

Educating lawmakers on property rights, civil liberties, entitlement reform

Victories reported on school choice, funding formulas, and Common Core

Innovation, reform efforts growing as ACA fails

QUARTERLY PERFORMANCE REPORT THIRD QUARTER, 2016

THE HEARTLAND INSTITUTE 

# QPR



## Freedom Rising... or Floating Away?

By Joseph Bast



By Joseph L. Bast  
President

Heartland's theme for this year, and perhaps future years too, is "freedom rising." It expresses our dedication to the most powerful idea ever discovered by mankind – freedom – and our optimism about its future.

But not everyone agrees freedom is rising. One donor wrote to say, "You see freedom rising. I see it floating away." The truth is, freedom has been lost at a frightening pace at the national level at least since the election of Barack Obama. If we want to restore it, we need to recognize how the world has changed and how we need to change, too.

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### How has the world changed?

In the past seven years, President Obama has wiped away many of the modest gains achieved by the free-market movement in the previous three decades. Modest progress in education, energy policy, health care reform, and even battling the national debt seemed to peak around 2006.

Obama benefitted from the concurrence of two mega-trends. The first was completion of

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the “Gramsci project,” the Left’s tactic of capturing the culture in order to clear the path for political revolution. The Left began to capture the media, universities, and political bureaucracies in the 1960s and effectively finished its “march through the institutions” during the past decade. This is documented by numerous polls of journalists and college professors and recent pronouncements and actions by universities, church leaders, and bureaucrats.

The second mega-trend is the unprecedented concentration of power in the office of the President of the United States. Frank Buckley in *The Once and Future King: The Rise of Crown Government in America* (2014) does a great job explaining how the checks and balances and constitutional barriers erected by the Founders to ensure the president would be subservient to Congress and the states were repealed or circumvented. Today, just as they feared, the president is virtually a king, ruling over a staggering \$3 trillion annual budget.

Obama had a historic opportunity to advance the Left’s agenda, and he took it. Let the record show, however, that while Obama advanced a socialist agenda at the national level, many states were privatizing, deregulating, reforming, and cutting taxes. Governors and state attorneys general fought valiantly, if not always successfully, against Obamacare, the Clean Power Plan, and other expansions of federal power.

### Who is to blame?

Are the losses of the past decade due to the failure of organizations on the Right (including The Heartland Institute) to win their encounters with the Left? Is there anything we could have done to prevent them?

We “all” thought we could win the war with an issue-by-issue strategy by producing superior research and commentary and appealing to the heads or the hearts of voters and elected officials. We thought the sum of winning battles would be to win the war. This is now exposed as a failed strategy.

We defeated, repealed, or at least reformed many bad laws and government programs, but

with each passing year we lost control over more institutions to the Left, and the size and power of the president increased. We were too busy writing op-eds defending Uber’s right to compete with taxicabs in Cleveland to see and write about the Left’s existential threat to our way of life.

Groups on the Right only infrequently observed and wrote about the Gramsci campaign, not wanting to risk offending media, opponents, or donors by questioning the motives of people and organizations on the Left. In retrospect, that decision appears to have been a mistake. It allowed the Left to pose (as Malcolm Muggleridge once put it) as referees when in fact they are players. One result is we now have left-wing ideologues posing as journalists, teachers, judges, and even scientists.

Groups on the Right more frequently commented on the growing concentration of power in the executive branch, but most often in eloquently written op-eds and seldom-read books. We eschewed the only viable solution – constitutional reform via Article V conventions of the states. Had we been talking about this during the Bush I and Bush II days, we might be in a very different place today.

### How should we respond?

Knowing all this, what should we be doing differently? The Heartland Institute has responded with several new projects:

► **Expose the Left:** In 2014 we retained Ron Arnold, the dean of researchers on the funding and tactics of the Left, to produce profiles of leading individuals and groups to post on a new website called [LeftExposed.org](http://LeftExposed.org). So far, he has written and we have posted 34 profiles and 24 commentaries.

► **Constitutional reform:** We studied the movement for an Article V convention of the states, identified its leaders, and launched a project to promote all valid efforts in this direction. Our Center for Constitutional Reform has full-time staff and an excellent website, is doing regular mailings, meetings, and calls to elected officials, and is helping members of the often-fractious movement to work together.

► **College campus outreach:** Even as the

Left completed its takeover of college campuses, groups such as the Leadership Institute, Students for Liberty, and TurningPoint USA have been more effective than ever in creating student chapters. We have greatly ramped up our distribution of free literature and email contacts to their members, challenging the Left's efforts to suppress dissent and indoctrinate the next generation.

► **K–12 school choice:** Heartland was one of the first and remains a leading advocate of school choice, in particular vouchers. We were among the first to advocate for education savings accounts, and we are virtually the only free-market group to recognize the powerful potential of California's Parent Trigger. The school choice movement is making considerable progress, and we continue to press hard for new programs and to expand existing ones.

► **Common Core State Standards:** We are writing and publishing more in opposition to Common Core, the Left's effort to circumvent choice by taking over the curriculum of all schools, than any other "mainstream" think tank. We are using the issue to forge new partnerships with homeschoolers, high school debate clubs, and organizations such as the National Association of Scholars.

► **Michael Parry Mazur Library:** The Left is increasingly exercising control over Google, Wikipedia, Facebook, and even Twitter, making opposing ideas "disappear" by having them no longer show up in Google searches, plundering the Wikipedia sites of conservative and libertarian groups and individuals, and selectively deleting and editing historical documents. Heartland is fighting back by creating a new physical library containing some

10,000 volumes, the best library on freedom and limited government in the Midwest.

► **Community-based advocacy:** We are making better use of social media and automated marketing technology to educate and empower our donors, allies, neighbors, and civic and business leaders. True power in public policy debates doesn't come by having an op-ed appear in *The Washington Post*. It arises from having a network of advocates using your ideas to participate effectively in policy debates with friends, strangers, and elected officials, often online and often during chance encounters rather than at conferences and fancy dinners.

### Freedom rising ... or floating away?

Freedom is rising at the state and local levels in much of the country. It is being lost – "floating away" – at the national level.

Conservatives and libertarians are partly to blame for our losses. We didn't call out the Left's takeover of important institutions when it occurred and we didn't support constitutional limits on the power of the president when others proposed them. Now we have a president with almost limitless power and too few allies in the media, universities, and other institutions willing to join us in stopping his reckless abuse of our freedom.

The good news is that we can learn from our mistakes and adopt new strategies and tactics to stem the losses, turn the tide, and rescue the nation. Freedom will once again rise. It is our duty to make sure it does, and we won't quit until we've won.

*Joseph L. Bast (jbast@heartland.org) is president of The Heartland Institute.*

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## THE HEARTLAND INSTITUTE

The Heartland Institute is an independent source of research and commentary founded in Chicago, Illinois in 1984. It is not affiliated with any political party, business, or foundation. Its activities are tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

Heartland's mission is to discover, develop, and promote free-market solutions to social and economic problems. Such solutions include parental choice in education, market-based approaches to environmental protection and health care finance, tax and spending limitation, and deregulation in areas where property rights and markets do a better job than government bureaucracies.

For more information, call 312/377-4000 or visit our Web site at [www.heartland.org](http://www.heartland.org).

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## Executive Summary

### By the Numbers

During the second quarter of 2016, The Heartland Institute ...

- ▶ Contacted elected officials 256,020 times, including 5,460 one-on-one contacts by phone, email, or in person.
- ▶ Generated at least 39 broadcast, 645 online, and 169 print media hits reaching 14.8 million subscribers.
- ▶ Published print and digital issues of four public policy newspapers: *Budget & Tax News*, *Environment & Climate News*, *Health Care News*, and *School Reform News*.
- ▶ Released 50 issues of five weekly e-newsletters: *Climate Change Weekly*, *Consumer Power Report*, *School Choice Weekly*, *Heartland Weekly*, and *The Leaflet*.
- ▶ Released one book, one *Heartland Policy Brief*, one reprint, and 55 *Research & Commentaries*, and submitted 68 op-eds.
- ▶ Added 65 interviews to podcasts, attracting 322,494 listeners.
- ▶ Added 275 blog posts to *Somewhat Reasonable*.
- ▶ Hosted nine events and addressed 10 events hosted by others, with audiences totaling at least 520 people.

#### Center on Budgets and Taxes

- ▶ Published two issues of *Budget & Tax News*, 15 *Research & Commentaries*, and one *Policy Tip Sheet* on budget and tax issues.
- ▶ Logged 1,319 personal and 85,910 group contacts for a total of 87,229 contacts with legislators on budget and tax issues.
- ▶ Generated at least eight broadcast, 95 online, and 22 print media hits reaching more than 1.7 million people.
- ▶ Produced 13 new podcasts on budget and tax issues, attracting 37,724 listeners.

#### Arthur B. Robinson Center on Climate and Environmental Policy

- ▶ Published two issues of *Environment & Climate News*, nine issues of *Climate Change Weekly*, and 16 *Research & Commentaries* on environment and energy issues.
- ▶ Logged 1,689 personal and 61,694 group contacts for a total of 63,383 contacts with legislators on energy and environment issues.
- ▶ Generated at least 23 broadcast, 377 online, and 103 print media hits reaching nearly 7.2 million people on energy and environment issues.
- ▶ Produced 21 new podcasts on energy, environment, and climate issues, attracting 93,639 listeners.
- ▶ Hosted three events reaching nearly 500 people in attendance and via live-stream; spoke at seven events with a combined audience of more than 300 people; and exhibited at two environment-focused conferences with more than 3,000 attendees total.

#### Center for Transforming Education

- ▶ Published one *Policy Brief*, one *Policy Tip Sheet*, three issues of *School Reform News*, 10 issues of *School Choice Weekly*, and eight *Research & Commentaries* on education issues.
- ▶ Logged 900 personal and 53,549 group contacts for a total of 54,449 contacts with legislators on education issues.
- ▶ Generated at least four broadcast, 60 online, and 18 print media hits reaching nearly 1.5 million people on education issues.
- ▶ Produced seven new podcasts on education issues, attracting 25,336 listeners.
- ▶ Addressed two events reaching an estimated 182 people and hosted two events.

### Consumers for Health Care Choices

▶ Published 10 issues of *Consumer Power Report*, three issues of *Health Care News*, and 15 *Research & Commentaries* on health care issues.

▶ Logged 1,050 personal and 35,793 group contacts for a total of 36,843 contacts with legislators on health care issues.

▶ Generated at least two broadcast, 52 online, and 12 print media hits reaching more than 2.7 million people.

▶ Produced 11 new podcasts on health care issues, attracting 41,174 listeners.

### Center for Constitutional Reform

▶ Made 1,854 contacts with allies in the constitutional reform movement.

▶ Logged 317 personal and 9,553 group contacts for a total of 9,870 contacts with legislators on constitutional reform issues.

▶ Produced two new podcasts on constitutional reform issues.

▶ Generated at least one broadcast, 24 online, and five print media hits reaching more than 553,700 people on constitutional reform.

▶ Hosted three events in Arlington Heights with a total live audience of 104 people; another 519 watched the live-streams.

▶ Issued 814 tweets from the @usconstreform Twitter account.

▶ Added 12 blog posts on constitutional reform issues to *Somewhat Reasonable*.



### New from The Heartland Institute:

# Merchants of Despair

There was a time when humanity looked in the mirror and saw something precious, worth protecting and fighting for. But now we are beset on all sides by propaganda promoting a radically different viewpoint: the notion that human beings are a cancer upon the Earth endangering the natural order.

In *Merchants of Despair*, Robert Zubrin, Ph.D. combines riveting tales from history with powerful policy arguments, refuting modern tirades against nuclear power, pesticides, population growth, biotech foods, resource depletion, industrial development, and, most recently, fear-mongering about global warming.

Order online at [store.heartland.org](http://store.heartland.org) or [Amazon.com](http://Amazon.com), or snap the QR code below.

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Robert Zubrin is the author of numerous books, including *Energy Victory* and *The Case for Mars*, a bestseller on space exploration and the human future. He is president of Pioneer Astronautics, a fellow of the Center for Security Policy, founder of the Mars Society, and a contributing editor to *The New Atlantis*.

## Protecting Property Rights and Civil Liberties



By **Jesse Hathaway**  
Research Fellow  
Managing Editor  
*Budget & Tax News*

As the second quarter of 2016 began, The Heartland Institute continued to educate state and national lawmakers about governments' use of civil asset forfeiture, a legal process by which governments seize private property believed to have been used in the commission of a crime without first obtaining a criminal conviction.

Nebraska lawmakers debated a bill requiring proof a crime has been committed before an individual's cash or other property could be forfeited. The bill was ultimately approved and signed into law by Gov. Pete Ricketts, making Nebraska the 10th state requiring a criminal conviction as a prerequisite for civil asset forfeiture cases.

Later in the quarter, Ohio lawmakers approved a similar bill, proposing the elimination of civil asset forfeiture in most cases involving property worth less than \$25,000 and raising the level of proof the government must reach in a court of law.

### Wins on Entitlement Reform

Heartland staff worked with lawmakers to help reform entitlement programs to encourage recipients to return to the workplace instead of remaining dependent on support from taxpayers.

Heartland's efforts in Missouri were particularly successful, as several entitlement reform bills made progress this quarter. Lawmakers approved a measure that requires the state's Department of Social Services to regularly verify eligibility for entitlement benefit payments. We applauded them for doing so in a press release sent to 6,223 reporters and media contacts.

In an op-ed sent to Alabama lawmakers, State Government Relations Manager Logan

Pike cleared up misconceptions about a welfare reform bill sponsored by state Rep. Arthur Orr. She wrote, "Alabama's current welfare program is a decade behind most of the country; it earned an 'F' grade in The Heartland Institute's *2015 Welfare Reform Report Card*. ... Welfare ... should only be available to those who truly need assistance, and asset tests would play an important role in ensuring enough resources are available for Alabama's most impoverished citizens."

On May 19, Pike and Heartland Policy Advisor Gary McDougal spoke at a luncheon hosted by the Maine Heritage Policy Center,



**Logan Pike**  
State Government  
Relations Manager

meeting with lawmakers and key legislative staff to discuss previous welfare reform in the state. Maine has been among the leading states on the issue of entitlement reform, and Heartland has pointed to Maine as an example for other states seeking to improve citizens'

quality of life.

Maine's reforms have been so successful, even federal lawmakers are taking notice. In June, Congress began discussing a new bill proposing to reform the Supplemental Nutrition Assistance Program (SNAP) by implementing stricter work requirements for able-bodied adults without dependents receiving assistance, and giving these individuals help finding work, with the employment training and job-search tools needed to help them overcome poverty. The Welfare Reform and Upward Mobility Act is modeled on Maine's successful reforms and the successful national welfare reforms of 1996.

### Lower Taxes, More Economic Freedom

The Heartland Institute's fight for more economic freedom and lower taxes for consumers and taxpayers continued in the second quarter of 2016.

Over the past two years, Heartland has sent Tennessee lawmakers several *Research & Commentaries* about the Hall Tax, a tax on interest and investment dividends, the state's only tax on individuals' income. Those efforts finally paid off with a historic victory for state taxpayers. In April, the Tennessee General Assembly voted to eliminate the Hall Tax over the next six years. Phasing out the tax puts Tennessee on a path toward eliminating one of the state's most economically destructive taxes, making Tennessee a more attractive place for entrepreneurs, businesses, and high-talent workers.

Heartland also worked to advance the cause of economic freedom and clear up myths about free trade. Yaron Brook, president and executive director of the Ayn Rand Institute, joined the weekly *Budget & Tax News* podcast in April, explaining what Michelangelo, LeBron James, and Steve Jobs all have in common and why the quest for "income equality" is immoral.



**Yaron Brook**  
President  
Ayn Rand Institute

Equality is not fair, Brook explained on the podcast, saying it's not an achievable goal in the real world because everyone has different abilities and skills. Instead of weighing down LeBron James so he's no better at basketball than other people, to make the game "fairer," people should embrace the

fact that everyone has unique talents and gifts they can use to advance their own quality of life.



**Dan Ikenson**  
Policy Analyst  
Cato Institute

In another April podcast, Cato Institute Policy Analyst Dan Ikenson explained why freer trade – a concept increasingly maligned by politicians – creates a net benefit for everyone who engages in it. International trade ledgers are not scoreboards to measure economic success against the success of other countries, Ikenson said. Freer trade between nations – which is not really between the nations themselves, but between individuals living in different nations – has been proven by history to be the way to improve the lives of everyday people in the United States and all over the world.

Instead of a debt to be repaid, Ikenson says, a trade deficit shows the strength of the U.S. economy. American consumers are buying goods and services from producers in other countries in exchange for Americans' money. In other words, Ikenson says, the trade deficit exists because American consumers want foreign-produced goods and foreign producers want American cash. American assets flow freely out to the world at large because of voluntary exchange, just as the goods consumers want flow into the United States.



## Fighting for Sound Science-Based Policies



**By H. Sterling Burnett**  
Research Fellow  
Managing Editor  
*Environment & Climate News*

Throughout the second quarter, The Heartland Institute's team of policy, government relations, and marketing professionals highlighted evidence that climate change, regardless of the source, is unlikely to be disastrous. We also documented that policies proposed by the Obama administration to prevent the climate from changing are likely to cause great harm and produce little or no benefit for the environment.

At the end of March, a group of 17 attorneys general – 15 Democrat state attorneys general, one Democrat from the District of Columbia, and one Independent from the Virgin Islands – threatened legal action against ExxonMobil and organizations that question whether humans are causing dangerous climate change. The attorneys general claimed vocal climate science or policy skeptics are committing fraud and violating federal and state racketeering statutes simply by pointing out flaws in the evidence and arguments of climate change alarmists.

Heartland responded forcefully to this attempt to suppress constitutionally protected free speech and scientific inquiry. We put together a comprehensive website covering

ours and our allies' efforts to beat back the anti-free-speech, anti-science forces. The site presents articles, op-eds, blog posts, *Climate Change Weekly* articles, and *Environment & Climate News* stories published by Heartland, other free-market think tanks, and major media.

In addition, Research Fellow H. Sterling Burnett reported on the substance and progress of the various attorney generals' climate-debate aggressions in the *Climate Change Weekly* e-newsletter and *Environment & Climate News*. An op-ed by Burnett, "Prosecution would deny free speech to skeptical Americans," was published by 48 newspapers, including the *Charlotte Observer*, *Sacramento Bee*, *Kansas City Star*, and *Philadelphia Inquirer*. In March, *The Wall Street Journal* published a letter to the editor by Heartland Policy Advisor Dan Miller, who wrote, "The indisputable fact remains that the science isn't settled. ... [S]keptical scientists must be free from threat of criminal prosecution to continue their search for answers and solutions."



**Dan Miller**  
Policy Advisor

Burnett hit the airwaves to discuss the attorneys general and climate change as a guest on *Encounter* on the Bott Radio Network, the nationally syndicated *An Economy of One*





show on Radio America Network, and the nationally syndicated *Mike Siegel Show*. He interviewed for the *Environment & Climate News* podcast Kent Lassman, president of the Competitive Enterprise Institute, about the subpoena it was served by the attorney general of the Virgin Islands, and also interviewed David Schnare, general counsel of the Energy and Environment Legal Institute, about



Kent Lassman  
President  
CEI



Tom Harris  
Policy Advisor

collusion between state attorneys general and radical environmental groups.

Tom Harris, a Heartland policy advisor and executive director of the International Climate Science Coalition, also wrote about the attorneys generals' assault on free speech. *The Washington Times* published Harris's op-ed titled "Stop muzzling climate dissenters." "History demonstrates that it is far easier to lose freedom of speech than to reacquire it once it has been lost," Harris wrote. "This is why people from across the political spectrum must object loudly when eco-extremists try to convince our elected officials to suppress debate about climate change."

Congress was quick to respond to the attorneys generals' threats to free speech and scientific inquiry. In May, Chairman Lamar Smith (R-TX) and Republican members of the House Committee on Science, Space, and Technology sent letters to 17 state attorneys general and eight environmental activist organizations, requesting documents related to their "coordinated efforts to deprive companies, nonprofit organizations, scientists, and scholars of their First Amendment rights and their ability to fund and conduct scientific re-



Lamar Smith  
U.S. Rep. - TX

search free from intimidation and threats of prosecution." The letter states, "[Your] efforts to silence speech are based on political theater rather than legal or scientific arguments, and ... they run counter to an attorney general's duty to serve 'as the guardian of the legal rights of the citizens' and to 'assert, protect, and defend the rights of the people.'"

A week later, five members of the Senate sent a letter to U.S. Attorney General Loretta Lynch, demanding "the Department of Justice immediately cease its ongoing use of law enforcement resources to stifle private debate on one of the most controversial public issues of our time—climate change." The senators further wrote, "As you well know, initiating criminal prosecution for a private entity's opinions on climate change is a blatant violation of the First Amendment and an abuse of power that rises to the level of prosecutorial misconduct."

## Opposing Carbon Tax Proposals

Among the bad policies considered by states in the second quarter, Rhode Island and Vermont explored imposing a carbon dioxide tax on energy used in their respective states. Heartland responded promptly, sending state-specific *Research & Commentaries* to elected officials.

In June, the U.S. House of Representatives passed a resolution sponsored by Majority Whip Steve Scalise expressing the sense of Congress that a carbon tax would harm the economy and should not be enacted. Prior to the vote, in February, Heartland had signed a coalition letter supporting Scalise's resolution. A carbon tax would increase unemployment and have its most punishing effects on low-income people, the letter explained. In particular, the joint letter stated a "[carbon] tax would disproportionately punish lower-income Americans because, as the [Congressional Budget Office] points out, 'low-income households spend a larger share of their income on goods and services whose prices would increase the most, such as electricity and transportation.'"

## Arthur B. Robinson Center on Climate and Environment Policy

### Defending Sound Energy

Heartland continued to be a leading voice defending a sound, market-driven energy policy, including fracking to produce oil and gas. Research Fellow Isaac Orr's insights into fracking and oil and gas production reached a wide audience in the quarter. Orr was a guest on *The Bob McLain Show* on WORD-AM in South Carolina and on the *Need to Know Morning Show* on WZFG-AM in Minnesota, discussing new research demonstrating the benefits of hydraulic fracturing.



Isaac Orr  
Research Fellow

Orr also produced several podcasts on fracking. He interviewed Dr. Mark Zoback, a Stanford University geoscientist, who explained neither fracking nor wastewater disposal is causing earthquakes; and Jackie Stewart, a writer for *Energy in Depth*, who

discussed the origins and influence of the "Keep It In The Ground" movement and its goal of ending the use of fossil fuels.

The *Independent Journal Review* published an op-ed by Orr titled "Here's What *The New York Times* Completely Missed in Its Criticism of Fracking." He wrote, "Those concerned about disappearing farmland would have better luck protesting the construction of strip malls, subdivisions, and superstores because these developments pose a far greater threat to farmland than sand mining."

Heartland celebrated several victories on the fracking front in the quarter. At the federal level, the U.S. District Court of Wyoming struck down fracking rules issued by the Obama administration's Bureau of Land Management, declaring Congress never granted the Interior Department the authority to regulate fracking. On the state level, state supreme courts in Colorado and Louisiana ruled against local fracking bans in their states. Both courts found the states have the authority to decide whether their localities may regulate or ban fracking.

**"An important component of Heartland's efforts to bring reasoned discussion to the debate surrounding climate science and other environmental issues is our effort to distribute to a wide audience the good works of others."**

### Distributing the Good Work of Others

An important component of Heartland's efforts to bring reasoned discussion to the debate surrounding climate science and other environmental issues is our effort to distribute to a wide audience the good works of others. In the second quarter, that included our republication of Robert Zubrin's 2012 book, *Merchants of Despair*.

Nearly every day we are bombarded with false or misleading and hyperbolic claims about the purported dangers of nuclear power, pesticides, genetically modified foods, fracking, or global warming, on television, in newspapers, in fundraising letters, and from friends and family. Zubrin's book shows these forecasts of doom and despair are false. His powerful, well-documented book exposes



Robert Zubrin  
Author, *Merchants of Despair*

the often misanthropic underpinnings of radical environmentalists' attacks on modern technology and the market economy. We sent more than 3,500 copies of *Merchants of Despair* to members of Heartland's Legislative Forum, media, donors, and other influential audiences.

### Vetting the Candidates' Policies

With the presidential election on the horizon, Heartland scholars examined the records of various candidates for president. In *Climate Change Weekly*, Burnett wrote, "Donald Trump's views on climate change and energy production differ radically from those held by Hillary Clinton and Bernie Sanders. Trump, a climate change skeptic, has said he will reverse regulations issued by the Obama administration's Environmental Protection Agency (EPA) to limit access to and use of fossil fuels. By contrast, Clinton and Sanders want to double down on Obama's anti-fossil fuel rules to battle climate change – which Clinton called 'an urgent threat and a defining challenge of our times' and Sanders said is 'the single greatest threat facing our planet.'" Burnett also analyzed the presidential candidates' differing positions on climate and energy on the *What's Up* radio program on KKHT-FM in Houston in May.



Jay Lehr  
Science Director

to reverse a number of Obama administration climate and energy regulations if he becomes president. And the *Daily Caller* published an op-ed by Harris, "Trump Needs Help to Stay the Course on Climate Change."

### Gathering for Good Policy

Heartland's new headquarters building allows it to host events regularly to inform the public

on policy topics of interest. We hosted three events on environmental topics during the quarter.

On May 11, Ryan Yonk, a research fellow at the Independent Institute, discussed his book *Nature Unbound: Bureaucracy vs. the Environment*, coauthored by Randy T. Simmons and Kenneth J. Sim. Yonk's presentation tackled two central problems with environmental thinking: (1) the outdated notion that nature has some Garden-of-Eden-like equilibrium at which it rests unless humans interfere, and (2) the unfounded notion that the political process does the best job of representing science and the popular will. Twenty-eight people attended the event, with another 115 watching the live-stream.



Ryan Yonk  
Independent Inst.

On June 20, Heartland hosted Stephen Moore, a distinguished visiting fellow at The Heritage Foundation, at the Union League Club in downtown Chicago. Discussing his new book, *Fueling Freedom: Exposing the Mad War on Energy*, Moore explained how fossil



Stephen Moore  
Heritage Foundation

fuels provide cheap, reliable energy to an ever-growing population, and he told the audience why moving to a renewable-energy-based system would be so expensive and inefficient it is simply impractical. Seventy-four people attended, and 148 watched via live-stream.

On June 29, Heartland hosted Julie Kelly, a researcher of genetically modified organisms (GMOs) and contributor to *National Review*. Kelly told the audience why fear about the safety of GMOs is unfounded. Thirty people attended, and 101 watched via live-stream.



Julie Kelly  
GMO Researcher

## Center for Transforming Education

# Working to Expand School Choice



By **Teresa Mull**  
Research Fellow  
Managing Editor  
*School Reform News*

School choice programs – including charter schools, education savings accounts, tax credit scholarships, and vouchers – have been expanding across the country, and The Heartland Institute remained in the thick of things, promoting policies that empower parents.

Calling the media’s attention to several victories for education choice in legislative sessions around the nation, we sent press releases headlined “Heartland Experts React to National Wave of Education Choice Expansion” and “Heartland Institute Experts Applaud Mississippi Legislature for Expanding Education Choice” to thousands of reporters and media contacts.

Among the victories we applauded, Florida Gov. Rick Scott signed into law an open-enrollment measure allowing Florida parents to pick any public school in the state for their children, hopping over traditional attendance lines and county boundaries, effective with the 2017–18 school year.

### Scholarships and Savings Accounts

Legislators in Arizona, Colorado, Georgia, Maryland, and Missouri considered scholarship tax credit or education savings account (ESA) measures during the second quarter.

Arizona discussed expanding its ESA program, while a proposal to establish scholarship tax credits passed the Colorado senate and a Georgia judge dismissed a lawsuit challenging that state’s tax credit program. The Maryland General Assembly approved state-funded scholarships enabling parents to enroll their children in private or parochial schools, and the Missouri House passed bills that would create a hybrid ESA/tax credit scholarship.

We released a new *Heartland Policy Brief* by Policy Analyst Tim Benson and Project Manager Lennie Jarratt introducing “strike vouchers” and “SOS Accounts” to help students displaced from their public schools by teacher strikes.

The *Policy Brief* focuses on Illinois and was mailed to Chicago City Council members, Chicago Public School Board members, Illinois state lawmakers, and leaders of nonprofit education organizations.

In June, Jason Bedrick, policy advisor for the Cato Institute’s Center for Education Freedom, spoke about education savings accounts in Heartland’s Andrew Breitbart Freedom Center. Forty people attended the event and 30 watched it online during the live-stream.



**Lennie Jarratt**  
Project Manager

### Charter Schools Still Going Strong

Washington Gov. Jay Inslee announced he would allow Senate Bill 6194 to become law without his signature. The bill directs the state government to fund charter schools from the state’s Opportunity Pathways Account, which uses state lottery money for early childhood education, higher-education grants, scholarships, and other programs.

*School Reform News* interviewed a Colorado state legislator about public calls for equality of funding for charter schools.

### Fixing Funding Formulas

Heartland’s Center for Transforming Education encourages state lawmakers to reform their school funding formulas to make education less costly without hurting student achievement. We sent Illinois lawmakers a *Research & Commentary* about an amendment introduced in the state senate that would change the state’s school funding formula. We also released a *Research & Commentary* suggesting ways to repair

Detroit's debt-ridden, inefficient, poorly performing public school system.

A Kansas lawmaker's communications director contacted Heartland to say how pleased the legislator and his staff were to see a Heartland op-ed in the *Wichita Eagle* opining, "Kansas Schools Don't Need More Money, They Need Fewer Bills."

### Keeping the Heat on Common Core

Heartland remains a leading resource for individuals and organizations seeking quality information about Common Core State Standards, their detrimental effects on learning, and superior replacements.

In April we hosted an event on "Drilling Through the Core" featuring Peter Wood, president of the National Association of Scholars. Wood spoke about Common Core's deleterious effects on curriculum – from language arts to mathematics, history, and more – and its questionable legality, its roots in the aggressive spending of a few wealthy donors, its often-underestimated costs, and the untold damage it will wreak on American higher education. Twenty-seven people attended the event and 43 watched the live-stream.

In Michigan, Jarratt contacted Stop Common Core, Inc. and the Mommy Lobby to provide help in educating legislators and the public on why Common Core is bad for the state, offering speakers and sending the groups publications for distribution. *School Reform News* interviewed a Michigan state lawmaker about Common Core and the state's proposed switch to the pre-Common Core Massachusetts educational standards.

Government relations staff provided information about Common Core in a conference call with a Wisconsin state lawmaker and staff, and we sent a *Research & Commentary* to New Jersey lawmakers critiquing Common Core.

### A Surge in Homeschoolers

As government schools continue to prove themselves inadequate – and in some cases

harmful – institutions, homeschooling grows steadily as a popular alternative for parents and their children. Heartland supports families as they navigate the world of homeschooling and provides information to legislators and opinion leaders on homeschooling policies.

Jarratt and Senior Fellow Bruno Behrend delivered presentations at the Midwest Homeschool Convention in Cincinnati, Ohio, the Wisconsin Christian Home Education Association conference, and the Illinois Christian Home Educators Conference.

The Fredericksburg, Virginia *Free-Lance Star* published a letter to the editor by Senior Fellow Robert Holland, "Homeschool overcomes tired old stereotype." He wrote, "As families continue to seek alternatives to public education, a homeschooling contingent of 20 percent could become commonplace not just in King George but across the Old Dominion and the nation." West Virginia's governor signed into law a bill making homeschooling paperwork less burdensome for parents.



## Consumers for Health Care Choices

# Obamacare Burdens... and Relief?



By Michael Hamilton  
Research Fellow  
Managing Editor  
*Health Care News*

The Heartland Institute's second-quarter promotion of free-market, patient-empowering health care reforms commenced one week after the sixth anniversary of the Affordable Care Act (ACA), which President Barack Obama signed into law on March 23, 2010, and started implementing in 2013.

In an op-ed published by *Townhall*, Executive Editor Justin Haskins measured Obamacare against a report the Executive Office of the President released in 2009, finding ACA has fallen far short of Obama's promises. To further expose the disparity between the promises and the reality, Research Fellow Michael Hamilton interviewed Brian Blase, a senior research fellow at George Mason University's Mercatus Center, for an April podcast.

Congressional Republicans have proposed several plans to repeal and replace Obamacare – including Heartland Policy Advisor John Goodman's World's Greatest Healthcare Plan Act of 2016, introduced by Rep. Pete Sessions and Sen. Bill Cassidy. Sessions published on his website an article by Hamilton titled "Heartland: Universal Health Insurance Tax Credit Enters GOP Mix of Obamacare Alternatives."

### Medicaid Budget Trap

Lured by ACA's promise of federal funds, all but 19 states have expanded Medicaid. Many of the expansion states "now realize that their Medicaid costs may be too large to cover in the near future," Haskins wrote in an op-ed for *The Wall Street Journal*.

We sent New Hampshire lawmakers an op-ed by Hamilton titled "Myth-busting New Hampshire's Medicaid expansion," published by the *New Hampshire Union*

*Leader*. Despite our educational efforts, Gov. Maggie Hassan signed legislation extending Medicaid expansion through 2018. Oklahoma lawmakers, by contrast, debated and ultimately rejected attempts to expand Medicaid and pay for it by increasing taxes on tobacco products.

### Direct Primary Care Gains Ground

Physicians in several states are saving patients time and money, expanding patient access to care, and improving care quality through direct primary care (DPC) arrangements. We sent a *Research & Commentary* discussing DPC to Michigan state lawmakers as they considered a DPC Medicaid pilot program. Lawmakers made the pilot program's implementation optional as part of an omnibus spending bill approved in June.

Nebraska, Tennessee, and Wyoming passed legislation distinguishing DPC from health insurance, thus ensuring DPC programs are not weighed down by the high costs and heavy regulations associated with insurance.

### Rise of the Self-Pay Patient

An innovative alternative to insurance involves pairing DPC with membership in a health care sharing ministry. As health insurance costs grow and provider networks shrink, more Americans are turning to this cost-effective alternative.

To extol the virtues of going uninsured to obtain the most cost-effective health care for oneself and one's family, former *Health Care News* managing editor Sean Parnell joined Hamilton for a *Health Care News* podcast titled "Shamelessly Uninsured Self-Pay Patient Saving Thousands on Health Care."

### Certificate of Need Success

Both houses of the Tennessee General Assembly unanimously approved reforms of the state's certificate of need (CON) program. Although not a complete CON repeal, these

reforms represent an important step toward getting government out of the health care facility business.

Heartland worked extensively on CON reform in Tennessee. We also mailed customized *Research & Commentaries* to lawmakers in Iowa, Missouri, North Carolina, and South Carolina, urging them to repeal, or at least reform, their CON regulations. None passed significant reform measures during this session.

### Forced Maintenance of Certification

States hoping to increase patient access to high-quality, affordable health care would do well to prevent state medical boards from requiring doctors, as a condition of licensure, to maintain specialty board certifications. Forced maintenance of certification (MOC) causes physicians to invest less time and money in providing health care.

We mailed *Research & Commentaries* to lawmakers in Michigan and Missouri, whose legislatures are considering bills to prohibit forced MOC, urging them to end this unnecessary burden on practicing physicians. Dr. Meg Edison, a physician in Grand Rapids, Michigan, explained in a *Health Care News* podcast how forcing doctors to maintain board certification results in poorer patient care and less freedom for doctors and patients.

### A Healthy Mind

Heartland recognized May as National Mental Health Awareness Month by creating a web page gathering up-to-the-minute research and commentary on the subject of mental

health care. Heartland promotes innovation in reaching, treating, and improving the quality of care for mentally ill Americans, and we identify solutions to public policies that obstruct innovation and delivery of mental health services.

CON programs are one such obstruction. Barriers to telemedicine are another. “States can overcome this obstacle in part by expanding digital access to mental health care providers,” Hamilton wrote in an op-ed published by *Townhall*. The article, “#MentalIllnessFeelsLike States Should Remove Barriers to Telehealth,” seized on a trending social media hashtag.

### Right to Try

Thirty states have passed legislation to create a path by which developers of experimental drugs and medical devices may offer their products to terminally ill patients. Unfortunately, state right-to-try laws do not supersede federal law.

To solve that problem, U.S. Senator Ron Johnson introduced the Trickett Wendler Right to Try Act, which would prohibit the federal government from restricting the possession, use, “production, manufacture, distribution, prescribing, or dispensing of an experimental drug, biological product, or device” intended for treating terminally ill patients who have no other medical recourse.

Pennsylvania House lawmakers approved a right-to-try measure 182–0 and referred the bill to the state Senate, after we sent a *Research & Commentary* informing them of the benefits of right-to-try.



## States Take Reins on Constitutional Reform



By **Kyle Maichle**  
Project Manager  
Center for Constitutional Reform

As 2016 sessions came to an end, legislatures in several states passed measures urging constitutional reform. Some of those measures were in support of a balanced budget amendment only, while others supported more sweeping proposals. Progress we noted in the second quarter:

- ▶ Oklahoma became the seventh and Louisiana the eighth states in the nation to fully enact an application for a multiple-amendment Article V convention.
- ▶ The Iowa, Texas, and Washington State Republican Parties approved planks in their platforms in support of an Article V convention.
- ▶ Indiana Congressman Luke Messer held a hearing to discuss the role of Congress in an Article V convention.
- ▶ The Assembly of State Legislatures ratified a set of procedures and rules for an Article V convention.
- ▶ Arizona Gov. Doug Ducey signed legislation outlawing so-called “free speech zones” on college campuses.

In these efforts and more, The Heartland Institute was there to support lawmakers with research, commentary, and praise.

### Answering Objections

In May we distributed more than 3,000 copies of a paper by Michael Farris, a legal advisor for the Convention of States Project, addressing 16 objections to an Article V convention leveled by the John Birch Society. Farris provides thorough, thoughtful responses to JBS’s objections, including:

- ▶ What ails America? Is it our Constitution – or our congressional, presidential, and bureau-

cratic non-compliance with the Constitution?

- ▶ If our Constitution is the problem, what do we need to change in it, and why can’t that be done by the method all 27 amendments have undergone to change the Constitution?
- ▶ If the problem isn’t the Constitution, but rather unfaithfulness to the Constitution, how will changing the Constitution remedy the problem?

Our mailing of the Farris paper was accompanied by a cover memo and our new *Article V Quick Reference Guide*, which outlines how the Article V convention process works and responds to arguments raised by opponents. To get your copy – or if you can help us distribute hundreds of them! – contact Project Manager Kyle Maichle at 312/377-4000, [kmaichle@heartland.org](mailto:kmaichle@heartland.org).

A November 2015 *Heartland Policy Brief* by David Guldenschuh, “The Article V Movement: A Comprehensive Assessment to Date and Suggested Approach for State Legislators and Advocacy Groups Moving Forward,” was cited extensively in May in a Congressional Research Service publication, *The Article V Convention to Propose Constitutional Amendments: Current Developments*.

### What Would the Founders Do?

The Center for Constitutional Reform hosted three events in the Andrew Breitbart Freedom Center during the second quarter.

- ▶ On April 14, author F.H. Buckley of George Mason University discussed his book titled *The Way Back: Restoring the Promise of America*. Buckley, a policy advisor to the Center for Constitutional Reform, talked about how we can restore America’s broken promise: The promise that this is a country where everyone can rise to the top with ambition and hard work.

- ▶ On June 15, John Boech of Guns Save Life and Mike Rioux of Red Dot Arms were the featured speakers at our Know Your Second



Amendment Rights event.

► On June 22, David Shestokas, a policy advisor for the center, discussed his book *Constitutional Soundbites*. He explained how America's Founders might have presented their messages in our 30-second-soundbite, 140-character-tweet, one-minute-video era.

In preparation for an upcoming Heartland event – Women in Politics, scheduled for October 26 – State Government Relations Managers MaryAnn McCabe and Nathan Makla invited Illinois Senate Minority Leader Christine Radogno, Illinois Lieutenant Governor Evelyn Sanguinetti, and Wisconsin Assistant Senate Majority Leader Leah Vukmir to speak.

Heartland's government relations team met with South Carolina lawmakers to discuss constitutional reform, among other topics, and Government Relations Director John Nothdurft attended a workshop at the American Legislative Exchange Council's Spring Task Force meeting regarding an Article V convention of the states.

### Outreach to Allies

We contacted scores of allies in the constitutional reform movement to discuss possible speaking engagements, literature distribution, and other cooperative efforts. More than 10,000 copies of Heartland publications will be distributed this summer at events including state and county fairs across the Midwest. We also host a regular by-invitation-only conference call for leaders of the movement for constitutional reform.

During the second quarter, three leaders of the constitutional reform movement agreed to serve as policy advisors for the center: Loren

Enns of the Balanced Budget Amendment Task Force; Neal Schuerer, executive director of Campaign Constitution; and Nick Tomboulides, executive director of U.S. Term Limits.

### Media Efforts, Old and New

The Center for Constitutional Reform issued six press releases during the second quarter, resulting in broadcast, print, and online coverage of our efforts.

Policy Advisor Rob Natelson was a guest

on the nationally syndicated *An Economy of One* radio show to talk about property rights and government land ownership, and Maichle debated the merits of an Article V convention with Richard Fry, general counsel of The Patriot Coalition, on *Steel on Steel*, a syndicated talk radio program.

*The Washington Times* published an op-ed by Maichle titled "Restoring the Constitution would repay a debt to veterans." *The American Spectator*

published an op-ed by Natelson titled "Legislative Reapportionment: The Supreme Court Steps Back," and *The Daily Caller* published one titled "Restoring 'Diversity' To The Supreme Court." In the latter, Natelson pointed out, "[A]ll nine [U.S. Supreme Court] justices received their legal education in three Ivy League schools along a thin strip of the Atlantic coast. This is not merely a technical detail; it matters."

Maichle wrote 12 blog posts for Heartland's blog and issued more than 800 tweets from the @usconstreform Twitter account. His social media efforts addressed, among other topics, state Article V convention proposals, campus free speech rights, and the "Brexit" referendum in the United Kingdom. He also launched a new Instagram account, @usconstreform.



# Heartland Now Home to Unique Artwork from Sam Zell



**By Jim Lakely**  
Director of Communications

Self-made billionaire and Chicago native Sam Zell is one of a kind. He has succeeded in every business endeavor he has tried since managing apartment complexes in college ... and left an indelible impression everywhere along the way.

Zell has left an impression on his friends, too, especially around the holidays. For more than 20 years, he has sent as gifts unique pieces of limited-edition art that express his patriotism, policy preferences, and outlook on the economy and the nation. They nearly defy description, other than to say they are living, breathing, talking, and singing machines – at least alive in the steampunk sense, as if built by a genius in the late nineteenth century and transported forward in time.

Heartland friend Terry Savage, nationally syndicated financial columnist and author of *The Savage Truth on Money*, is among those on Zell's special holiday gift list. She has received one of these unique pieces of art since the beginning, when the tradition started out with small sculptures and a note with Zell's well wishes and an economic forecast (or complaint) for the coming year. Befitting a man who always strove to

improve, Zell's gifts similarly advanced.

"Soon they grew to works of art, complete with moving parts, and an audio message in rhyme and music, along with a personal greeting from Sam," Savage told Heartland. "Sam is always ahead of the curve. His insights into what would happen in the year ahead, what a mess the government was getting us into, and just plain folksy humor have been eagerly awaited by all his friends."

The one pictured here, from 2013, is titled "Consensus." Push the button and Zell's voice comes out of a hidden speaker. You then hear wheels turning and buzzing as the globe opens to reveal a pinball machine that begins to operate while a song about the Obamacare disaster begins. A tiny statue of Barack Obama emerges from below the center shield, grabbing at both Republicans and Democrats.

These gadgets – we have 18 of them – really do have to be seen in person to be appreciated. And, happily, that can happen, thanks to Terry Savage.

"My collection outgrew my ability to display it, so with Sam's blessing it is on permanent loan to Heartland – a group that seems very in sync with Sam's view that less government is better, that the free market should be left to do its work, and that regulation and taxes stifle what makes America great," Savage said. "So it is with delight that I send you Zell-O-Mania!"

Zell-O-Mania. I think we finally have an accurate description.



*Laugh!*  
*Don't Cry!*

Featuring P.J. O'Rourke  
on the 2016 Election

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P.J. O'Rourke

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