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Quote

"Veterans are a justifiably proud group-trained through their service to be hard working, motivated, and resilient. But their service exacts costs. Because of the lasting, ill effects of their service, veterans often must take advantage of ...[state safety net programs] to a greater extent than their nonveteran

Dear MECEP Friend,



It's spring time in Maine, and at MECEP seeds planted beneath the winter snow have blossomed into a series of engaging reports on [veterans](#), the [Earned Income Tax Credit](#), and [college affordability](#). Over at the State House, in addition to [testifying on legislative proposals](#), MECEP has provided research and analysis critical to the [tax and budget deliberations](#). And we have boosted our public outreach effort through our [blog](#), traditional [print and broadcast media](#), and our robust [Facebook](#) and [Twitter](#) output.

Honoring Maine's Veterans: Serving Better Those Who Served



"Despite the honors society accords veterans, they remain a group requiring policymakers' considered and targeted attention—both to ensure that state programs are responsive and innovative, and to protect federal anti-poverty programs that benefit veterans in Maine."

New MECEP report by
Hal Brewster, MECEP graduate intern
and Iraq war veteran

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"Honoring veterans cannot occur only when politically convenient," MECEP graduate intern and Iraq war veteran Hal Brewster writes in the conclusion his new report ([Honoring Maine Veterans: Serving Better Those Who Served](#)) for MECEP. "A politician should not be allowed to don the yellow ribbon one day and then cut programs the next without having to answer for the very real impact the decision will have on veterans. A strong safety net and robust low-income programs are good for the economy and good for the people of Maine-veteran and nonveteran alike."

The report presents findings from research and analysis of the state programs and services Maine provides to its 129,000 veterans. It recommends five policy changes to improve access, eligibility, and benefit levels for health care, nutrition assistance, higher education, and housing support for our veterans.

To read the full report, [click here](#). To read the report's executive summary, [click here](#). To listen to a WZON-AM interview with author Hal Brewster, [click here](#). To read a May

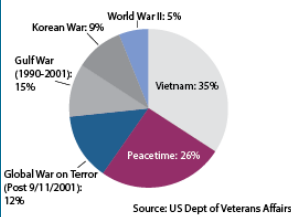
counterparts."

Author Hal Brewster in "Honoring Maine's Veterans: Serving Better Those Who Served," May 2015.

Facts & Figures Maine Veterans

129,000
Veterans living in Maine.

Maine Veterans By Period of Service, 2013



12%
Share of Maine's adult population who are veterans.

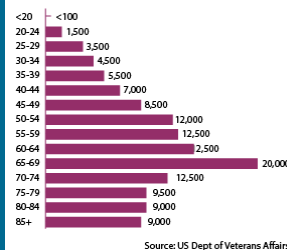
Maine Veteran Population By County, 2013

County	Veterans	All Adults	Veteran Density
Androscoggin	10,000	83,750	12%
Aroostook	7,500	56,708	13%
Cumberland	23,000	228,832	10%
Franklin	3,000	24,785	12%
Hancock	6,000	45,200	13%
Kennebec	12,500	97,054	13%
Knox	4,000	32,200	13%
Lincoln	3,500	28,053	13%
Oxford	6,000	45,954	14%
Penobscot	15,000	124,568	12%
Piscataquis	2,000	14,062	15%
Sagadahoc	4,500	28,036	15%
Somerset	5,000	41,233	12%
Waldo	4,000	31,158	12%
Washington	3,500	26,108	14%
York	20,000	159,325	12%

Source: US Dept of Veterans Affairs and US Census Bureau Population Estimates

69%
Percent of Maine veterans who are 55 years of age or older.

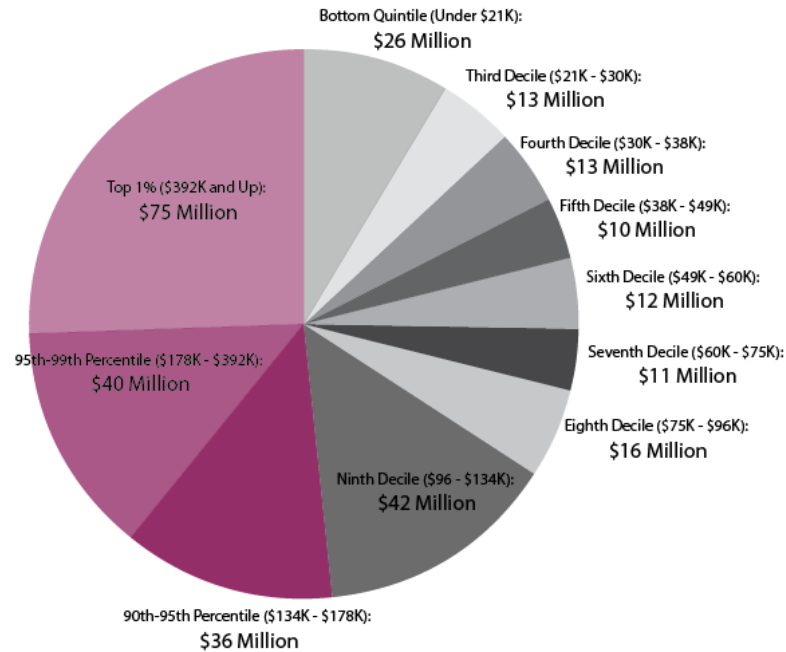
Maine Veterans by Age, 2013



17 **Maine Sunday Telegram** op ed by Hal about the report, [click here](#).

Budget and Taxes: Heading for an Endgame?

More than Half of Governor LePage's \$292 Million Tax Cut Would Accrue to Maine Families with Annual Incomes over \$134K
Estimated Share of Net Change in Personal Income, Sales, and Property Taxes in 2019



Notes: This analysis does not include estimates of the indirect impacts on local property taxes resulting from other provisions in the governor's budget proposal, including but not limited to: to K-12 funding, elimination of state-municipal revenue sharing. This analysis does not include the distributional effects of the governor's proposal to cut corporate income taxes and eliminate the estate tax, nor does it account for a variety of business taxes.

Source: Maine Revenue Services Office of Tax Policy, "A Distributional Analysis of the Governor's Tax Reform and Relief Proposal" (See Table 7, Column 7)

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This legislative session began with Gov. LePage unveiling [sweeping proposals for radical changes](#) to Maine's tax system including income, [sales](#), corporate, and [estate taxes](#). MECEP has carefully [examined and analyzed the substantial shortcomings in the governor's plan](#). When legislative Democrats unveiled their counter proposal ([A Better Deal for Maine](#)), MECEP provided [similar analysis](#). The Democrats' plan garnered [strong support from the state's major newspapers](#).

More recently, the discussion turned to the governor's even more contentious proposal to amend the Maine Constitution to repeal the income tax entirely. MECEP mounted a full frontal assault on this ["reckless gimmick that would have put funding for schools and other vital services at risk."](#)

In widely read and circulated blog posts (see below), MECEP outlined [five compelling reasons why repealing Maine's income tax is a very bad idea](#) and the [three "unsavory" alternatives available to pay for the cost of totally eliminating the income tax](#). On May 13, the Joint Committee on Taxation

23%
Percent of Maine veterans with a bachelor's degree or higher.

Percent of Adults 25 Years of Age or Older With At Least a Bachelor's Degree

	Maine	US
Veterans	23%	26%
Nonveterans	29%	29%

Note on comparing the estimates: the difference between the US and Maine is statistically significant for veterans, and the difference between Veterans and Nonveterans is statistically significant in Maine and the US.

Source: MECEP Analysis of US Census Bureau, 2013 American Community Survey 5-Year Estimates

Source: "[Honoring Maine's Veterans: Serving Better Those Who Served](#)," May 2015

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voted down the constitutional amendment.

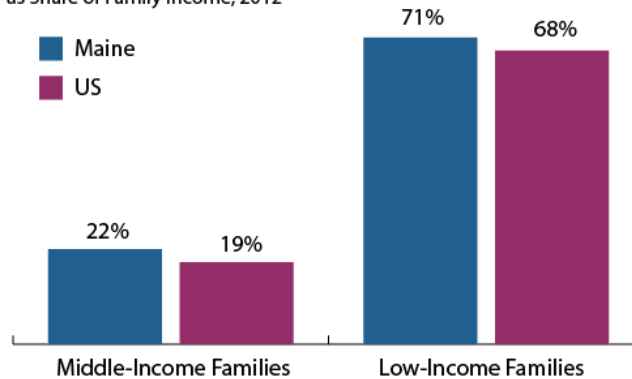
After the committee vote, MECEP urged legislators ["to deliver a budget that includes both responsible, fair tax reforms that benefit middle- and low-income families and raises the revenue we need to fund education, health care, and other investments that will improve our economy and create opportunity for all Maine people."](#)

To follow all of the research, analysis, and policy recommendations MECEP has offered to inform these discussions, visit the [Tax and Budget page](#) on [our website](#).

Are We Pricing Higher Education Out of the Reach of Low-Income Maine Families?

Despite Grant Aid, A Year of College Consumes Most of a Low-Income Family's Annual Earnings

Net Cost for First-time Full-time Undergraduates at Public 4-Year Institutions as Share of Family Income, 2012



Source: National Conference of State Legislatures, "Advancing Higher Education in Maine," September 2014

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Is the goal of a college education eluding Maine's aspiring low-income children and their parents? A new MECEP report ([Maine's College Affordability Crisis](#)) finds that "Maine's rate of degree-holding young adults lags the nation, while our graduates struggle with one of the highest student debt loads in the U.S. Low-income working students take on the most debt."

To address this disturbing trend MECEP recommends that legislators expand the State of Maine Grant program to fund all of Maine's neediest students at a rate of \$5,500 per year, increase state appropriations for the University of Maine system to reduce the net cost of attending public college in Maine, and improve funding to the Maine Community College System to make it more responsive to student and workforce demand.

MECEP has shared our findings with legislators, and [action is still pending on promising college affordability initiatives](#).

For a copy of the full report, [click here](#). For the report's executive summary, [click here](#).

Fix Maine's EITC to Reward Work and

Reduce Poverty

In a report released on April 27 ([Fix Maine's EITC to Reward Work and Reduce Poverty](#)), MECEP documents how the earned income tax credit (EITC) reduces poverty, promotes work, and, for children in low-income working families, increases lifetime earnings. The report focuses on Maine's state EITC, providing data to demonstrate how legislators can improve it significantly.



MECEP recommends that the legislature make the state EITC refundable and increase its value to 20% of the federal credit. These steps would move Maine closer to the middle of the pack among states that have their own EITCs. The legislature is considering bills to change the state EITC, and [MECEP's report has helped to inform the discussion](#).

For a copy of the report, [click here](#).

MECEP Testimony: Data and Policy Analysis Meet the Legislative Process



Joel Johnson delivering MECEP testimony.

With days crammed with an intense schedule of committee hearings on scores of bills, MECEP staff are spending more and more time in the State House. The definitive deliberations on budget, taxes, and appropriations are drawing closer as the legislature's statutory June 17 adjournment date nears.

[In Support of LD 1268, An Act to Reform Welfare by Establishing Bridges to Sustainable Employment](#) (Joint Standing Committee on Health and Human Services, May 12, 2015)

[In Support of LD 1318, An Act To Promote Individual Private Savings Accounts through a Public-private Partnership](#) (Joint Standing Committee on Insurance and Financial Services, May 7, 2015)

[In Opposition to LD 1367, A Resolution, Proposing an Amendment to the Constitution of Maine to Eliminate the Income Tax](#) (Joint Standing Committee on Taxation, May 5, 2015)

[In Favor of LD 933, An Act to Implement the Recommendations of the Task Force To End Student Hunger in Maine](#) (Joint Standing Committee on Education and Cultural Affairs, May 4, 2015)

[Neither For Nor Against L.D. 1343, An Act to Increase Access to Postsecondary Education for Maine National Guard Members](#) (Joint Standing Committee on Veterans and Legal Affairs, May 4, 2015)

[In Support of LD 633, LD 808, and LD 854, Bills to Accept Federal Funds to Expand Health Coverage](#) (Joint Standing Committee on Health and Human Services, April 30, 2015)

[Neither For Nor Against LD 1141 An Act To Increase the Affordability of College Tuition and Attract Professionals to Maine](#) (Joint Standing Committee on Education and Cultural Affairs, April 27, 2015)

[In Support of LD 1217 An Act to Require at Least 2 Weeks Advance Notice of the Work Schedule for Hourly Employees at Certain Businesses](#) (Joint Standing Committee on Labor, Commerce, Research, and Economic Development, April 27, 2015)

[In Support of LD 1220, An Act To Increase Funding for the Maine Community College System](#) (Joint Standing Committee on Education and Cultural Affairs, April 16, 2015)

[In Support of LD 1092, An Act To Prevent Abusive Debt Collection Practices by Debt Buyers](#) (Joint Standing Committee on Insurance and Financial Services, April , 2015)

[In Support of LD 627, An Act to Make College More Affordable for Maine Residents](#) (Joint Standing Committee on Education and Cultural Affairs, April 6, 2015)

MECEP Blogposts

Maine Center for Economic Policy
Posted by Mark Sullivan [?] - May 4 at 9:00pm - Edited [?] · 🌐

Garrett Martin lists his top five reasons Gov. LePage's proposed amendment to Maine's constitution to eliminate Maine's income tax by 2020 is "a bad idea." <http://bit.ly/1dJ0CVO>

**Eliminating Maine's Income Tax:
A Boon to Wealthy Mainers,
Will Hurt Everyone Else**

"Governor LePage's latest proposal to enact a constitutional amendment to eliminate Maine's income tax seems little more than a gimmick . . . but offers little substance in promoting real solutions for hard working Mainers."
Garrett Martin blog post, May 4, 2015

10,052 people reached for Economic Policy | mecep.org

10,052 people reached **Boost Post**

Like · Comment · Share

👍 Melissa Gates, Sarah Shed, Mark Katz and 17 others like this. **Top Comments** -

🔄 132 shares

MECEP's blog posts increasingly inform the discussion of issues before the legislature. As the log below shows, our blog output is steady and diverse. We also generally promote our blog posts with social media activity. Our following on both [Facebook](#) and [Twitter](#) continues to grow. Recently we surpassed two milestones. We posted our 2,000th tweet on April 21st. And a May 4th Facebook post on Garrett Martin's blog post "Eliminating Maine's income tax: A boon to wealthy Mainers, will hurt everyone else" (see image above) became our first to reach more than 10,000 people!

[3 unsavory ways for eliminating Maine's income tax](#) (May 5, 2015)

[Eliminating Maine's income tax: A boon to wealthy Mainers, will hurt everyone else](#) (May 4, 2015)

[Debt buyers drain over \\$7 million out of Maine consumers](#) (May 1, 2015)

[The results are in: Accepting federal healthcare funds strengthens state finances, creates jobs, and grows state economies](#) (April 30, 2015)

[Governor's credit ratings claims ignore Maine's precarious financial position](#) (April 28, 2015)

[What's wrong with the governor's tax proposal, in one chart](#) (April 16, 2015)

[#BetterDeal4ME is a big winner in Maine's major newspapers](#) (April 14, 2015)

[Education committee fails Maine college students](#) (April 10, 2015)

[The true tale of a health policy maverick](#) (April 7, 2015)

MECEP in the News

Amend Maine's income tax to benefit the middle-class, make Maine's earned income tax credit refundable, raise the minimum wage, accept federal funds to expand health coverage... The Maine media looks to MECEP for data, analysis, and expert commentary on a wide array of issues.



[Veterans need more than our thanks](#) (**Maine Sunday Telegram**, May 17, 2015)

[Crucial legislative panel rejects LePage plan to end income tax](#) (**Portland Press Herald**, May 14, 2015)

[Interview about the new MECEP report, *Honoring Maine's Veterans: Serving Better Those Who Served*](#) (WZON-AM, The Pulse Morning Program, May 14, 2015)

[Interview about Gov. LePage's Proposed Amendment to Maine's Constitution to Repeal the Income Tax](#) (WVOM-AM/FM *George Hale Ric Tyler Show*, March 24, 2015)

[Lawmakers Wrestle with whether Maine Can Afford to Eliminate Income Tax](#) (**Bangor Daily News**, May 6, 2015)

[Interview about Bills to Accept Federal Funds to Expand Health Coverage](#) (WZON-AM, The Pulse Morning Program, May 4, 2015)

[Interview about Making the State EITC Refundable](#) (WVOM-AM/FM *George Hale Ric Tyler Show*, April 29, 2015)

[Maine Should Increase Earned Income Tax Credit and Make It Refundable](#) (**Portland Press Herald**, April 29, 2015)

[LePage Administration Wants to Make It Easier for Employers to Get Tax Breaks under State-backed Jobs Program](#) (**Portland Press Herald**, April 28, 2015)

[Proposed Maine Standards for Business Tax Credits Draw Questions, Warnings](#) (**Portland Press Herald**, April 24, 2015)

[LePage, Democrats Promote Dueling Tax Overhauls](#) (**Portland Press Herald**, April 16, 2015)

[Interview about the *A Better Deal for Maine* plan](#) (WZON-

AM, The Pulse Morning Program, April 8, 2015)

[Interview about increasing the minimum wage](#) (WZON-AM
The Pulse Morning Program, April 8, 2015)

Sincerely,

Mark Sullivan
Maine Center for Economic Policy

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