Undoing Historic Tax Reform

Wisconsin Property Rights
Wisconsin has a new law restricting police’s ability to take Americans’ property without a criminal conviction.

Gem State Tax Relief
Iowa is cutting taxes by $2.8 billion over the next six years.

Eye in the Sky
The Illinois legislature approved a bill allowing police to use drones to monitor public events without a judge’s permission.

Dallas Privatization Push
Dallas, Texas lawmakers are getting out of the business of managing the city’s convention center.

The Bottom Line

U.S. House Considers Welfare Reform Bill

By Samantha Fillmore

The U.S. House of Representatives is considering a bill that would help ensure Temporary Assistance for Needy Families (TANF) money goes only to people who truly need taxpayer assistance, create publicly available data-tracking systems for benchmarking success, and rename the program.

Help Wanted: 6.5 Million People
H.R. 5861’s sponsor, U.S. Rep. Adrian Smith (R-NE), says conditions are right for fixing what’s broken in the federal poverty relief system.

Colorado Enacts Pension Reform

By Samantha Fillmore

The Colorado Legislature and Gov. John Hickenlooper enacted some reforms to the state’s public pension system.

The new law allows local government employees to join the state’s defined-contribution (DC) pension program, previously available only to state employees.

DC plans, similar to 401(k) pension plans enjoyed by workers in the private sector, make worker cost estimates more accurate and enable employees to take their benefits with them when they move to other jobs in the public or private sector.

The new law also gradually increases the amount of money public-sector employees must contribute to the
Your Guide to More Freedom and Prosperity!

The Heartland Institute is pleased to announce the release of the fourth edition of The Patriot’s Toolbox, coauthored and edited by Dr. Herbert Walberg and Joseph Bast, with contributions from 18 other distinguished policy experts.

More than 100,000 copies of the first three editions of The Patriot’s Toolbox were distributed since 2010, making it one of the most widely circulated and influential books on public policy in the United States. This edition is completely rewritten and thoroughly updated to reflect the events of 2016 and so far in 2017.

As the coauthors write in the preface, The Patriot’s Toolbox “offers an agenda for incumbent office holders, a platform for candidates for public office, and a report card for civic and business leaders and journalists following the policy moves of the Trump administration, Congress, and state lawmakers.”

The book covers ten of the most important topics being debated today:

- Health Care
- Energy and Environment
- Elementary and Secondary Education
- Higher Education
- Privatization
- Firearms
- Telecommunications
- State Fiscal Policy
- Federal Tax Policy
- Constitutional Reform

Available now at:

amazon.com and store.heartland.org

The Heartland Institute is a national nonprofit organization based in Arlington Heights, Illinois. Its mission is to discover, develop, and promote free-market solutions to social and economic problems. For more information, visit our website at www.heartland.org or call 312/377-4000.
Chicago’s ‘Netflix Tax’ Upheld by Court

By Ben Dietderich

Cook County, Illinois Circuit Court Judge Carl Anthony Walker rejected a lawsuit filed by Chicago residents challenging the city’s “Netflix tax” on streaming audio and video services, ruling in favor of the city and affirming the legality of the levy.

The suit, filed by six Chicago residents and Netflix subscribers represented by lawyers from the Liberty Justice Center, claimed the tax violates federal law by taxing digital goods and services.

The Permanent Internet Tax Freedom Act, a measure in the Trade Facilitation and Trade Enforcement Act of 2015, signed into law by President Barack Obama, prohibits multiple or discriminatory taxes on electronic commerce and online access.

Walker rejected the plaintiffs’ claims in a May 24 opinion, finding the city’s Finance Department was within its legal authority to reinterpret Chicago’s existing amusement tax to include Netflix and other services.

The Liberty Justice Center said it will appeal Walker’s decision to the Illinois Supreme Court.

Hidden Tax?

Jeffery Schwab, a Liberty Justice Center staff attorney representing the plaintiffs, says people may not even know the city of Chicago is taxing their Netflix subscriptions.

“The problem is I think most people don’t even realize the tax exists,” Schwab said. “Netflix, for instance is an automatic charge, and a 9 percent tax may not seem like much.”

Schwab says the outcome of the case will set a precedent.

“I think this case has some significant importance, because cities and states are losing tax revenue since less people are getting cable and more people are using internet services for their entertainment,” Schwab said.

Running Out of Options

Andrew Nelms, director of the Illinois chapter of Americans for Prosperity, says the Netflix tax shows governments are running out of options for additional revenue.

“For Chicago, this means higher taxes,” Nelms said. “These folks are struggling to find enough things to tax. We’ve now seen them implement the ‘cloud’ tax, they’ve raised garbage taxes, they’ve raised cellphone taxes, they’ve raised property taxes, and they have the highest sales tax rate in the country, or one of the highest. These folks can’t find enough things to tax.”

Follow the Leader …

If Chicago’s Netflix tax survives the upcoming appeal, other cities will follow suit, Schwab says.

“I think we’ll see other states try to do this, so I think this is a decent test case,” Schwab said. “If Chicago is allowed to do this, I think others will follow.”

Nelms says the court’s ruling sends a bad message to lawmakers in other cities.

“For Chicago and the rest of the country this sets a bad precedent,” Nelms said. “They didn’t create a new tax; they just found a new way to interpret an existing tax.”

Big Advantage for Big Companies

Netflix taxes will reduce competition and innovation in the telecom sector, Schwab says.

“If every city in Illinois and every city across the various states passes their own Netflix tax, you’ll have multiple taxes at different rates,” Schwab said. “Netflix would have to administer this for thousands of jurisdictions. That might not be that bad for Netflix, which is very big, but if a smaller competitor wants to get in the market, this policy will give the established company an advantage if this tax is replicated. I think that’s a significant problem.”

Misguided Creativity

Instead of coming up with creative ways to empty residents’ wallets, Chicago lawmakers should find new ways to promote prosperity, Schwab says.

“I don’t know if there’s a reason why they need to be taxed,” Schwab said. “I certainly don’t think Illinois and the city of Chicago always need to be a leader in finding new and clever ways to extract more money from their residents. I think they need to be leaders in innovation, in fostering and encouraging economic growth.”

Benjamin Dietderich (bdieterich@hillsdale.edu) writes from Hillsdale, Michigan.
Nashville, Tennessee Voters Reject Light-Rail Proposal

By Nolan Ryan

Nashville, Tennessee voters rejected a ballot proposal that would have increased several taxes to pay for a new 26-mile-long light-rail public transit system and electric-powered buses for the Nashville Metropolitan Transit Authority.

More than 64 percent of those voting rejected the Transit Improvement Program Referendum measure on May 1.

The measure would have temporarily raised the city’s sales, hotel occupancy, car rental, and business taxes and allowed the city to take on new public debt. The project would have cost up to $8.9 billion over the next 14 years.

The Wheels on the Bus …

If they want to relieve traffic congestion, Nashville city planners should get on the bus, says Baruch Feigenbaum, a transportation policy analyst with the Reason Foundation and a policy advisor for The Heartland Institute, which publishes Budget & Tax News.

“I’ve suggested, and a number of folks have suggested, that Nashville should focus on a bus rapid-transit system,” Feigenbaum said. “Bus rapid transit is a high-capacity system, but unlike a rail line, it runs on the streets. In many corridors, buses could share space with cars, so you wouldn’t need to build anything new.

“For the cost of three light-rail lines in Nashville, you could build a comprehensive bus rapid-transit system that would serve the metro area better,” Feigenbaum said. “Rail lines are designed by nature to feed people downtown, and in an area like Nashville that has built up around the automobile, many of the jobs are not downtown. A bus network would do a better job of actually connecting suburban areas, where many of the jobs are.”

Lack of Congestion Relief

Ron Shultis, policy coordinator for the Beacon Center of Tennessee, says voters rejected the plan because it wouldn’t solve the city’s traffic problems.

“The main reason why the public voted it down was that it was made pretty clear early on that this was not going to reduce congestion,” Shultis said. “In fact, the proponents of the plan first talked about it being a congestion plan, then they gave up on that message and talked about it being a jobs plan.”

Feigenbaum says.

“The most important issue in economics today is why some nations are wealthy while others are poor … in spite of a massive amount of new data there has been no popular systematic analysis of the implications of this data … this book provides such an analysis.”

-DR. ROBERT GENETSKI

Available online at: Amazon.com, Barnes & Noble, and www.bn.com

INTERNET INFO


“Typically, what I recommend is doing some sort of request for proposals or request for contract, to see if the private sector can operate the line more cost-effectively and with better services than the government can. That’s not always the case, but it often is, and it’s good to put it out there.”

Dollars and Sense

Whatever the best answer to the city’s transportation problems may be, taxpayer-funded light rail doesn’t make sense for Nashville, Shultis says.

“Reducing congestion is something that needs to be done for Nashville, because it is a growing problem,” Shultis said. “So many cities have shown the effects of gridlock on the economy and the quality of life, but it’s wrong to spend $9 billion for a city that’s already having debt problems, on a plan that isn’t going to do anything.

“When you break it down, light rail is a nineteenth century technology for a twenty-first century city,” Shultis said. “There are so many more effective and cost-effective alternatives that can actually solve the problem.”

Nolan Ryan (nryan1@hillsdale.edu) writes from Hillsdale, Michigan.

SMASH the Economic Lie Holding Over 1.6 Billion Hostages to Horrible Miseries

Venezuelans are starving to death, reportedly eating zoo animals, pets, and even rats to survive. Basic consumer products and medicines are gone. Gangs and police openly murder. Rumors of cannibalism fill the air.

In 1950, it enjoyed a $14,000 per capita output, close to the US $15,000. So how, with the world’s largest oil reserves and a once stable society, did Venezuela degenerate into a living Hell today? They embraced the great economic lie!


“The most important issue in economics today is why some nations are wealthy while others are poor … in spite of a massive amount of new data there has been no popular systematic analysis of the implications of this data … this book provides such an analysis.”

-DR. ROBERT GENETSKI

Available online at: Amazon.com, Barnes & Noble, and www.bn.com

INTERNET INFO


“Typically, what I recommend is doing some sort of request for proposals or request for contract, to see if the private sector can operate the line more cost-effectively and with better services than the government can. That’s not always the case, but it often is, and it’s good to put it out there.”

Dollars and Sense

Whatever the best answer to the city’s transportation problems may be, taxpayer-funded light rail doesn’t make sense for Nashville, Shultis says.

“Reducing congestion is something that needs to be done for Nashville, because it is a growing problem,” Shultis said. “So many cities have shown the effects of gridlock on the economy and the quality of life, but it’s wrong to spend $9 billion for a city that’s already having debt problems, on a plan that isn’t going to do anything.

“When you break it down, light rail is a nineteenth century technology for a twenty-first century city,” Shultis said. “There are so many more effective and cost-effective alternatives that can actually solve the problem.”

Nolan Ryan (nryan1@hillsdale.edu) writes from Hillsdale, Michigan.
Michigan Gubernatorial Candidate Vows to Repeal Worker-Freedom Law

By Madeline Fry

Gretchen Whitmer, a candidate in the Michigan Democratic Party governor’s primary race, says she will try to repeal the state’s right-to-work (RTW) law if elected in November.

At a May 30 speech addressing the Detroit Regional Chamber’s Mackinac Policy Conference, Whitmer claimed RTW proponents said the law would transform the state’s economy immediately and it has not done so.

“It hasn’t made us a place where business is flocking,” Whitmer said. “That was the promise of right-to-work, was that all of sudden there would be this new environment and we’d be more attractive to business investment and that would have a trickle-down approach of increasing people’s incomes and lifestyles—and that’s not happened.”

Whitmer promised to sign a repeal. Currently, 28 states and one U.S. territory have right-to-work laws, which free workers from having to join a union as a condition of employment. Michigan’s worker-freedom law has been in effect since March 2013.

Correcting the Record

Stan Greer, a senior research associate for the National Institute for Labor Relations Research and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says statistics show Michigan’s worker-freedom law has sparked skyrocketing job growth over the past five years.

“We see evidence in Michigan that, in fact, job-creating businesses have been making decisions based on RTW since Michigan switched over from forced unionism,” Greer said. “The five years for which there are data, manufacturing employment in Michigan since Michigan switched over from forced unionism has been making decisions based on RTW since Michigan switched over from forced unionism. In the five years for which there are data, manufacturing employment in Michigan went up by nearly 16 percent—and that’s more than all but two states in the country in percentage terms.”

‘Open for Business’ with RTW

Skorup says Whitmer’s anti-RTW plan would return Michigan to a road to decline.

“The most significant thing that would happen is workers would now have no choice but to pay $500 to $1,000 a year to a union against their will,” Skorup said. “Secondly, on the economics side, it makes it less likely that businesses will want to open in the state of Michigan.

“Having a right-to-work environment signals that you’re more open for business,” Skorup said.

Madeline Fry (mfty@hillsdale.edu) writes from Hillsdale, Michigan.

Alaska Legislature Approves Smoking Ban Expansion

By Ben Dieterich

The Alaska Legislature has passed a bill to prohibit the use of cigarettes and e-cigarettes in privately owned spaces, such as bars, restaurants, and taxis.

Senate Bill 63 would expand the state’s ban on tobacco use in government-owned spaces to include the interior and immediate exterior of many types of businesses.

The Alaska Senate approved Senate Bill 63 in March 2017. The state’s lower chamber passed the bill in May 2018 and sent it to Gov. Bill Walker for consideration.

Lost in the Smoke

Ninos Malek, a professor of economics at De Anza College, says the rights of property owners typically get ignored in debates about smoking bans.

“The two sides that are always discussed are smokers, who feel they have a right to smoke, and non-smokers, who feel they have a right to smoke-free air. What we forget about are the property owners. Why don’t they have a right to determine their policy, just like you and I do in our own home?”

‘Pretty Coercive’

Alaska state Sen. John Coghill (R-North Pole) says S.B. 63 would prohibit smoking in all public places, and then gave you an individual right to smoke, as long as you weren’t in someone else’s public presence, essentially,” Coghill said. “It’s pretty coercive, in that it gives the long arm of the government, and people that find smoking so offensive, the ability to use that long arm against certain people.”

Although S.B. 63 would not prohibit smoking in private residences, Malek says it would operate on the same principle.

“It’s not my right to go to somebody’s home and tell them they can’t smoke in their own home,” Malek said. “You don’t owe me a dinner, and it should be your choice since it’s your home.”

Inflating Government

The bill would improperly expand government power, Coghill says.

“I’m not a smoker,” Coghill said. “I don’t agree with smoking, but this is really using the coercive power of government power, and people that find smoking so offensive, the ability to use that long arm against certain people.”

Benjamin Dieterich (bdieterich@hillsdale.edu) writes from Hillsdale, Michigan.
Colorado Enacts Pension Reform

Continued from page 1

Colorado Public Employees’ Retirement Association (PERA), from 8 percent to 11 percent. The law will phase in over the next two years.

Near-Doubling of Liabilities
Sheila Weinberg, founder and chief executive officer of Truth in Accounting and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says the state was quickly sinking under the weight of its pension system’s unfunded liabilities.

“Going from $28 billion in 2015 to $51 billion in 2016, Colorado couldn’t put this off any longer,” Weinberg said. “One of the reasons for this dramatic increase is actuaries started to use updated mortality schedules. In other words, they realized people were living longer.”

Fuzzy Math
Colorado state Rep. Lang Sias (R-Arvada) says false assumptions contributed to the breakdown of the system.

“Actuarial assumptions being very incorrect, along with over-estimates on the rate of return, caused exponential increases in debt over time,” Sias said. “On top of that, PERA used to have a program where existing members were able to purchase additional years at discounted rates, causing billions of dollars in impact.”

Weinberg says the pension shortfalls would have imposed a big, unexpected cost on the public.

“What this means to taxpayers is that the actuaries expected the plan investments to earn less, so the taxpayers would have had to come up with extra money to fund benefits,” Weinberg said.

Overpromising and Underfunding
Colorado state Sen. Jack Tate (R-Centennial), sponsor of the reform legislation, Senate Bill 18, says PERA’s problems were a long time in the making.

“Fifteen years ago, a pattern started in Colorado, where more benefits were promised with a lack of money to back it up,” Tate said. “Other legislation since then has increased funding without redesigning programs, leaving us where we are today. We needed to structurally change our pension programs to essentially stop digging the hole while we’re trying to fill it.”

‘Long-Term Consequences’
Sias says decisive action was necessary to save the state’s pension system.

“The unfunded liability of Colorado is currently, at minimum, $32 billion, which exceeds the entire state’s budget,” Sias said. “Not doing anything this year would have left PERA somewhere around 20 percent funded, as well as [caused] potential credit downgrades for the state. There really were long-term consequences for these decisions.”

Vatican Criticizes Banking, Calls for ‘New Economy’

By Jeff Reynolds

The Vatican is calling for government to increase financial regulations, citing the 2007 economic recession as a reason to “rethink the obsolete criteria that continue to govern the world” and “eliminate the inequality so pronounced today.”

The Oeconomicae et pecuniariae quaestiones, published on May 17 by the Congregation for the Doctrine of the Faith and Dicastery for Promoting Integral Human Development and approved by Pope Francis, makes no specific policy recommendations, though it strongly criticizes the complexity of some financial services. The “magisterial teaching” document recommends the creation of “a new economy, more attentive to ethical principles, and a new regulation of financial activities.”

“Every time unreliable economic-financial instruments are introduced and diffused, they put the growth and the diffusion of the wealth into serious danger creating systemic problems and risks that amount to the ‘intoxication’ of the organism,” the document states.

Says Banking Fuels Progress
Edward Hudgins, director of research for The Heartland Institute, which publishes Budget & Tax News, says the Vatican document presents bad economics.

“If you look at the last few centuries, and even just the last few decades, you see incredible economic progress,” Hudgins said. “The financial system is basically the heart that pumps the life-blood of capital into the economy.”

Hudgins says government bureaucrats, not bankers, are to blame for the flaws in the economic system.

“There are problems with the current system, but the problems are in fact government intervention and manipulation,” Hudgins said. “Take the housing bubble, which the document alludes to. Why was there a housing bubble? It’s because American regulators are using their power and influence to encourage mortgage lending for people who could not keep up the payments.”

Calls for Less Regulation
Yaron Brook, chairman of the Ayn Rand Institute, says the problem with the nation’s financial system is an excess of government regulation.

“The fact is the banking industry is the most regulated industry in the United States,” Brook said. “There are thousands and thousands of rules and regulations.”

“What the banking industry really needs is freedom,” Brook said. “It needs to be released from burdens of regulations that have been imposed on it since the 1930s, so that it can effectively function as the provider of capital in the economy.”

A freer financial system is a healthier system that works for everyone, Brook says.

“I think the healthier—the less regulated, the freer—the banking system, the more effective capitalism becomes,” Brook said.

Jeff Reynolds (jefferyreynolds@comcast.net) writes from Portland, Oregon.
The Illinois General Assembly approved a bill that would allow law enforcement personnel to use drones to observe certain public gatherings without obtaining permission from a judge.

State law currently requires police to obtain a search warrant from a judge before using drones to monitor public events such as concerts, sports events, and rallies. Senate Bill 2562 would exempt events attended by more than 100 people from this requirement.

The legislation has not yet been sent to Gov. Bruce Rauner for consideration. The Illinois state House and Senate passed S.B. 2562 in May.

‘A Slippery Slope’
Matthew Feeney, a policy analyst at the Cato Institute, says the proposed law would lead to further invasions of privacy.

“Police, under existing legislation, can use drones to counter a high-risk terrorist attack; they can also use drones if they obtain a warrant,” Feeney said. “Those kind of provisions would allow for police to use drones in the kind of instances where people would be supportive. What you really want to avoid is a situation where drone surveillance becomes the norm. It strikes me as a slippery slope that we shouldn’t even try to go down.”

Historical Trend
Nathan Sheard, a grassroots advocacy organizer for the Electronic Frontier Foundation, says people with little political power have the most to lose from expansion of government surveillance.

“If we look at history, communities that have been most affected are those that are most marginalized and actually have the greatest need to be able to come together and call for their rights to be respected,” Sheard said. “These gatherings are not just in protest; it’s [also] people that are coming together in religious gatherings.

“The potential threat is that people would fear gathering for any reason,” Sheard said. “The threat is that the people who are the most marginalized will be further deterred from getting together and calling for justice or expressing their religious viewpoints.”

‘We Should Be Very Wary’
Feeney says people should not trade away the right to assemble peaceably without government watching their every move.

“There are obvious gatherings where people have security concerns, such as sporting events and music concerts,” Feeney says. “We should keep in mind that these large-scale events include activities that are protected by the First Amendment, specifically protests and religious gatherings. We should be very wary about the kind of surveillance that we deploy, when it hampers people from exercising their First Amendment rights.”

Whatever increase in security may come from expanded police reconnaissance is not worth the loss of liberty, Feeney says.

“I think that if you allow for warrantless drone surveillance over large groups of people, you will quickly arrive at a situation where the costs outweigh the benefits. Security is the reason that lawmakers always like to cite when they’re considering giving police more surveillance powers.”

MATTHEW FEENEY
POLICY ANALYST
CATO INSTITUTE
Iowa Cuts Taxes by $2.8 Billion

By Ben Dietderich

The state of Iowa has implemented a $2.8 billion tax cut.

The new law, initiated as House File 2489 and signed by Gov. Kim Reynolds, will reduce the total tax burden in the state by about $2.8 billion, cutting tax rates for all individual taxpayers and business owners over the next six years.

By 2020, the state’s top individual income tax rate will fall to 8.53 percent from the current 8.98 percent. The new law also immediately reduces the state’s business tax from 12 percent to 9.8 percent.

Passing on Federal Tax Cuts

Iowa state Rep. Dave Deyoe (R-Nevada) says the Iowa tax reform law passes along the savings from federal tax relief enacted in December 2017.

“The first thing to be aware of, at least here in Iowa, is that we have a tax system of federal deductibility,” Deyoe said. “Because federal taxes are declining, that would’ve meant a large increase in taxes for Iowans. The first thing we wanted to do was offset that. We wanted to make sure that the tax cut went to our taxpayers and didn’t get sent back to the state government to increase funding for new programs that we didn’t need to be doing.”

Playing Catch-Up

Chris Ingstad, president of Iowans for Tax Relief, says the state’s current tax structure makes Iowa less attractive to business owners.

“Last year, the state released a study on how border counties of Iowa and South Dakota did economically over a 10-year period,” Ingstad said. “There were 103 new health care locations, and only eight opened in Iowa, and 95 opened in South Dakota. The gap in job growth was huge, too: We had 5 percent growth in Iowa and 75 percent growth in South Dakota counties.

“We know why that’s happening,” Ingstad said. “It’s because South Dakota has no state income tax.”

Benjamin Dietderich (bdietderich@hillsdale.edu) writes from Hillsdale, Michigan.

U.S. House Considers Welfare Reform Bill

“I don’t want to give up on these individuals. We maintain a 3 percent poverty rate when people hold jobs in this country. This new program will create a dashboard that will be available to the public to make sure we stay on track to getting people in jobs and staying there.”

ADRIAN SMITH
U.S. REPRESENTATIVE (R-NE)

Continued from page 1

to help folks become more self-sufficient, but not a lot has happened since then in terms of long-term results,” Smith said. “There are so many folks on the sidelines, and so many businesses need workers. This is really an opportune time federally to make a change and fix this problem, with 6.5 million unfilled jobs in America right now.

“We want every American and American family to benefit from this growing economy,” Smith said. “Poverty is a real issue our nation faces, and this is a step toward fixing it.”

Ben Gitis, director of labor market policy with the American Action Forum, says government anti-poverty programs should help people get out of poverty.

“A family bringing in self-provided income leads to self-sufficiency, although the self-sufficiency among families in poverty really hasn’t changed in the last 30 to 40 years,” Gitis said. “Material deprivation has changed, but that’s only based on the amount of government assistance provided. Therefore, something needs to change to fix the program and the system to help these people become less dependent on the government alone.”

‘This Bill Is So Important’

Gitis says the prevalence of poverty in the United States has remained almost unchanged despite the huge amount of taxpayer money spent on the problem.

There are several economic factors to consider when looking at why this bill is so important,” Gitis said. “The most notable factor is that poverty in America in the last 30 to 40 years has not changed. In 1980, it was 13 percent, and in 2012 it was 12 percent, despite the fact that the government spends billions annually.

Smith says the government should be able to quantify how people are being helped with the taxpayers’ money.

“I don’t want to give up on these individuals,” Smith said. “We maintain a 3 percent poverty rate when people hold jobs in this country. This new program will create a dashboard that will be available to the public to make sure we stay on track to getting people in jobs and staying there.”

Breaking the Poverty Trap

Gitis says the current system encourages people to remain dependent.

“Declining labor force participation of able-bodied young people is believed to be because of work disincentives,” Gitis said. “The failures of TANF can be acutely attributed to a lack of an effective case management system, checking jobs and the progress being made.

“You want your tax dollars to work for you and for the nation, and these new policies will increase accountability,” Gitis said.

Smith says helping individuals break the cycle of poverty and improve themselves is a key goal of his bill.

“Ninety-two percent of TANF recipients are single moms,” Smith said. “I’d like to see taxpayer dollars go toward efforts to effectively help raise these moms and families out of poverty.

“Education is one of the premier ways to lift these workers, these families, and these single moms out of poverty for good,” Smith said. “Whether these workers go back to complete a GED [high school equivalency certificate], get an associate’s degree, or go to some trade school, these opportunities will help them immediately but also help the family for generations to come.”

Samantha Fillmore (samantha.heartland.org@gmail.com) writes from Chicago, Illinois.

Official Connections:
Iowa Gov. Kim Reynolds: https://governor.iowa.gov

Wisconsin Enacts Sweeping Civil Asset Forfeiture Reform

By Owen Macaulay

A new law in Wisconsin increases protection of residents’ constitutional rights to property and due process.

Senate Bill 61, sponsored by state Sen. David Craig (R-Town of Vernon), sets new requirements for law enforcement agencies and prosecutors using civil asset forfeiture to take ownership of individuals’ seized assets or property.

In most cases, police or prosecutors now must obtain a criminal conviction before property held by individuals accused of committing a crime can be forfeited. The law went into effect on April 5 after being signed by Gov. Scott Walker.

Cops, Not Robbers

Lindsey Stroud, state government relations manager for The Heartland Institute, which publishes Budget & Tax News, says many law enforcement agencies have routinely abused the civil asset forfeiture process.

“It’s a problem because, in a lot of these states, if you’re an innocent person, your property can be taken away from you,” Stroud said. “A lot of these laws allow the law enforcement agencies to retain what they take, so it kind of creates an incentive for them.”

Sweeping Reforms

Craig says the bill he introduced, now known as Act 211, restores the presumption of innocence in this area of Wisconsin law and clarifies due process.

“Senate Bill 61 requires a criminal conviction prior to forfeiture of property, with some limited exceptions, preserving the fundamental notion that one is innocent until proven guilty,” Craig said. “Additionally, the legislation requires that forfeiture be proportional to the offence, that innocent owners are protected, forfeiture actions are properly reported and transparent, and divests the monetary incentives for departments to pursue forfeitures.”

Stroud says civil asset forfeiture can harm innocent individuals in unforeseen ways.

“In one case, a woman went to bail her son out,” Stroud said. “They took a drug-sniffing dog, sniffed her money, and they seized it. Studies show that 90 percent of bills have traces of drugs on them. She was eventually able to prove she got the money legally.”

‘Glaring Violation’ of Constitution

Craig says lawmakers at every level should work to stop constitutional abuses by government.

“Frankly, civil asset forfeiture affects every American,” Craig said. “The mere fact that Wisconsin law allowed private property to be forfeited to the government without conviction was a glaring violation of the Constitution. So long as a practice grossly violates the Constitution and can be used against anyone, that is a mandate that elected officials sworn to uphold the Constitution must remedy.”

Public Responsibility

Craig says the public also must be vigilant in fighting for liberty and freedom.

“All citizens should care when their liberties guaranteed by the Bill of Rights are threatened by an overzealous government,” Craig said. “These abusive policies could someday be used against you, despite no wrongdoing on your part.”

Owen Macaulay (omacaulay@hillsdale.edu) writes from Hillsdale, Michigan.

Official Connections:

Wisconsin Gov. Scott Walker: https://walker.wi.gov


In search of an expert opinion? Find Scholars!

The Find Scholars program at IHS is a FREE service that facilitates connections between policy and media organizations and a network of over 6,000 freedom advancing PhD-level experts in key policy areas.

Don’t miss out on valuable partnerships!

Visit: www.FindScholars.org
Illinois Democrats Press for Progressive Income Tax

By Leo Pusateri

Illinois legislators officially called for replacing the state’s current flat tax with a progressive tax.

The Illinois House of Representatives approved House Resolution 1025, a nonbinding legislation stating “support of a fair and progressive income tax that must reduce taxes on low and middle-income families while raising taxes on the wealthiest Illinoisans” on May 29.

Illinois’ state constitution requires all individuals be taxed at the same percentage of income.

J.B. Pritzker, a Chicago business owner and current Democratic Party candidate for governor, is campaigning on a proposed state constitutional amendment to remove the flat-tax requirement, which would clear the way for a progressive income tax.

Progressive Indeed

“The way the Illinois Democrats are using the term ‘progressive income tax’ means taxing people with different incomes at different rates,” said Illinois state Rep. Margo McDermed (R-Mokena). “Right now, the Illinois Constitution has what is called a flat tax: all people are charged at the same tax rate, and all corporations have to be charged at the same tax rate.”

Doing the Math

McDermed says a flat income tax is fair to everyone.

“The argument that the Democrats and other progressives are trying to make is that a progressive income tax is fairer,” McDermed said. “Well, what’s unfair about everyone paying the same rate, 4.95 percent? Nearly 5 percent of $10,000 is a whole lot less than 4.95 percent of $10 million.”

‘Election-Year Politics’

Orphe Divounguy, chief economist at the Illinois Policy Institute, says the current push for a progressive income tax is a political ploy.

“The plan here is really election-year politics,” Divounguy said. “Their idea is to have a populist message that the Democrat gubernatorial candidate has endorsed that is basically saying, ‘We’re going to raise taxes on the rich and give the middle class a tax cut.’

“We know that is impossible, given the state of spending in Springfield,” Divounguy said. “To raise the amount of revenue they want, they are going to have imes low- and middle-income families as well.”

‘A Terrible Idea’

Divounguy says moving the state to a progressive income tax would make things worse for Illinois residents.

“The progressive income tax is a terrible idea and a bad deal for Illinoisans,” Divounguy said. “We know this because Illinois lawmakers haven’t been able to curb spending. In fact, state government spending has increased 25 percent faster than personal incomes in Illinois during the past decade.”

Divounguy says a progressive income tax would affect far more people than its proponents admit.

“It’s not going to be just a tax on the rich; it’s going to be a direct tax on the middle class,” Divounguy said. “The gubernatorial candidate, J.B. Pritzker, talked about tax rates like ones our neighbors have. If you look at our neighbors, like Iowa, the median family in Illinois would see a 29 percent increase in their tax burden.”

Leo Pusateri (psyceistr@fastmail.fm) writes from St. Cloud, Minnesota.

Stockton, Calif. Launches Universal Basic Income Experiment

By Lindsey Schulenburg

Partnering with a private charity, the city of Stockton, California will test whether a government-administered universal basic income (UBI) program can lift people out of poverty.

The Economic Security Project, a charitable organization co-sponsored by Facebook co-founder Chris Hughes, is donating $1 million to the city to fund an 18-month pilot UBI program.

Starting in 2019, 100 Stockton families will receive a monthly payment of $500 per household from the city government for the duration of the social experiment, with no conditions or work requirements.

Pros and Cons

Brian Caplan, a professor of economics at George Mason University and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says economists are of two minds about whether to replace the nation’s current entitlement system with a UBI.

“The main ‘pro’ that economists talk about is that it doesn’t mess up your incentives, because you get the money regardless of what you’re doing,” Caplan said.

“In terms of the cons, the enormous expense is a big thing,” Caplan said. “Just to give money to everyone is a lot more expensive than giving it [only] to people in need. If you’re giving money to everyone, it’s really expensive.”

Robert Whaples, a professor of economics at Wake Forest University and a research fellow with the Independent Institute, says a UBI would create more problems than it would solve.

“You always have to look at an income effect versus a substitution effect,” Whaples said. “The basic income guarantee gets rid of the substitution effect you see in most welfare programs—discouraging people from working—and gives them a check, which makes them richer and also discourages them from working.”

Prosperity Alternative

Whaples says creating private sector prosperity for everyone works far better than just giving people money.

“The best alternative is to have a prosperous economy where there are job openings all over the place and we train people [for them],” Whaples said.

“In some sense we’re getting there. We don’t have so many illiterate people in this country. People go to high school, we train people, and then the unemployment rate is incredibly low.

“That prosperity of the economy is probably what people want the most,” Whaples said.

Lindsey Schulenburg (lindseys.heart land@gmail.com) writes from Chicago, Illinois.
Missouri Voters Will Decide Fate of Worker-Freedom Law

By Ashley Herzog

Voters in Missouri will decide whether a state law prohibiting forced union membership will go into effect, more than a year after it was signed into law.

In February 2017, former Gov. Eric Greitens signed into law a bill preventing unions and employers from requiring workers to join a union as a condition of employment. The right-to-work (RTW) law was scheduled to take effect on August 28, 2017.

On August 18, 2017, organized-labor groups collected enough signatures to trigger the state’s referendum process, suspending the rule until a public vote could be held.

The referendum question, titled Proposition A, will appear on the August 7, 2018 statewide ballot.

‘This Is About Jobs’

Missouri state Rep. Diane Franklin (R–Camdenton) says everyone should have the freedom to choose whether to join a union.

“I feel every Missourian has the right to apply for any job they want to without being forced to join a union,” Franklin said. “If they want to join a union, that’s fine, but they shouldn’t be forced to.”

Allowing the law to take effect will promote economic prosperity for everyone, including union members, Franklin says.

“[Right-to-work] will open up more jobs to all Missourians, not just those that choose not to join a union,” Franklin said. “For the past nearly quarter of a century, RTW states have averaged job growth at about twice the rate of non-RTW states. That will impact every Missourian.

“This is about jobs; it’s as simple as that,” Franklin said. “With more jobs and most likely a lower cost of living, I think it’s a win-win situation for Missourians’ prosperity, there’s much more work to be done, Franklin says.

Comparative Disadvantage

Patrick Ishmael, director of government accountability at the Show-Me Institute, says business owners consider a state’s RTW status when deciding where to build or expand facilities, and Missouri has been at a disadvantage in that regard.

“For some companies, whether a state is right-to-work is a top-five issue,” Ishmael said. “Out of the gate, Missouri is at a disadvantage compared to most of its close geographic peers.

“It’s sort of like playing soccer a man down: You could still come out with the victory, but it’s going to be tough,” Ishmael said.

Calls for Additional Reforms

Although allowing the worker-freedom law to take effect would increase Missourians’ prosperity, there’s much more work to be done, Franklin says.

“RTW is an excellent step in promoting economic freedom, allowing every Missourian the ability to work wherever they are qualified to work,” Franklin said. “Further reducing useless regulations and restrictions that are put on businesses would increase job growth and allow businesses to grow. I feel we have made some headway in that area, but there is much more to do.”

Ishmael says Missouri lawmakers should implement other economic reforms, too, in order to improve the state’s economy.

“Missouri needs to continue moving in the direction of eliminating its income taxes and rejecting the economic cronyism of tax incentives,” Ishmael said. “In 2018, the legislature passed reductions to both the individual and corporate income tax rates. [Further] drawing down those rates and rolling back tax handouts will be key to ensuring the state is a place that promotes economic freedom and prosperity for years to come.”

Ashley Herzog (aebristow85@gmail.com) writes from Avon Lake, Ohio.

Montana Utility Commission Considers ‘Lifeline’ Reform Ideas

By Ashley Herzog

The Montana Public Service Commission is considering ways to improve the administration of the Federal Communications Commission’s Lifeline subsidy program for telephone and broadband internet access in the state.

Experts from The Heartland Institute, which publishes Budget & Tax News, Americans for Prosperity, Competitive Enterprise Institute, and Mercatus Center joined community members and industry stakeholders for an April meeting with the state’s utility commission to discuss how to encourage affordable, reliable access to telecommunications.

‘Profoundly Discriminatory’

Montana Public Service Commissioner Roger Koopman says applying free-market principles would help increase broadband penetration in a fair and equitable manner.

“The profit-driven free market is fundamentally nondiscriminatory,” Koopman said. “Federal programs like Lifeline are profoundly discriminatory. The free market responds to real demand, where consumers are willing to spend their own dollars, not someone else’s, for cellular and broadband services. Federal programs throw money at people in the absence of real demand, misallocating scarce resources and creating enormous waste.”

Calls for State Reforms

Koopman says more state commissions should embrace the power of the market.

“If other state commissions are serious about wanting to expand access and affordability, they need to embrace market-based, incentive-based utility regulation while leaving non-monopoly, nonpublic utilities completely alone,” Koopman said.

“The change must occur on the ‘idea level’ first, before state commissions will be willing to stand up and speak out against the wasteful and disastrous anti-market, anti-consumer policies of the federal government.”

Government vs. Tech Progress

Wayne Crews, vice president for policy at the Competitive Enterprise Institute, says governments are getting in the way of innovation.

“The best things that state and local governments can do to improve internet and broadband access is to not interfere,” Crews said. “People are still looking to Washington and governments to drive the most important new technologies that are coming our way.

“Governments are too much in the driver’s seat, and these technologies and the market principles that should govern them cannot reach their full potential.”

Ashley Herzog (aebristow85@gmail.com) writes from Avon Lake, Ohio.

INTERNET INFO


By Ashley Herzog

The Montana Public Service Commission is considering ways to improve the administration of the Federal Communications Commission’s Lifeline subsidy program for telephone and broadband internet access in the state.

Experts from The Heartland Institute, which publishes Budget & Tax News, Americans for Prosperity, Competitive Enterprise Institute, and Mercatus Center joined community members and industry stakeholders for an April meeting with the state’s utility commission to discuss how to encourage affordable, reliable access to telecommunications.

‘Profoundly Discriminatory’

Montana Public Service Commissioner Roger Koopman says applying free-market principles would help increase broadband penetration in a fair and equitable manner.

“The profit-driven free market is fundamentally nondiscriminatory,” Koopman said. “Federal programs like Lifeline are profoundly discriminatory. The free market responds to real demand, where consumers are willing to spend their own dollars, not someone else’s, for cellular and broadband services. Federal programs throw money at people in the absence of real demand, misallocating scarce resources and creating enormous waste.”

Calls for State Reforms

Koopman says more state commissions should embrace the power of the market.

“If other state commissions are serious about wanting to expand access and affordability, they need to embrace market-based, incentive-based utility regulation while leaving non-monopoly, nonpublic utilities completely alone,” Koopman said.

“The change must occur on the ‘idea level’ first, before state commissions will be willing to stand up and speak out against the wasteful and disastrous anti-market, anti-consumer policies of the federal government.”

Government vs. Tech Progress

Wayne Crews, vice president for policy at the Competitive Enterprise Institute, says governments are getting in the way of innovation.

“The best things that state and local governments can do to improve internet and broadband access is to not interfere,” Crews said. “People are still looking to Washington and governments to drive the most important new technologies that are coming our way.

“Governments are too much in the driver’s seat, and these technologies and the market principles that should govern them cannot reach their full potential” [as a result],” Crews said.

Ashley Herzog (aebristow85@gmail.com) writes from Avon Lake, Ohio.

Official Connections:

Montana Public Service Commissioner Roger Koopman: http://psc.mt.gov/About-Us/Commissioners#tpHead2308
Empowering Americans with the Freedom to Choose

Draconian rules imposed by the Food and Drug Administration have made life-saving prescription drugs more expensive and harder to get access to. This travesty has resulted in needless suffering, and it must end immediately.

It’s time to empower Americans with the FREEDOM to choose their own medicine!

In the third edition of Free to Choose Medicine, author Bartley Madden presents an important reform agenda that would make life-saving drugs readily available and affordable.

Order your copy of Free to Choose Medicine (Third Edition) on Heartland’s website today! store.heartland.org

Congress Considers Reviving Net Neutrality Rule

By Brandon Best

Democrats in the U.S. House of Representatives are collecting signatures to force a vote on a measure to override the Federal Communications Commission’s January 2018 Restoring Internet Freedom Order.

The pending legislation would reinstate government regulation of the internet as a public utility. The FCC voted in January to reverse its 2015 decision expanding the agency’s power to regulate internet service providers’ networking traffic decisions, a policy known as net neutrality.

Senate Joint Resolution 52 (S.J.R. 52), approved by the Senate in May, would use Congress’ power under the Congressional Review Act of 1996 to block major regulations by passing a resolution of disapproval.

A discharge petition to force the full House to consider the measure is currently circulating, with 124 members having signed it so far. If proponents can gather 218 signatures in total, the House will have to vote on the resolution.

If the resolution is approved by the House and signed into law by President Donald Trump, it would reverse the January FCC order and reinstate Wheeler’s net neutrality rule.

‘It’s Congress’ Job’

Bruce Edward Walker, a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says Congress neglected a constitutional duty in allowing the FCC to dictate private businesses' internet traffic decisions.

“The original Open Internet Order that passed the FCC was an enormous overreach of power, and Congress should have repealed it immediately but didn’t,” Walker said. “It’s Congress’ job to pass and repeal laws. They should’ve been on top of the net neutrality issue in the first place, rather than leaving it to unelected officials to pass such drastic measures.”

Media Misinformation

Graham Owens, a legal fellow at TechFreedom, says the public has been misled about the nature of net neutrality and how the internet works.

“Many news organizations have portrayed this vote as kind of the end of the internet, and, understandably, if you’re a consumer, you think this is terrible; but consumers don’t understand it’s an immensely complicated issue that’s been before many courts,” Owens said. “We’re talking about a set of rules that have been in place for two years, and for the rest of the internet’s history everything seemed to work fine.”

The internet functions better without government micromanagement, Walker says.

“The internet experience for the majority of all users worked effectively before net neutrality,” Walker said. “I hope there are no reanimations of net neutrality in the future that once again pose threats again to real, empirically verified internet freedom.”

Calls for Regulatory Stability

Uncertainty about the rules governing the internet is discouraging private investment in telecom infrastructure, Owens says.

“The only things worse than overly burdensome regulations are unstable ones,” Owens said. “Companies can’t invest in infrastructure when they don’t know what kind of regulatory world they will be living in.

“Congressional direction for the FCC is the only way this can be fixed,” Owens said. “Absent congressional action on these regulations, we’re going to be living in a world of regulatory ping-pong, where every time a different administration is in place, the rules will change back and forth.”

Brandon Best (bbest@cedarville.edu) writes from Cedarville, Ohio.
By Leo Pusateri

U.S. Rep. Jared Polis (D-CO) introduced a bill that would repeal the Tax Cuts and Jobs Act and cancel student loan debt 43 million individuals owe to the U.S. Department of Education.

House Resolution 5928, the Students Over Special Interests Act, would return all individual and business tax provisions and rates to what they were before January 1, 2018, when the Tax Cuts and Jobs Act (TCJA) took effect. The bill would also cancel all existing student loan debt owed to the federal government.

H.R. 5928 was referred to the House Committee on Ways and Means on May 23, where it awaits consideration.

TCJA, signed into law by President Donald Trump on December 22, 2017, reduced most individual income tax rates, permanently cut the corporate income tax from 35 percent to 21 percent, ended the practice of double-taxing American businesses’ profits earned in other countries, and cut overall taxes by an estimated $1.5 trillion.

Calls Proposal Counterproductive
Gary Wolfram, a professor of economics at Hillsdale College and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says undoing the Tax Cuts and Jobs Act and bailing out individuals’ education loans would backfire, making college less affordable and reducing grads’ job prospects.

“This legislation is not just repealing corporate tax cuts, it’s repealing the entire law, which means all of the individual benefits like the increased standard deduction and 529 education savings accounts will all go away...”

ABIGAIL MARONE
COMMUNICATIONS ASSOCIATE
AMERICANS FOR TAX REFORM

Says Tax Reform Is Working
Abigail Marone, a communications associate with Americans for Tax Reform, says Polis’ bill is not rooted in reality.

“The entirety of this legislation is based on false premises,” Marone said.

“Calls Proposal Counterproductive
Gary Wolfram, a professor of economics at Hillsdale College and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says undoing the Tax Cuts and Jobs Act and bailing out individuals’ education loans would backfire, making college less affordable and reducing grads’ job prospects.

“This legislation is not just repealing corporate tax cuts, it’s repealing the entire law, which means all of the individual benefits like the increased standard deduction and 529 education savings accounts will all go away...”

ABIGAIL MARONE
COMMUNICATIONS ASSOCIATE
AMERICANS FOR TAX REFORM

Says Tax Reform Is Working
Abigail Marone, a communications associate with Americans for Tax Reform, says Polis’ bill is not rooted in reality.

“The entirety of this legislation is based on false premises,” Marone said.

“Calls Proposal Counterproductive
Gary Wolfram, a professor of economics at Hillsdale College and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says undoing the Tax Cuts and Jobs Act and bailing out individuals’ education loans would backfire, making college less affordable and reducing grads’ job prospects.

“This legislation is not just repealing corporate tax cuts, it’s repealing the entire law, which means all of the individual benefits like the increased standard deduction and 529 education savings accounts will all go away...”

ABIGAIL MARONE
COMMUNICATIONS ASSOCIATE
AMERICANS FOR TAX REFORM

Says Tax Reform Is Working
Abigail Marone, a communications associate with Americans for Tax Reform, says Polis’ bill is not rooted in reality.

“The entirety of this legislation is based on false premises,” Marone said.

“Calls Proposal Counterproductive
Gary Wolfram, a professor of economics at Hillsdale College and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says undoing the Tax Cuts and Jobs Act and bailing out individuals’ education loans would backfire, making college less affordable and reducing grads’ job prospects.

“This legislation is not just repealing corporate tax cuts, it’s repealing the entire law, which means all of the individual benefits like the increased standard deduction and 529 education savings accounts will all go away...”

ABIGAIL MARONE
COMMUNICATIONS ASSOCIATE
AMERICANS FOR TAX REFORM

Says Tax Reform Is Working
Abigail Marone, a communications associate with Americans for Tax Reform, says Polis’ bill is not rooted in reality.

“The entirety of this legislation is based on false premises,” Marone said.

“Calls Proposal Counterproductive
Gary Wolfram, a professor of economics at Hillsdale College and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says undoing the Tax Cuts and Jobs Act and bailing out individuals’ education loans would backfire, making college less affordable and reducing grads’ job prospects.

“This legislation is not just repealing corporate tax cuts, it’s repealing the entire law, which means all of the individual benefits like the increased standard deduction and 529 education savings accounts will all go away...”

ABIGAIL MARONE
COMMUNICATIONS ASSOCIATE
AMERICANS FOR TAX REFORM

Says Tax Reform Is Working
Abigail Marone, a communications associate with Americans for Tax Reform, says Polis’ bill is not rooted in reality.

“The entirety of this legislation is based on false premises,” Marone said.

“Calls Proposal Counterproductive
Gary Wolfram, a professor of economics at Hillsdale College and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says undoing the Tax Cuts and Jobs Act and bailing out individuals’ education loans would backfire, making college less affordable and reducing grads’ job prospects.

“This legislation is not just repealing corporate tax cuts, it’s repealing the entire law, which means all of the individual benefits like the increased standard deduction and 529 education savings accounts will all go away...”

ABIGAIL MARONE
COMMUNICATIONS ASSOCIATE
AMERICANS FOR TAX REFORM

Says Tax Reform Is Working
Abigail Marone, a communications associate with Americans for Tax Reform, says Polis’ bill is not rooted in reality.

“The entirety of this legislation is based on false premises,” Marone said.
Repeal of Calif. Gas Tax Hike May Reach November Ballot

By Ben Dietderich

California Secretary of State Alex Padilla is reviewing signatures collected as part of an effort to get placed on the November 2018 ballot a question asking voters to repeal a gas tax hike implemented less than one year ago.

The state’s excise tax on gasoline increased to 40 cents per gallon on November 1, a 12 cent—or approximately 43 percent—hike. The tax is scheduled to increase by an additional 7.5 cents per gallon in July 2019. Gov. Jerry Brown signed Senate Bill 1 into law on April 28, 2017.

In November 2017, Carl DeMaio, chairman of Reform California, a non-profit political organization “formed and funded by taxpayers who are fed up with the politicians and special interests,” began collecting signatures from registered California voters for a ballot question to repeal the gas tax hike. Reform California submitted 963,905 signatures to county boards of election, and Padilla’s office has begun reviewing the signatures for validity. The question needs 587,407 valid signatures to be approved and placed on the ballot.

‘This is a Regressive Tax’

DeMaio says the state’s high gas tax affects low- and middle-income individuals the most.

“This is a regressive tax,” DeMaio said. “The typical family of four will pay $779 more a year in gas and car taxes as a result of this measure. That’s real money. That’s a Christmas for that family. That’s one of their kids needing braces.”

Life in Cost-a-Fornia

Kerry Jackson, a fellow at the Center for California Reform at the Pacific Research Institute, says the gas tax hike is particularly rough on working people.

“For the top 10 percent of income earners, they’re not going to feel this,” Jackson said. “This is a very big regressive tax. It’s going to affect a bigger portion of people on the lower end. They often drive a long distance to get to work, because the housing is so expensive here. They have to go out in the dessert somewhere, way out beyond suburbia, and what they’re paying for fuel is astronomical. Now they’re paying even more.”

‘Politicians Steal the Money’

DeMaio says the state’s elected officials are taking money intended for road repairs in order to fund pet projects.

“The politicians steal the money,” DeMaio said. “They divert the money from road repairs to the general funds, to pay for pensions and salaries of government employees. They’ve also stolen the money for their social-engineering experiments.”

Jackson says one way lawmakers can help fund road improvements is to stop using gas tax revenue as a slush fund.

“One thing is dedicating the entire revenue stream of the fuel tax to the roads,” Jackson said. “So much is apparently going to other things.

“This state has a huge annual budget,” Jackson said. “You can’t tell me that you can’t find other places to cut funds, that there isn’t a great deal of extraneous government happening out there that could help fund some of these other things.”

Mad As Hell

DeMaio says the public is incensed about the gas tax.

“There is a rebellion out here,” DeMaio said. “It exists for two reasons: One, the high cost of living associated with the gas tax; two, the outright fraud that’s occurring, where they’re promising they’ll deal with [traffic] congestion. They’re promising they’ll deal with roads, but it’s an outright lie. The money has been diverted, and the policies are doing exactly the opposite.”

Benjamin Dietderich (bdietderich@hillsdale.edu) writes from Hillsdale, Michigan.

Washington, DC Raises Taxes to Spend More on Failing Transit System

By Brandi Wielgopolski

The Washington, DC City Council is proposing to raise taxes on ridesharing services and alcohol to increase funding for the Washington Metropolitan Area Transit Authority (WMATA).

The city government’s 2019 budget would dedicate $178.5 million to the transit system, using revenue from tax hikes on alcohol and ridesharing services such as Uber and Lyft to help fund the system.

If approved, levies on ridesharing services would increase from 1 percent of gross receipts to 6 percent, and excise taxes on liquor would increase from 10 percent to 10.25 percent.

The budget ordinance, including the tax increases, was sent to Mayor Muriel Bowser for consideration on May 29.

‘Scrap the System’

Cato Institute Senior Fellow Randal O’Toole recommends getting rid of WMATA and implementing a bus-based transportation system.

“We should just scrap the system and replace it with buses,” O’Toole said. “Buses can move more people per hour than trains, and they can do it a lot cheaper and a lot faster than trains. All the advantages that trains are supposed to have are just imaginary.”

Suggests Cutting Costs

Emily Hamilton, a research fellow with the State and Local Policy Project at the Mercatus Center at George Mason University, says WMATA should concentrate on reducing costs and improving services.

“Rather than raising revenue, WMATA should focus on providing an improved culture of accountability to passengers and reducing its operating costs, which are higher than those for transit systems in Chicago, Philadelphia, and many European subway systems,” Hamilton said. “In DC, labor costs make up 70 percent of the system’s operating costs.”

Hamilton says WMATA could further reduce costs by transitioning to a driverless system.

“Rather than raising funds to allow WMATA’s current poor service to limp along, the system should be focusing on making onetime capital upgrades that would allow it to be a driverless system, reducing a substantial portion of its ongoing labor needs,” Hamilton said.

Brandi Wielgopolski (brandi.wielgopolski@gmail.com) writes from Columbus, Ohio.

INTERNET INFO

Minneapolis Raises Smoking Age to 21

By Leo Pusateri

The city of Minneapolis is increasing the minimum legal age for purchasing cigarettes and other tobacco products.

Beginning October 1, individuals under the age of 21 will be prohibited from buying tobacco products in Minneapolis or entering tobacco stores.

Minnesota Mayor Jacob Frey signed the ordinance into law on May 25, after the Minneapolis City Council unanimously approved it earlier that day.

‘No Public Health Benefit’

Mark Thornton, a senior fellow at the Mises Institute and a policy advisor for the Heartland Institute, which publishes Budget & Tax News, says the new law will have plenty of negative consequences and no positive effects.

“There will be no public health benefits from this ordinance,” Thornton said. “It is simply impossible to police the ordinance, possibly bringing crime and corruption in its wake.”

Wages of Prohibition

Thornton says the new ordinance is similar to anti-alcohol laws passed in the twentieth century, and he says it will have similar outcomes.

“Prohibition inevitably brings unintended consequences, such as crime, corruption, and diminished economic activity,” Thornton said. “This ordinance, which is targeted at the 18–21 age range, is also likely to trigger reactions from that group. The group is not likely to take kindly to being told what to do, so it may actually result in an increase in the demand for tobacco among the group, particularly males.

“Also, it is highly unlikely that the group would stop consuming tobacco, so they would be breaking the law and thus naturally would have a diminished respect for law and order,” Thornton said.

Expects Resentment

William Anderson, a professor of economics at Frostburg College, says young people will see the new law as infringing on their liberty.

“It will turn a lot of young people into lawbreakers, as it will be the authorities ‘throwing down the glove’ at them,” Anderson said. “Young people will correctly see this as taking away some of their rights.”

Thornton says increasing the legal age to buy tobacco is inconsistent with other public policies.

“Why would we expect that young adults can be responsible for voting and marriage, as well as fighting in war for the government, and not be able to make their own decisions regarding tobacco?” Thornton said. “We see that young adults are increasingly not consuming tobacco, or increasingly turning to smokeless tobacco and vaping. Providing increasing economic opportunity is the best way to enhance responsible choices.”

Missouri Legislature Approves Term Limits Amendment Resolution

By Ashley Herzog

The Missouri General Assembly approved a resolution calling on Congress to organize a national convention for drafting an amendment to the U.S. Constitution to “set a limit on the number of terms that a person may be elected as a member of the U.S. House of Representatives and as a member of the U.S. Senate.”

Senate Concurrent Resolution 40, approved by both chambers of the legislature in May, would enter Missouri into a convention of states for the purpose of proposing the amendment. The resolution does not require the governor’s signature. S.C.R. 40’s sponsor, Missouri state Sen. Denny Hoskins (R-Warrensburg), says term limits would pump new blood into Washington, DC.

“While experience on the job is important, I believe our U.S. senators and representatives should not make a career of being an elected official,” Hoskins said. “Reasonable term limits at the federal level would allow for new, fresh ideas in our federal government. Also, one elected official or state could not control Congress for numerous years, if our U.S. senators and representatives have term limits.”

Turnover and ‘New, Fresh Ideas’

S.C.R. 40’s sponsor, Missouri state Sen. Denny Hoskins (R-Warrensburg), says term limits would pump new blood into Washington, DC.

“The passage of S.C.R. 40 by the General Assembly of Missouri helps to bring the most popular issue among the American voters, term limits for Congress, to the forefront of a national discussion that has historic implications,” Quinn said. “Recently, a survey of 1,000 likely voters was conducted showing that an overwhelming 82 percent of the voters approve of a term-limits amendment for Congress.”

Ashley Herzog (aebristow85@gmail.com) writes from Avon Lake, Ohio.

Missouri state Sen. Denny Hoskins (R-Warrensburg): http://www.senate.mo.gov/mem21

Cites High Voter Support

Ken Quinn, a regional director with U.S. Term Limits, says the idea is highly popular.

“Also, it is highly unlikely that the group would stop consuming tobacco, so they would be breaking the law and thus naturally would have a diminished respect for law and order,” Thornton said.

Expects Resentment

William Anderson, a professor of economics at Frostburg College, says young people will see the new law as infringing on their liberty.

“It will turn a lot of young people into lawbreakers, as it will be the authorities ‘throwing down the glove’ at them,” Anderson said. “Young people will correctly see this as taking away some of their rights.”

Thornton says increasing the legal age to buy tobacco is inconsistent with other public policies.

“Why would we expect that young adults can be responsible for voting and marriage, as well as fighting in war for the government, and not be able to make their own decisions regarding tobacco?” Thornton said. “We see that young adults are increasingly not consuming tobacco, or increasingly turning to smokeless tobacco and vaping. Providing increasing economic opportunity is the best way to enhance responsible choices.”

Missouri Legislature Approves Term Limits Amendment Resolution

By Ashley Herzog

The Missouri General Assembly approved a resolution calling on Congress to organize a national convention for drafting an amendment to the U.S. Constitution to “set a limit on the number of terms that a person may be elected as a member of the U.S. House of Representatives and as a member of the U.S. Senate.”

Senate Concurrent Resolution 40, approved by both chambers of the legislature in May, would enter Missouri into a convention of states for the purpose of proposing the amendment. The resolution does not require the governor’s signature. S.C.R. 40’s sponsor, Missouri state Sen. Denny Hoskins (R-Warrensburg), says term limits would pump new blood into Washington, DC.

“While experience on the job is important, I believe our U.S. senators and representatives should not make a career of being an elected official,” Hoskins said. “Reasonable term limits at the federal level would allow for new, fresh ideas in our federal government. Also, one elected official or state could not control Congress for numerous years, if our U.S. senators and representatives have term limits.”

Turnover and ‘New, Fresh Ideas’

S.C.R. 40’s sponsor, Missouri state Sen. Denny Hoskins (R-Warrensburg), says term limits would pump new blood into Washington, DC.

“The passage of S.C.R. 40 by the General Assembly of Missouri helps to bring the most popular issue among the American voters, term limits for Congress, to the forefront of a national discussion that has historic implications,” Quinn said. “Recently, a survey of 1,000 likely voters was conducted showing that an overwhelming 82 percent of the voters approve of a term-limits amendment for Congress.”

Ashley Herzog (aebristow85@gmail.com) writes from Avon Lake, Ohio.

Missouri state Sen. Denny Hoskins (R-Warrensburg): http://www.senate.mo.gov/mem21

Cites High Voter Support

Ken Quinn, a regional director with U.S. Term Limits, says the idea is highly popular.

“Also, it is highly unlikely that the group would stop consuming tobacco, so they would be breaking the law and thus naturally would have a diminished respect for law and order,” Thornton said.

Expects Resentment

William Anderson, a professor of economics at Frostburg College, says young people will see the new law as infringing on their liberty.

“It will turn a lot of young people into lawbreakers, as it will be the authorities ‘throwing down the glove’ at them,” Anderson said. “Young people will correctly see this as taking away some of their rights.”

Thornton says increasing the legal age to buy tobacco is inconsistent with other public policies.

“Why would we expect that young adults can be responsible for voting and marriage, as well as fighting in war for the government, and not be able to make their own decisions regarding tobacco?” Thornton said. “We see that young adults are increasingly not consuming tobacco, or increasingly turning to smokeless tobacco and vaping. Providing increasing economic opportunity is the best way to enhance responsible choices.”

Missouri Legislature Approves Term Limits Amendment Resolution

By Ashley Herzog

The Missouri General Assembly approved a resolution calling on Congress to organize a national convention for drafting an amendment to the U.S. Constitution to “set a limit on the number of terms that a person may be elected as a member of the U.S. House of Representatives and as a member of the U.S. Senate.”

Senate Concurrent Resolution 40, approved by both chambers of the legislature in May, would enter Missouri into a convention of states for the purpose of proposing the amendment. The resolution does not require the governor’s signature. S.C.R. 40’s sponsor, Missouri state Sen. Denny Hoskins (R-Warrensburg), says term limits would pump new blood into Washington, DC.

“While experience on the job is important, I believe our U.S. senators and representatives should not make a career of being an elected official,” Hoskins said. “Reasonable term limits at the federal level would allow for new, fresh ideas in our federal government. Also, one elected official or state could not control Congress for numerous years, if our U.S. senators and representatives have term limits.”

Turnover and ‘New, Fresh Ideas’

S.C.R. 40’s sponsor, Missouri state Sen. Denny Hoskins (R-Warrensburg), says term limits would pump new blood into Washington, DC.

“The passage of S.C.R. 40 by the General Assembly of Missouri helps to bring the most popular issue among the American voters, term limits for Congress, to the forefront of a national discussion that has historic implications,” Quinn said. “Recently, a survey of 1,000 likely voters was conducted showing that an overwhelming 82 percent of the voters approve of a term-limits amendment for Congress.”

Ashley Herzog (aebristow85@gmail.com) writes from Avon Lake, Ohio.

Missouri state Sen. Denny Hoskins (R-Warrensburg): http://www.senate.mo.gov/mem21

Cites High Voter Support

Ken Quinn, a regional director with U.S. Term Limits, says the idea is highly popular.

“Also, it is highly unlikely that the group would stop consuming tobacco, so they would be breaking the law and thus naturally would have a diminished respect for law and order,” Thornton said.

Expects Resentment

William Anderson, a professor of economics at Frostburg College, says young people will see the new law as infringing on their liberty.

“It will turn a lot of young people into lawbreakers, as it will be the authorities ‘throwing down the glove’ at them,” Anderson said. “Young people will correctly see this as taking away some of their rights.”

Thornton says increasing the legal age to buy tobacco is inconsistent with other public policies.

“Why would we expect that young adults can be responsible for voting and marriage, as well as fighting in war for the government, and not be able to make their own decisions regarding tobacco?” Thornton said. “We see that young adults are increasingly not consuming tobacco, or increasingly turning to smokeless tobacco and vaping. Providing increasing economic opportunity is the best way to enhance responsible choices.”

Paternalism in the Checkout Lane

Anderson says prohibition and other big-government actions, tobacco age increases included, never work as planned.

“This new ordinance, I predict, will have no significant effect on rates of smoking, but it will have negative effects elsewhere,” Anderson said. “The spirit of Prohibition still lives. No matter how many times it is tried, prohibition is a failure.”

Anderson says the new smoking-age law could be misused by abusive or overzealous law enforcement officers.

“Someone likely will be shot by police or roughed up by authorities,” Anderson said. “It places one more barrier between young people and the authorities, and it erodes respect for the law. I would rather see no restrictive laws like what we may see in Minneapolis.”

Leo Pusateri (psycestr@fastmail.fm) writes from St. Cloud, Minnesota.
Seattle City Council Undoes Jobs Tax

By Sarah Quinlan

The Seattle, Washington City Council repealed a tax on local businesses earning more than $20 million per year, after approving the levy in May.

Seattle Mayor Jenny Durkan signed Ordinance 119250 into law on May 16, charging a levy of $275 per individual employed by companies with annual revenue exceeding $20 million. Proponents of the jobs tax promised the revenue would be used to fund local anti-poverty efforts.

Residents of Seattle, Washington began collecting signatures to place a referendum question on the November ballot asking voters to repeal the “head tax,” but the City Council repealed the ordinance on June 12.

‘Not Friendly to Job-Creators’

Joe Cobb, a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says the threat of the jobs tax already caused local businesses to eye the exits.

“The employment tax will set businesses thinking how to get out of there, instead of growing locally,” Cobb said. “Amazon is already showing this behavior. Amazon is closing a Seattle fulfillment center and relocating to Phoenix.”

Paul Guppy, vice president for research at the Washington Policy Center, says the jobs tax would have caused other business owners to leave or avoid the city as well.

“How time, the tax will discourage opportunity and job creation in Seattle,” Guppy said. “Larger firms will locate new business elsewhere, as Amazon is already doing, and all employers will worry about what new taxes and restrictions Seattle may impose in the future.

“Basically, the head tax sends a signal that Seattle is not friendly to job-creators and has a political dynamic that is hostile to business owners, investors, and innovators,” Guppy said.

‘Targets Lower-Income Workers’

Guppy says the jobs tax would have had a disproportionate impact on lower-paid employees.

“As a flat head tax, the policy takes no account of an employer’s net profit margins or an employee’s salary level,” Guppy said. “Supermarket owners have pointed out that their profit margins are very thin, only 2 or 3 percent, so the tax will hit them hard. Also, the tax targets low-income workers, because a $275 tax a year makes up a much larger proportion of [the salary of] a lower-paid worker than the salary of a higher-paid worker.

“The result is that it would cost a law firm, for example, much more, proportionately, to hire an office assistant than to hire a new lawyer,” Guppy said. “The Seattle head tax would make up only a small percentage of the lawyer’s salary, but the tax penalty, in percentage terms, would be much greater for hiring an office assistant.”

‘Don’t Come to Seattle’

Guppy says the jobs tax was a simple cash grab, but business owners would have taken that money out of the city government’s reach.

City Council members want to get as much money as they can with as little public resistance as possible,” Guppy said. “The head tax sends a message to entrepreneurs that says, ‘Don’t come to Seattle.”

Sarah Quinlan (think@heartland.org) writes from New York City, New York.

---

How to Save a Life Without Spending a Dime

Thanks to lawmakers across the country patients with terminal illnesses have new hope—and it’s not costing states a dime. State Right to Try Acts are sweeping the country and are passing with overwhelming bipartisan support. And it’s working. In Texas, for example, almost 100 terminal cancer patients have access to a life-saving treatment that they wouldn’t otherwise. Good ideas can’t become good policy without lawmakers who are willing to do the right thing. So thank you. We thank you and the millions of American families with a loved one facing a terminal illness thank you.
Dallas, TX Officials Consider Bids to Manage Convention Center

By Madeline Fry

The city government of Dallas, Texas is seeking bids from private management companies interested in taking over day-to-day operations of the Kay Bailey Hutchison Convention Center, the 12th-largest such facility in the United States.

The facility, currently owned and operated by the city’s Department of Convention and Event Services, is funded by revenue from taxes on hotel occupancy and alcohol purchases.

City Manager T.C. Broadnax will consider bids and proposals on June 28 and recommend a chosen firm by September.

Government Mission Creep?

E.S. Savas, a professor at Baruch College, former assistant secretary of the U.S. Department of Housing and Urban Development, and a policy advisor for The Heartland Institute, which publishes Budget & Tax News, says governments shouldn’t operate convention centers.

“Running a convention center is not, basically, a government undertaking,” Savas said. “It’s necessary in the sense of raising money, but running a commercial convention center is really not the kind of thing governments are good at. It’s a commercial activity, and you’re better off if you can find a private organization with extensive experience in this field—and successful experience in this field—to run it for you, provided you have a good contract and you measure the performance of the contract.”

Wants More Reform

Carine Martinez-Gouhier, a managing editor for the Texas Public Policy Foundation, says the proposal is a step in the right direction for the city’s taxpayers.

“Real privatization would be government selling the convention center to the private sector and getting out of a business it shouldn’t be in in the first place,” Martinez-Gouhier said. “Right now, the outstanding debt for the center is still enormous, and most of the revenues for the center come from taxpayer money. Why should taxpayers fund a business—the convention center, here—that cannot stand on its own?”

Savas says lawmakers should always be considering privatization efforts, even small steps like those being taken in Dallas.

“All cities should scrutinize the different functions they’re doing, and if their citizens complain about particular kinds of departments, they ought to examine the possibility of using private firms,” Savas said. “The public is slowly recognizing all this, and local governments would be wise to get ahead of the trend and spot where they can provide better and more cost-effective services to their taxpayers.”

Counting the Costs

Martinez-Gouhier says city lawmakers should wean the convention center off of taxpayer funding.

“Eventually, the goal should be to reduce how much it has to rely on taxpayer money and see if private management can really raise more revenue from events, if they’re able to make a profit just from the activities of the convention center,” Martinez-Gouhier said. “Otherwise, they should consider the opportunity cost of keeping the convention center. We always talk about the economic impact that those convention centers have, but we don’t talk about the opportunity cost.”

Madeline Fry (madeline.e.fry@gmail.com) writes from Fort Worth, Texas.

INTERNET INFO


HILLSDALE COLLEGE

hillside.edu/freedom

PURSUITING TRUTH.
DEFENDING LIBERTY.
**BOOK REVIEW**

A Comprehensive Guide to a World of Political Complexity

Review by Jay Lehr

Events on the domestic and world stages may often seem arbitrary and haphazard, but a truly scientific search for a deeper structure connecting seemingly random occurrences can increase one’s understanding of the principles behind the course of history.

In his book *The Road to Ruin* (which bears the unfortunate subtitle “The Global Elites’ Secret Plan for the Next Financial Crisis”), lawyer and former hedge-fund manager James Rickards weaves together disparate concepts to help illuminate how and why the global economy works the way it does.

‘Complexity Theory’
The central thesis of Rickards’ book is that one can discern the outlines of the future by applying scientific scrutiny to incoming data. The process involves using concepts from organizational studies and statistical analysis to project past and present trends forward.

Rickards explains a key concept for understanding and forecasting future trends, which he calls complexity theory. Markets and sociopolitical systems are not random, Rickards argues, because they are made up of people, who have memories of past events. People’s behavior provides new information which influences future decisions so that the crowd acts in nonlinear ways.

“Complexity theory begins with two tools,” Rickards wrote. “The first is the agent. An agent is simply an actor in a system. An agent can be a human in the case of capital markets or an atom in the case of a bomb. The agent is the irreducible unit generating behavior behind complex dynamics.

“The second tool is feedback,” Rickards wrote. “This means that initial behavior produces output that affects subsequent behavior. This is why complex systems are said to have memory. ... A tossed coin does not remember the last toss. A coin does not adapt its behavior. In complex systems, behavior adapts all the time. Adaptation is one reason complexity produces surprising results.”

Reclaiming Scientific Economics
Forecasts by most economists are useless or wrong because they often use economics as a tool for political agendas, Rickards writes.

“Is economics science?” Rickards writes. “Yes, and there the problems begin. Economics is a science, yet most economists are not scientists. Economists act like politicians, priests, or propagandists. They ignore evidence that does not fit their paradigms. Economists want scientific prestige without the rigor. Today’s weak world [economics] growth can be traced to this imposture. Science involves both knowledge and method. Sound method is the way to acquire knowledge.”

Economists, especially those employed as government central planners, are uninterested in what the state of the world actually is. Instead, many economists are trying to change the world instead of studying things as they are, Rickards writes. “Most academic economists are not scientists; they are dogmatists,” Rickards wrote. “They cling to an old version of their science, are not open to new views, and discard data that contradict dogma. This decrepit landscape would be academic but for the fact that economists control powerful positions in central banks and finance ministries. Their use of outdated theory is not merely academic; it destroys the wealth of nations. This topic bears discussion before the next financial crisis because so much is at stake.”

Spheres or SPECTRE
The book’s subtitle, “The Global Elites’ Secret Plan for the Next Financial Crisis,” is rather misleading; there is no central committee or organized guild with calamitous intent running the show, Rickards argues.

Such a power structure, like the criminal organization SPECTRE in Ian Fleming’s James Bond novels, would be relatively easy for a populist uprising to uproot and overthrow, Rickards writes. “Pondering the operation of today’s global monetary elites, the image of SPECTRE leaps irresistibly to mind,” Rickards writes. “Its top-down ontology suits the conspiracy-minded.”

Instead of such a global organization, “Elite spheres float and overlap like an interactive, three-dimensional Venn diagram,” Rickards wrote. “Intersections emerge, blend, and disappear. At interstices are elites who channel power from one sphere to another.”

Alignment, Not Conspiracies
Instead of a centralized legion of doom, power over the world and human events is diffused. Actions take hold when the interests of people in one sphere of influence align with those of people in other spheres, which occurs on a shifting, ad hoc basis, Rickards writes.

“This structure of separate spheres, intersections, and designated channels is how the global power elite rules,” Rickards wrote. “This model has greater explanatory power than some imagined close-knit, top-down Committee to Rule the World. Such a committee, if it existed, would be relatively easy to identify, monitor, and expose. In contrast, a floating-spheres model is amorphous, hard to pin down. If an individual member is discredited by scandal or reversal of fortune, she is swiftly sacrificed, with later rehabilitation possible, while the system survives.”

Tough Truths
Readers may find Rickards’ vision to be somewhat dystopic and difficult to comprehend at first, but few books about economics are as easily digested. Any difficulty one encounters along the way is more than worth the trouble, as the book is filled with wisdom.

After finishing this book, despite the steep learning curve some sections may pose, the reader will have a better understanding of how the world works and what the future may hold.

Jay Lehr, Ph.D. (jlehr@heartland.org) is science director of The Heartland Institute.
Please join us for The Heartland Institute’s next America First Energy Conference, taking place at the Hilton Riverside Hotel in New Orleans on Tuesday, August 7, 2018. This will be Heartland’s second deep dive into President Donald Trump’s revolutionary energy policies. Heartland’s first America First Energy Conference, held in 2017 in Houston, was highly successful.

The 2018 America First Energy Conference will feature more than 30 speakers, including scientists, economists, elected officials, representatives from the Trump administration, and leaders of the energy sector. Join hundreds of state and national elected officials, think tank leaders, and policy analysts at this exciting event.

Trump’s America First Energy Plan has fundamentally transformed U.S. climate and energy policies. By promoting Energy Freedom, more jobs and prosperity are being made available to millions of people across the country. At the America First Energy Conference, we will look back at what Trump’s agenda has accomplished and learn what’s on the horizon ... and it’s more than drilling rigs off the Louisiana shore.

Come to New Orleans on August 7 to learn more about America’s energy revolution!

For more information, visit americafirstenergy.org, where you can register today to take advantage of our special $99 “early bird” rate!
FreedomFest is the most unique conference in the world. I attend all 3 days, and you should too. It’s where the best ideas and strategies are fleshed out. See you in Vegas!

— Steve

Where is the VOICE of REASON?

PARIS RESORT • LAS VEGAS

JULY 11-14 • 2018

Use code HEART100 for $100 off your registration.

You pay just $695 $595 per person
$995 $895 with a guest

Call 855-850-3733 ext 202 or visit FreedomFest.com

Some of our 2018 Events & Voices

Reason Media Awards at the FreedomFest Saturday Night Banquet

Banquet: $125 (with your FreedomFest registration)

Some of our Favorite “Voices” to Appear at FreedomFest 2018:

Tim Huelskamp
Nick Gillespie
Katherine Mangu-Ward
Heather Mac Donald
Deirdre Mencio-McCloskey
Mart Welch
Danae Borelli

A People Divided: Is the “Wall” about Rule of Law or Racism?

REVOLUTIONARY NEW CURRENCY OR TULIPMANIA?

THE BIG BITCOIN DEBATE

Patrick Byrne
Jeff Tucker
Naomi Brockwell
Peter Schiff
Gary Smith

When Guns Are Outlawed, Will only Politicians & Hollywood Elites Have Guns?

FAST MONEY SUMMIT

Robert KIYOSAKI
Jim ROGERS
Rob ARNOTT
Mark SKOUSEN

Some of our Favorite “Voices” to Appear at FreedomFest 2018: