- PretiFlaherty
- Respect Maine PAC
- Strategic Advocacy
- Verrill Dana

## MHPC by the Numbers 2014

- 8 active websites
- Active accounts with 8 social media sites
- More than 11,000 Facebook fans/friends
- 238,170 monthly average Facebook reach
- Almost 2,000,000 Facebook impressions per month
- Nearly 3,000 Twitter followers

THE MAINE HERITAGE  
POLICY CENTER  
IS PROUD TO BE MAINE'S  
FOREMOST CONSERVATIVE,  
FREE-MARKET THINK TANK.

MAINE PROSPERITY EVENTS



Snowbirds Take Flight Thanks to Tax Cap on Charitable Giving: On April 17, 2014, The Maine Heritage Policy Center hosted the Honorable Philip Harriman to provide a first-hand account about how the new tax cap on charitable contribution deductions may be the proverbial "straw that breaks the camel's back."

This law has many Mainers considering warmer, "greener" pastures and is a tax hike that must be repealed before too much damage is done to Maine's already fragile economy.

During late night budget negotiations last year, the legislature instituted a cap on all itemized deductions including the charitable giving deduction. Since there were no corresponding reductions in the personal income tax rate, this cap resulted in a stealth tax increase that hurts both taxpayers and the non-for-profit sector.

More specifically, this cap applies to all itemized deductions, including the mortgage interest deduction and the charitable giving deduction, and was set at \$27,500 for individuals or couples. Adding insult to injury, it was made retroactive to January 2, 2013.

For more information or to take action, please visit [MainePolicy.org](http://MainePolicy.org).

The Dirt in Maine's Clean Energy Schemes: Maine is among the cleanest states in the nation when it comes to electricity generation. However, we are also among the most expensive states when it comes to electricity rates.



On May 15, 2014, The Maine Heritage Policy Center hosted the Honorable Chris O'Neil for a discussion on the web of government policies, mandates, subsidies and other initiatives that we fund every time we flip a switch.

For more information or to take action, please visit [MainePolicy.org](http://MainePolicy.org).

LONGLEY TO LePAGE: AN INSIDER'S TAKE ON MAINE'S BUDGET PROCESS

On June 19, 2014, The Maine Heritage Policy Center hosted the Honorable H. Sawin Millett, Jr. for a presentation on Maine's budget process and lessons learned during 55 years in government service. Millett discussed the financial hurdles awaiting Maine's taxpayers, Legislature, and Governor in the days ahead — advising lawmakers to focus on the next generation, not the next election.



The Honorable H. Sawin Millett, Jr.

Photo: Sam Hill | BDN

Millett, through his work in state government, has seen more budget negotiations unfold than perhaps any other public servant in Maine's history. He served in various capacities under seven Maine governors and retired from public service on May 30, 2014. In 2011, a Bangor Daily News poll ranked Millett as one of the most influential people in Maine politics.

Accomplishments of the LePage Administration as presented by Millett:

- Tax Reforms / Rate Reductions (2011 And 2012)
• Pension Reforms / UAL Reduction
• Health Insurance Reforms (PL 2011, Chapter 90)
• Regulatory Reforms (PL 2011, Chapter 304)
• Rational Approach To Environmental Regulation (On-Going)
• Energy Policies And Cost Reductions
• Job Creation Incentives
• Medicaid Eligibility Changes / Cost Containment
• Medicaid Census Declines
• Avoidance Of ObamaCare Medicaid Expansion Strategies And Fiscal Promises
• Redirection Of Dirigo, Non-Categorical And Parent Expansion Savings
• Comprehensive Package Of Welfare Reform Proposals
• Aggressive Efforts To Stop EBT Card Fraud And Abuse
• Eliminate Past Debt To Hospitals And Adopt Pay As You Go Payment Alternatives
• Efforts To End Generational Dependence On Welfare
• Budgetary Strategies To Improve The Quality Of Life For The Next Generation Vs. Getting To The Next Election
• Zero-Based Budget Planning And Prioritization
• Avoiding Budgetary Gimmicks And The Reliance On One-Time Savings For On-Going Programs
• Affordable Bonding Strategies With Long-Term And Positive ROI's
• K-12 And Higher Education Reforms - Focus On Students
• Preserve And Protect Strategies That Enhance School Choice
• Workers Compensation And Unemployment Compensation Reforms



GreatSchoolsforME.org

Technology has become a vital part of American life. Combined with the Internet, innovative new technologies bring the information of the world into the palm of our hands. Kids of all ages use iPhones, iPads, Facebook, Email, Wikipedia and myriad other Web-based platforms every single day. Now imagine if we could leverage Web-based technology to deliver a customized, rigorous and creative education to Maine students. The good news is, we can: It's happening every day in classrooms across the country where students are engaged in blended learning.

What is blended learning?

Blended learning happens any time a student learns, in part at a supervised brick-and-mortar location away from home, and online with some element of student control over time, place, path, and/or pace. It can be done through traditional public schools or through public charter schools. Wherever it happens, blended learning takes advantage of innovative digital technologies, while preserving the socialization of traditional classroom learning. Blended learning combines the best of old and new approaches to education.

The rise of digital learning presents parents, students, teachers, administrators and policymakers with the opportunity to positively transform education in Maine.

When you visit GreatSchoolsForME.org, you'll learn about three different schools that have embraced and are using blended learning to make a positive impact on students' lives.

⇒ CASE STUDY 1: CARPE DIEM COLLEGIATE HIGH SCHOOL & MIDDLE SCHOOL (Yuma, Arizona) is a publicly funded but privately operated charter school - and their unconventional approach to learning is quickly catching on.

⇒ CASE STUDY 2: ROCKY MOUNTAIN PREP (Denver, Colorado) is a relatively new public charter school that is using blended learning to serve at-risk elementary school children - and it is generating some impressive results.

⇒ CASE STUDY 3: What sets NEXUS ACADEMY (Indianapolis, Indiana) apart from traditional public schools and other public charter schools is a strong incorporation of blended-learning techniques, a strategic delivery of online learning, and a unique approach to campus space.



On the Radio: Steve Robinson, editor of The Maine Wire, has joined the line-up of guest-hosts for WGAN Morning News. In mid-July, Robinson joins host Ken Altshuler to discuss national and local politics. You can hear Robinson by tuning into WGAN at 560AM or online at WGAN.com from 6-9 a.m. Additionally, Robinson has been invited to host WGAN's Inside Maine once a month. His first show is scheduled for Saturday, July 19, at 10 a.m.

In collaboration with As Maine Goes, The Maine Heritage Policy Center is pleased to announce The Robinson Report, hosted by MHPC's own Steve Robinson, which features in-depth interviews with influential figures in Maine politics. You can watch the interviews with First Congressional District candidate Isaac Misiuk and independent gubernatorial candidate Eliot Cutler at TheMaineWire.com.



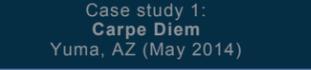
UPCOMING EVENTS

FRIEDMAN LEGACY DAY 2014
Thursday, July 31
5:30 p.m. to 7:00 p.m.
Easy Day, 725 Broadway
South Portland, Maine

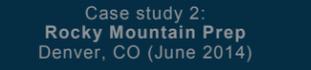
Please join The Maine Heritage Policy Center for Choosing Success: Empowering Parents to Advocate for Greater Educational Opportunities with special guests Ms. Heidi Sampson, Maine State Board of Education and the Honorable Amy Volk, Maine House of Representatives and Board Chair, Maine Connections Academy.



Blended Learning: Leveraging teachers and technology to improve student outcomes
CASE STUDY 1
Carpe Diem
Yuma, AZ (May 2014)



Blended Learning: Leveraging teachers and technology to improve student outcomes
CASE STUDY 2
Rocky Mountain Prep
Denver, CO (June 2014)



Blended Learning: Leveraging teachers and technology to improve student outcomes
CASE STUDY 3
Nexus Academy
Indianapolis, IN (July 2014)