



Study: 'Free' Federal Funds Are Costly

BY BRIAN BALFOUR

There's no such thing as a "free" lunch. Similarly, funds from the federal government are not "free" either. Strings attached, such as matching requirements and maintenance of effort mandates, impose steep additional costs on states accepting federal dollars.

These are the key findings of a new academic study authored by Dr. Eric Fruits of Economics International Corp. and published by the Civitas Institute.

The study finds that each dollar of additional federal grants to states is associated with a total increase of 54 to 86 cents in new state and local taxes.

Across states as a group, each dollar of additional federal grants to states is associated with a total increase of 82 cents in new state and local taxes.

In North Carolina, the research shows that each additional dollar of federal intergovernmental transfers to the Tar Heel State is associated with 81 cents in additional state and local taxes and fees.

In short, as North Carolina accepts more federal funds, your state and local taxes rise.

Importantly, these results suggest the increases in federal grants to state and local

continue, expand, and promote these newly funded programs into the future and as federal support tapers off once the expansion is in place.

A vast literature has examined

increased state and local taxes and charges.

Research points to a couple of reasons why additional federal funding would lead to greater state and local own-

- A "stimulus" effect, in which matching funds and maintenance of effort requirements tied to federal funds require increased spending from state and/or local funds. In addition, matching requirements may stimulate state and local spending by encouraging projects that would not have been undertaken without the matching funds.

The research presented in this report supports these recent published findings. This statistical study is the most comprehensive analysis to date, using information from U.S. states spanning the period from 1972 to 2012 and controlling for state-by-state differences in economic and demographic factors.

The results clearly demonstrate that federal transfers to state and local governments result in higher state and local taxes and fees.

As mentioned above, North Carolina has a ratchet effect similar to states as a group.

CONTINUED ON PAGE 8



governments associated with the Affordable Care Act's Medicaid expansion will have significant future tax implications at the state and local levels as these governments raise revenue to

the impact of federal grants on state and local spending. Recent academic peer-reviewed research finds a "ratchet" effect, in which federal transfers to the states are associated with

source spending:

- A "flypaper" effect, in which federal funds are accepted as a supplement to, rather than a substitute for, state and local taxes and charges; and

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Six Things that Surprised Me at Trump Rally

BY JIM TYNEN

I went to hear Donald Trump speak at the state fairgrounds out of curiosity and out of the feeling that even a broken-down journalist ought to go see what this phenomenon is all about. I did not go to evaluate his policies. A number of things surprised me.

The crowd: I was surprised by the size and makeup of the crowd. Some insiders had sneered he wouldn't fill the Dorton Arena. But there was a long line of people who packed the hall.

Nor were they the angry mob media accounts might lead you to expect. It was more like a crowd going to see a popular movie than a political rally.

It was a younger crowd than I expected: there were more people in their teens and twenties, and fewer old people. I didn't do a scientific survey of the attendees, but my guess is most would be more likely to drive a Ford F-150 than a Ferrari.

Were they supporters of his? The crowd was indeed *supportive*. But there was a sense that they were there to check him out and enjoy the show. Will they put a check by his name at the primary election March 15? I'll know for sure ... on March 16.

The man: From the media I

expected an angry man, but I found someone different. Oh, sure, he was bombastic and cranky. But this is obviously an act – what New York comedians and actors call shtick. People expect it, and he knows how to play the part.

At the same time, live at the podium he's a more genial personality than you might expect. He rattled off his lines like a comedian, and the crowd laughed and cheered like fans hearing their favorite punch lines:

"We have a movement going on!"

"We're going to take our country back!"

"Don't you love this winning stuff?"

"We're going to build the wall!"

"If I win, we are going to be so proud of our country!"

"We're going to bring our jobs back!"

"We're going to be a smart country!"

"We have to be much stronger!"

"They chop off heads! I say waterboarding is fine!"

"We're going to have protection!"

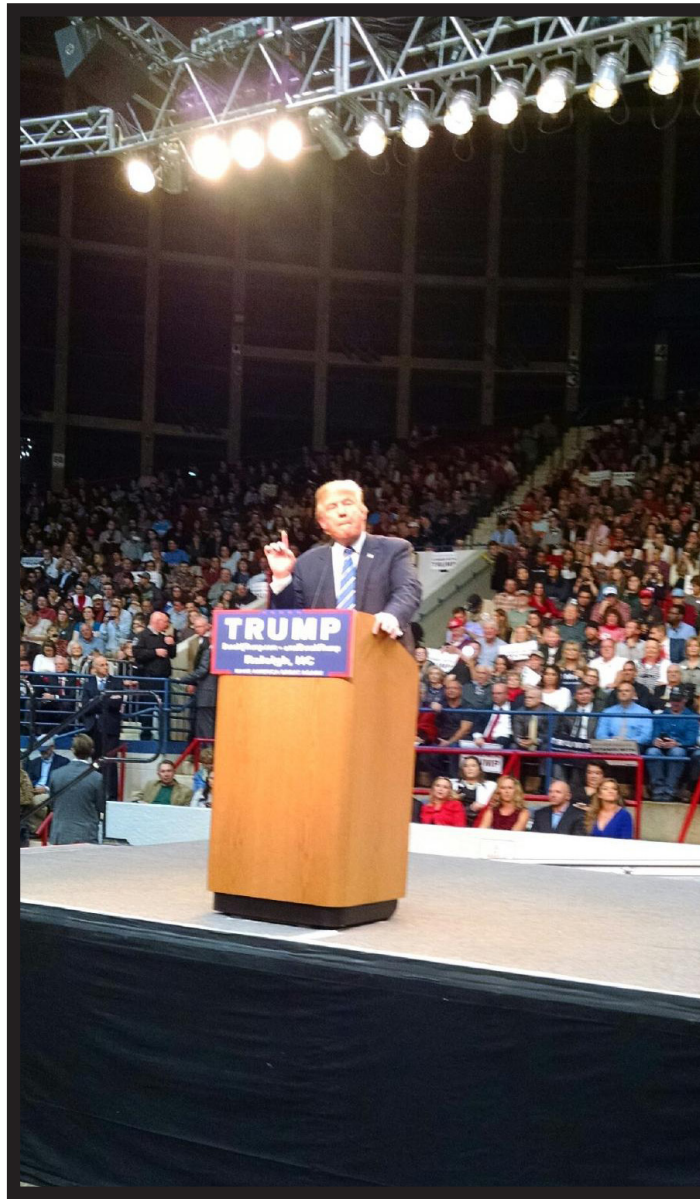
"Common Core is a disaster! We are going to have local, beautiful education!"

How he speaks: By the way, he says "beautiful" more often than I would have expected. His overall tone is softer and more upbeat than the sound

bites on the news suggest. That's one reason he gets away with saying the things he does.

Yet he speaks with a tone

he does will probably shock me. In Raleigh, Trump didn't go into details of his plans, which he assured the crowd could be



and force that gives his remarks power. This spring I heard Wisconsin Gov. Scott Walker say he wanted to make America great again. Whether right or wrong, voters didn't believe him. When Trump says it, a good chunk of voters believe him.

What will he do: Whatever

found on his website. He seems to think the details can be filled in later. Is he a CEO keeping his eye on the big picture? Or a hustler who doesn't want you to inquire too closely into the fine print on the contract?

The protesters: I couldn't believe what idiots leftist protesters are. At several

points, a few young radicals raised a ruckus. The crowd booed, though not in a truly angry way; I've heard worse booing at Little League games. Meanwhile, Trump scowled – or grinned smugly.

The protests of course validated Trump's complaints about his opponents, and made him look (if you can believe it) relatively composed and magnanimous. The protests were a kind of counterpoint that added variety to the show, and rallied the audience to his side, while letting Trump rest his raspy vocal chords. The protesters were so trapped in their own infantile narcissism that they didn't see their tantrums were actually helping Trump. That also goes for most liberals, the news media, and the political establishment. The more they lambaste him, the stronger he gets.

The future: Whatever it is, I'll probably be surprised – as will all of the pundits or experts, none of whom expected Trump to do this well for so long. None of us in the chattering classes understands what is going on. His "support" could evaporate as soon as voters get serious. Maybe he finally will go too far.

I don't pretend to forecast his political future, or to analyze his policies, or tell you if he'd be a good president. But if you were at Dorton Arena when he was here, you'd at least be better prepared for what he does next. ■

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NC Parents Want More School Choice

BY DEMI DOWDY

A new Civitas poll finds that, overall, parents want to be able to choose the education they believe is the best fit for their children.

A strong majority of participants, 62 percent, say

in schools that aren't a good fit for their children."

An overwhelming 87 percent of those polled agree that "parents have the right to choose a school for their child that will best meet their

"Our poll results tell us the same thing we've been hearing for years: Parents want more choice in education."

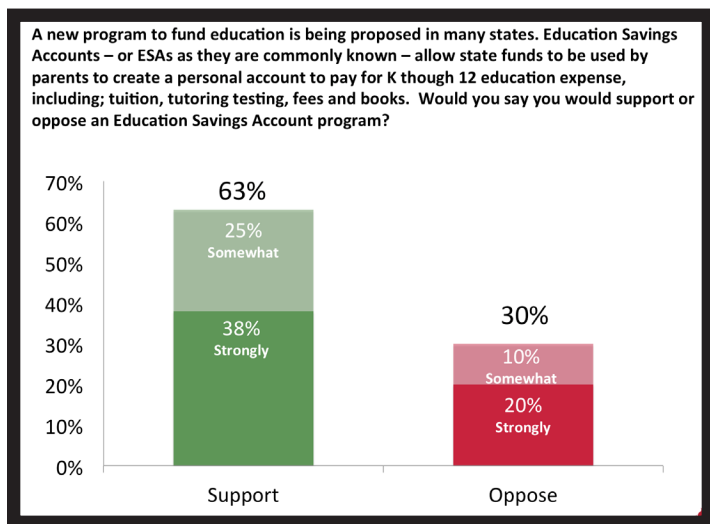
that, if they could, they would enroll their child in a private, charter, magnet, or home school.

"Our poll results tell us the same thing we've been hearing for years: Parents want more choice in education," said Civitas education policy analyst Dr. Robert Luebke. "They want to be able to choose

educational needs and support their values."

The text of the question (see chart) on ESAs read:

A new program to fund education is being proposed in many states. Education Savings Accounts – or ESAs as they are commonly known – allow state funds to be used by parents to create a personal account



where their child attends school. When 62 percent of parents say that, if they could, they would enroll their child in a private, charter, magnet or home school, this means many families are not happy with the current educational options."

This poll also shows that 63 percent of respondents agree that parents should be empowered to make the best education choices for their children via Education Savings Accounts (ESAs).

"If you're a supporter of expanding educational options for parents, you can't help but be encouraged by our recent poll results," Luebke said. "We all know there are good and not-so-good public schools. What these poll results reflect is what happens to children who are trapped in those schools or

to pay for K through 12 education expense, including tuition, tutoring testing, fees and books. Would you say you would support or oppose an Education Savings Account program?

63% Total Support
30% Total Oppose
38% Strongly Support
25% Somewhat Support
10% Somewhat Oppose
20% Strongly Oppose
8% Don't Know

The poll surveyed 600 registered voters (30% on cell phones) with a margin of error of +/- 4.00%. This survey was taken November 10-12. ■

For more about the poll, go online to: tinyurl.com/ESA-Poll. For more on our ESA town hall, see page 4.

Monthly Petition

Education Savings Accounts Petition

to

Support Giving Parents the Opportunity to Meet the Educational Needs of Their Children

I support the creation of Education Savings Accounts (ESAs) for North Carolina families. ESAs allow parents to use state funds — the funding parents support with their own tax dollars to create a personal account to pay for K through 12 education expenses, including tuition, tutoring, testing fees, and books. In other words, ESAs put parents in charge of how money is spent on their child's education. I urge North Carolina's educational leaders to support an ESA program here.

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Will Kids Have to Share Locker Rooms with Opposite Sex?

BY A.P. DILLON

How would you feel if the federal government told you that your son or daughter had to share a bathroom or locker room with a student of the opposite sex?

How would parents feel if their own school board was quietly changing policies to accommodate a few students over the majority in their district?

Parents in multiple states are finding out. Will parents in North Carolina soon face the same mandate?

In Chicago, parents just found out that the federal government is forcing their daughters to share a locker room with a male student, who says he “identifies” as a girl. The Obama administration’s Department of Education filed suit under Title IX, claiming the Chicago school had violated the civil rights of the student in question for not allowing the male student to use facilities for female students.

The boy in the Chicago case was offered a separate dressing area to address his needs, but that wasn’t good enough. The boy, through his lawyer, demanded the school treat him as a female since that is what he identifies as, despite physically being a male.

Meanwhile, in Boulder, Colo., the theme is that kids need to be taught about transgenderism starting as early as second grade. Why? Because one student at one school identifies as transgender. A parent has filed a civil rights suit there to force the district to act; apparently her child has “gender fluid” issues.

The takeaway from the Chicago and Boulder stories seems to be that the comfort of one is outweighing the comfort of many.

Around five months ago, parents in Fairfax County, Va., were up in arms after information came to light that school board members had changed its “nondiscrimination policy” to include “gender identity” – and the board acted without informing the public.

To add insult to that injury, emails recently obtained show that the Fairfax board hired a consultant to work on the policy before the vote to make such a hiring was even

taken. The Washington Times reported that the board was also paying the consultant without taxpayer approval.

Voters in Texas in this November’s election cycle overwhelmingly rejected a similar measure that would have opened up public spaces like restrooms to those identifying as transgender.

Update: McCrory Joins Fray
North Carolina Governor Pat McCrory announced he will sign on, in his capacity as governor, to an amicus brief in the South Carolina case of G. G. v. Gloucester County School Board. “In this case, the Obama Administration has joined with the American Civil Liberties Union (ACLU) in an attempt to force local school districts to open sex-specific student locker rooms and bathrooms to individuals of the opposite biological sex,” McCrory said.
“North Carolina parents deserve certainty about who is entering their children’s bathrooms and locker rooms at our public schools and students must be confident that their privacy and well-being will be respected. Transgender identity is a complex issue and is best handled with reason and compassion at the local level, instead of mandates being forced on the people by Washington and the Obama Administration.”

Houston voters weren’t having it, and the HERO ordinance was defeated by a landslide of 61 percent against to 39 percent in favor.

Kevin Williamson of National Review Online sagely noted that HERO’s creator, the first openly gay mayor of that city, didn’t use her position to aid the city in crucial areas. Instead, Mayor Annise Parker went full social justice warrior:

“Instead of a competent city-builder who is also gay, Houston got a culture warrior whose parting gift to the city is a deeply stupid fight over ‘HERO’ – the Houston Equal-Rights Ordinance – that among other things would create a new body of local civil-rights law (the lawyers cheer with one voice) covering transgender/transsexual people in the matter of public accommodations, meaning public toilets and the like.

This wasn’t preceded by some crisis in the matter of toilet accommodations for men in dresses, but the issue is critically important to some people: Namely, to people who are in their affluence and comfort able to maintain a state of graceful blindness to the actual nuts-and-bolts problems facing Houston.”

Let’s turn our sights closer to home, here in North Carolina.

Recently, Ann Clark, acting superintendent for

Charlotte-Mecklenburg Schools, moved to insert the topic of transgenderism into the district’s sexual education curriculum. What’s more, she has already apparently done it. Clark recently promoted a “transgender documentary” that was paid for using the taxpayers’ money.

At the state level, I

asked: What will the Wake County School Board do? I asked both the Wake County School Board and Wake County Schools communications department for official comment.

I posed the following question: Does Wake County have a plan to incorporate transgenderism into the district policies and intend on including it in sexual education classes? I also asked if Wake County would be allowing transgender students to use locker rooms and restrooms of their choice, as well as any future plans to create such spaces for youth who allegedly identify as transgender.

The answer I received from the Wake County Schools communication department was brief: “Hello Miss Dillon, Hope you are well. Educators in the school system work with issues involving transgender students on a case-by-case basis and will continue to do so. Like you, we are also following the national discussion.” Well, I’m reassured, aren’t you? ■

A.P. Dillon is a contributing writer on educational subjects for Civitas. That being said, SB 526, The School Violence Protection Act, does list gender identity as one of the “isms” that is protected against bullying. Schools are responsible for making sure that ALL students attend school in a safe and supportive environment. We do have standards for mental and emotional health that address discrimination. Some LEAs choose to address LGBT youth as part of these standards. That is a local decision.

Looking at Wake County, which is the 16th-largest school district in the nation, the question needs to be

asked: What will the Wake County School Board do? I asked both the Wake County School Board and Wake County Schools communications department for official comment.

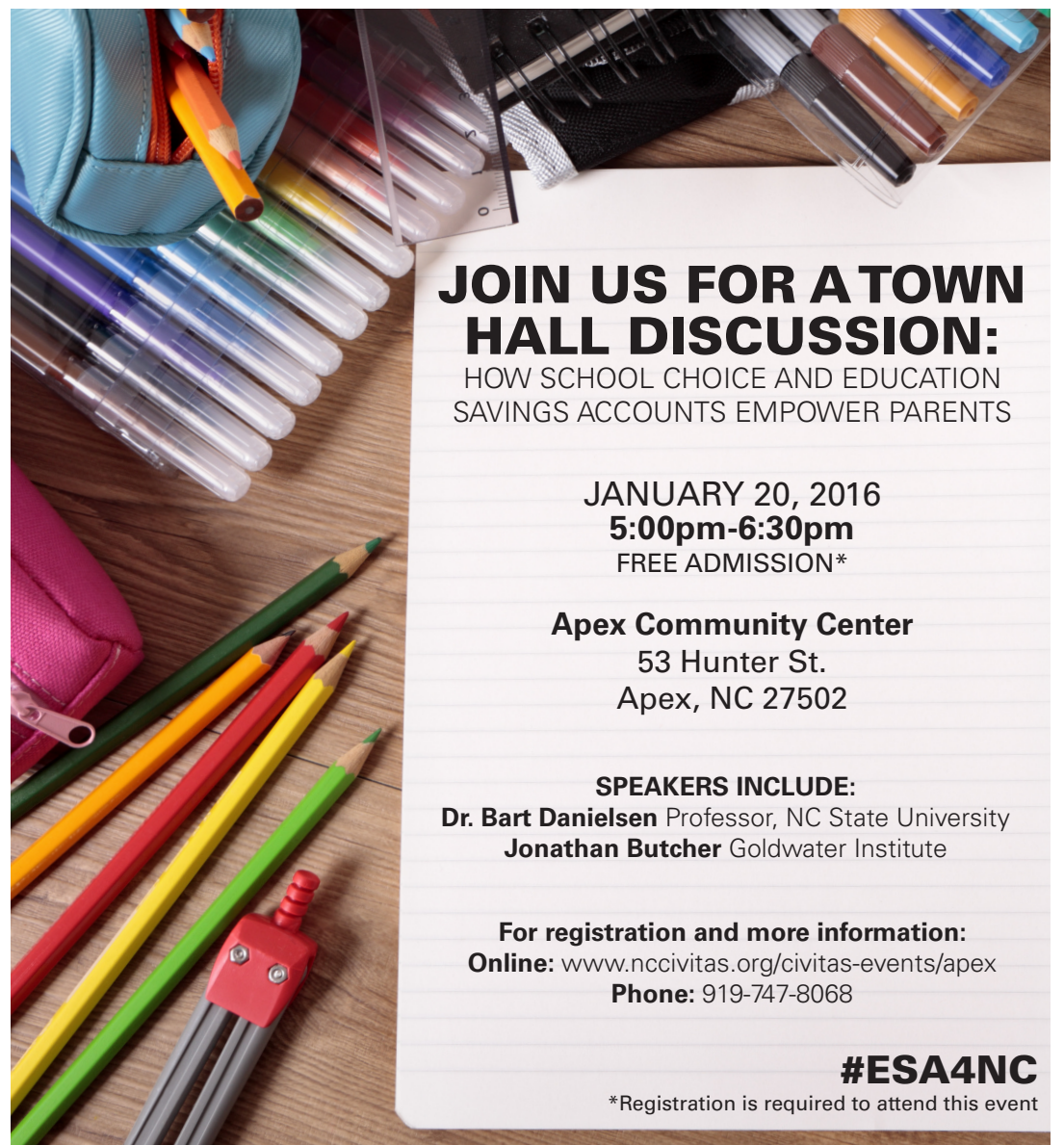
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A.P. Dillon is a contributing writer on educational subjects for Civitas.



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CLC 2016 Speakers to Tackle Hot Topics

BY CIVITAS STAFF

Our Conservative Leadership Conference (CLC) in 2016 will be the biggest yet – bringing dynamic speakers and experts to Raleigh at the height of the presidential primary season.

CLC 2016 will be March 4 and 5 at the Raleigh Marriott Crabtree Valley hotel. Tickets are now on sale, and as of this writing we're offering our best deal ever on early bird tickets. But it's a limited-time offer, so don't delay your purchase.

To get your tickets or find out more, go to civitasclc.com.

CLC is the most significant annual conservative conference in North Carolina. The two-day event brings together hundreds of concerned citizens to hear top political leaders, commentators and experts provide insights on the current political scene. The

training sessions will educate and empower citizens in how to promote limited government, free enterprise and individual responsibility. Perhaps most important, you'll have a chance to meet and break bread with other conservatives who share your values.

The first speakers have just been announced:

•Ann McElhinney is a filmmaker and investigative journalist whose appearance at CLC 2015 was one of the event's highlights.

Ann has worked as a filmmaker and journalist in many countries including Indonesia, Romania, Vietnam, Cambodia, Uganda, Madagascar and Uzbekistan.

The documentary "The Search for Tristan's Mum" (RTE, 2005) saw Ann go

undercover and secretly film a corrupt baby trafficking ring in Indonesia.

In 2009, she produced and directed "Not Evil Just Wrong," a film which examined and critiqued current concerns about global warming. The film highlights the tragic

"CLC is the most significant annual conservative conference in North Carolina."

consequences of the first triumph of the environmental movement, the ban on DDT, which has resulted needlessly in the deaths of more than 40 million children and adults in the developing world.

Previously, McElhinney produced and directed "Mine Your Own Business" (2006) – the first documentary that asks difficult questions of the

environmental movement.

McElhinney produces and directs documentaries with her husband, Phelim McAleer.

•Jillian Melchior writes for National Review, and currently also serves as a fellow for the Franklin Center and

Independent Women's Forum. She does investigative reporting on domestic issues, including government waste, fraud and abuse, energy and environment issues, and organized labor. She has lived in China, reporting on Christianity and persecution, and has also done foreign correspondence in Iraq, Ukraine, Hong Kong, Macau, Taiwan, and elsewhere.

•Tom Rogan is a columnist for National Review and Opportunity Lives. He is a panelist on The McLaughlin Group and a senior fellow at The Steamboat Institute.

He will explain why socialism is a false means of empowerment, especially for those at the bottom of the economic ladder. He will outline how socialism ultimately serves only itself and a kleptocratic bureaucracy, and why in the context of 21st century movability of capital, capitalism is the only answer.

Keep an eye on civitasclc.com or nccivitas.org to see who else will be appearing at CLC. We think you'll find it an exciting and enlightening two days. ■



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2015 Year

It Was a Key Year in Decade of Growth

What a difference a decade can make.

When the Civitas Institute was launched in 2005, state government was dominated by liberal dogma and policies. Political parties are part of the story. In the General Assembly, Democrats held a 20-seat majority, with some Republicans voting regularly with the Democrats. Their century-long dominance seemed secure. The governor and the lieutenant governor were Democrats.

In 2015, however, the governor and lieutenant governor are Republicans, and that party has majorities of 34 to 16 in the Senate and 74 to 45 in the House (with one GOP-leaning independent). The party labels aren't nearly as important as that decade's shift to conservative ideals and policies that Civitas and our supporters have long championed, including better control of state spending, tax reform, more school choice, election law reform and more.

Those changes are impacting the state. Consider, for example, tax reform. This year the Tax Foundation concluded that the reforms transformed North Carolina's business tax climate from the seventh-worst in the nation to the top twenty, and it is projected to be 13th-best in the country by 2017 when the latest tax changes are fully implemented.

Civitas has supplied the intellectual ammunition and communications network for this revolution through research, training of citizens and lawmakers, and dissemination of facts and ideas the mainstream media shun.

This year has been one of special growth. Along with our usual polling, issue advocacy, and education efforts, we have:

- Established the Center for Law and Freedom;
- Launched the Freedom Action Network;
- Revamped our Mapping the Left website;
- Sponsored original research; and
- Added new communications capabilities.

Much more needs to be done, however. Government remains too large and intrusive. The Left never for an instant relents seeking more power. Too few citizens hear the whole truth about key issues.

As an election year, 2016 will be crucial. At Civitas, we promise to continue to fight for the people of North Carolina. ■

New Law Center Fights for Freedom, Transparency

BY ELLIOT ENGSTROM

The Center for Law and Freedom (CLF) is a public interest law firm housed within the Civitas Institute. It was founded this year to provide free legal representation to North Carolinians facing difficult legal and policy challenges.

The center has already filed litigation in key cases to ensure government is transparent and accountable; to protect individuals' constitutional rights; and to rein in out-of-control government. As of year-end, the center has four active cases and several briefs in the state Supreme Court and the U.S. Supreme Court. These include:

• **Deitz v. City of Belmont, 15 CVS 3203 (Gaston County Superior Court)**

CLF filed suit against Belmont seeking to clarify the extent to which cities can refuse to release the results of third-party investigations into employee misconduct. Siblings Dan Deitz and Ellen Deitz Tucker originally filed a public records request with the city asking to see the results of an investigation into its police department after their sister, Donna Deitz, was killed by a motorist fleeing city police in 2012. The city claims the investigation is a confidential personnel record, but CLF is arguing that the city forfeited the protections of the personnel statute when it spent \$90,000 in taxpayer money to bring in a private company to investigate its employees.

• **Friedrichs v. California Teachers Association, No. 14-915 (U.S. Supreme Court)**

The Center for Law and Freedom joined several other state-based legal and policy organizations in asking the U.S. Supreme Court to uphold the freedom of employees to choose what political causes they support.

• **Breedlove v. Warren, 15 CVS 004434 (Wake County Superior Court)**

On April 13, 2015, Raleigh-based attorney Ellis Boyle filed suit on behalf of two magistrates in Wake County Superior Court, alleging that they were forced to resign under duress due to their religious beliefs. The trial court has dismissed the case, and CLF has joined as co-counsel to help handle the appeal. At issue is whether the plaintiffs' religious liberties were violated when the North Carolina Administrative Office of the Courts instructed them that they could face criminal prosecution if they failed to perform same-sex marriages.

• **Owens v. North Carolina Department of Environmental Quality, 15 EHR 07012 (Office of Administrative Hearings, Perquimans County)**

CLF has filed suit in the Office of Administrative Hearings on behalf of two property owners who are concerned about the construction of wind turbines next to their properties. At issue is whether the state Department of Environmental Quality violated administrative law when it told Iberdrola Renewables that the company's Desert Wind facility would not be subjected to a legislatively enacted state permitting process. (A separate CLF case addresses the constitutional, rather than administrative, issues in this situation.) ■

New App Puts Austrian Economics at Your Fingertips

BY BRIAN BALFOUR

This year Civitas launched an app that will put the foundations of the "Austrian" school of economic thought in the palm of their hand.

The Civitas Institute's Austrian Economics app is now available for free download in Google Play and the iTunes store.

This is the next logical step in utilizing the latest technology to spread the ideas so many of us hold dear.

The "Austrian" school of economic thought originated just over a century ago, but has inspired free-market economists across the world

ever since.

In addition to laying out logically the core economic principles that serve as the foundation of economic theory, the app also explores Austrian analysis of common economic fallacies and public policy. And of course what Austrian economics app would be complete without sections explaining business cycle theory, money and the Fed?

In addition to the content provided, the app also includes links to dozens of articles, essays and even video lectures exploring Austrian economic concepts in greater detail. ■



in Review

5 Big Wins in '15

BY BRIAN BALFOUR

In the 2015 session of the General Assembly, Civitas' ongoing efforts bore fruit with victories in five key areas.

1. Renewable Energy (Solar) Tax Credits Go Dark

This year our Mapping the Left project exposed how more than \$200 million in special tax credits was going straight into the pockets of insiders and crony corporations. In the halls of the legislature, our research clashed with the blandishments of dozens of lobbyists. The outcome: The General Assembly allowed the solar credits to expire Dec. 31, 2015.

2. Income Taxes Keep Going Down

For years, Civitas has advocated for reducing burdensome taxes in North Carolina. We kept up the pressure this year, and the final state budget resulted in yet further income tax cuts in 2017.

3. More School Choice

Our latest effort for school choice was a groundbreaking research study that showed how school choice can be linked to economic growth. This gave legislators a fresh way to look at the issue, and the newest budget increases Opportunity Scholarships from \$11 million to \$25 million in just two years.

4. A 'Waste of the Week' Is Defunded

The Jim Hunt Institute has been a long-standing Civitas Waste of the Week. Now the 2016-17 budget eliminated \$730,230 a year to the Hunt Institute.

5. Intrusive Kindergarten Assessments Scaled Back

The state's kindergarten entry assessments are onerous and invasive of every child entering the public schools. After we highlighted the issue, the worst aspects of the assessments were rolled back.

What's Next?

To be sure, more needs to be done in years to come. Special treatment of corporate cronies and well-paid lobbyists has to stop; the income tax should be eliminated; school choice should be expanded; wasteful spending must be further curbed; and kindergarten assessments must go away completely. But our successes in 2015 show that with the help of our supporters Civitas can help rein in runaway government. ■

CLC 2015 Educated and Inspired

BY NC CAPITOL CONNECTION STAFF

Our 2015 Conservative Leadership Conference (CLC) was a rousing success, with more than 600 people attending.

The two-day event brought together hundreds of concerned citizens to hear top political leaders, commentators and experts. Attendees also took advantage of training and workshops to become more effective advocates for conservative ideas and policy.

Among the many highlights, political figures such as Dr. Ben Carson, ex-Sen. Rick Santorum and former Hewlett-Packard CEO Carly Fiorina provided insights on the national scene.

Filmmaker Ann McElhinney (below) punctured a slew of fracking myths with a showing of her documentary "FrackNation." She also provided a powerful look at the abortion industry by discussing her upcoming "Gosnell Movie."

Heritage Foundation President Jim DeMint said Americans will back conservative stands, if conservatives get their message across. "We are a growing movement and we do have a majority in America — if we learn how to talk to people."

Bob Woodson, head of the Center for Neighborhood Enterprise, said, "We have the capacity within our nation to heal ourselves."

That's because Americans still hold traditional values. For example, Detroit factory worker James Robinson walked 20 miles a day to work for more than a decade. "Americans are desperate to embrace the values of the Founders," Woodson said. ■



Mapping the Left Gets New Look, Continues Mission

BY SUSAN MYRICK

If you're a frequent visitor to Mapping the Left (mappingtheleft.com), you have watched the website go through a transformation this year. The look is new, and mappingtheleft.com has been redesigned with advanced capabilities. You will notice faster and more powerful, yet simple, searches, updated data, profiles and new photos. We've even added a media gallery where you will find flow charts and other images.

And whether you have used the site before or are new, the website's changes will make

it easier for you to find out what liberal and progressive nonprofit groups are up to, even as we have kept the great original features of the website.

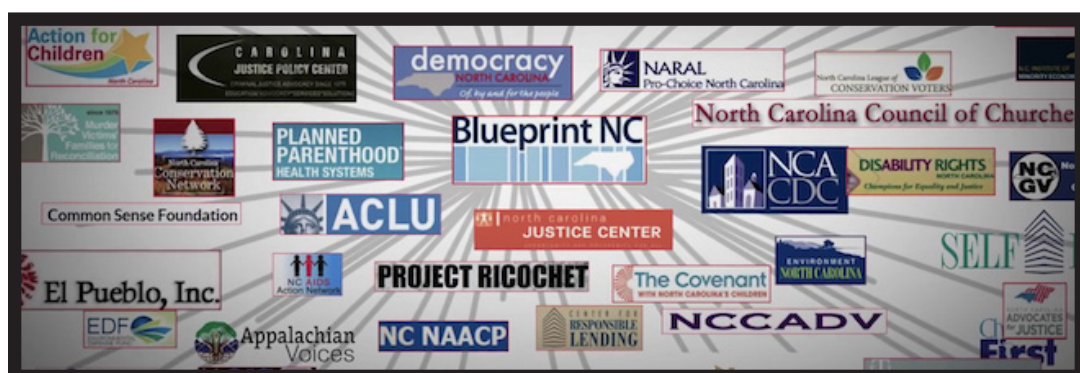
For instance, the option to visualize connections between groups, funders, people and networks has been refined, and now it includes a simple search and a feature to allow simple downloads of the resulting images. Even though Mapping the Left is very mobile-friendly, we are excited about the Mapping the Left app that will be available in the coming weeks and will

make your research via mobile technology easier.

Moreover, the changes won't stop here. When we understood the dynamic of the liberal-Left in North Carolina — how the people and groups flow from one position and one mission

to another as the political landscape changes — we realized that Mapping the Left would never be a finished work. We've seen in the last several months the number of groups it tracks grow from 140 to over 170. The site's listing of the number

of individuals employed and serving on the boards of the massive web of groups that work on the liberal/progressive cause has grown from 1,800 to a whopping 2,788. ■



Civitas Hails McCrory's Stand

BY CAPITOL CONNECTION STAFF

The head of the Civitas Institute applauded Gov. Pat McCrory for asking President Obama and the federal government to stop sending Syrian refugees to North Carolina.

"The brutal murder of people in Paris reminds us that, sadly, terrorists can hide among the innocent," Civitas President Francis De Luca said.

"It is vital to halt the influx of Syrians and others from the Middle East until we can ensure none are threats to the people of North Carolina."

At a Nov. 16 press conference, McCrory asked President Obama to "take a deep breath and ask, 'Are all of the people coming from Syria safe?' We cannot know that they are. Therefore, our top priority must be to protect the people of North Carolina."

"I empathize with these people who are dealing with unimaginable atrocities from ISIS," the governor said. "But what worries me is some of these people might be ISIS."

"As the governor noted, North Carolina has long welcomed refugees," De Luca said. "This includes the Hmong of Southeast Asia and the Karen people of Burma."

But under these special circumstances, it is imperative that we accept no more Middle Eastern refugees until we have better information about all the refugees and until the nation institutes security measures to prevent terrorists from hiding among immigrants and refugees."

More than 30 other governors also objected to allowing new Syrian refugees enter their states, as a precaution against terrorists among them gaining entry to the United States. McCrory's request came before the mass shooting in San Bernardino, a tragic event that fueled the ongoing debates on the related issues. ■

Study: 'Free' Federal Funds Are Costly

CONTINUED FROM PAGE 1

Statistical analysis controlling for the economic and demographic factors that vary across states and over time indicates that – holding other variables constant – for every additional dollar in federal funds North Carolina receives, state and local taxes and fees increase by 81 cents.

As it turns out, accepting "free" federal money is rather expensive.

In 2012, North Carolina state and local governments received \$18.2 billion in federal intergovernmental transfers and spent \$57.2 billion raised from state and local sources.

- A hypothetical 10 percent increase in federal transfers to North Carolina would amount to about \$1.8 billion more federal money to the state.

- However, the statistical analysis in this study indicates that this would be associated with approximately \$1.5 billion more in spending from state and local own sources, or an additional \$150 per person in taxes and charges.

Over the last few decades, North Carolina – like most states – has seen its reliance on federal funds increase. For instance, the FY 2015-16 budget estimates roughly \$16.2 billion in federal funds, which is nearly three and a half times the \$4.7 billion in federal dollars the state received 20 years ago.

As a result, federal funds will account for 32 percent of the total state budget this coming year, up from 26 percent in 1995-96. ■

The full report can be found online at:
tinyurl.com/CivitasFedFunds

Petition

No Debate Sponsored by Opponents of Voter Photo ID!

One of the main groups suing the state of North Carolina over the new law requiring a government-issued, voter photo-identification card is the **League of Women Voters of North Carolina**. The case was filed in August 2013 and is still active. The case, *League of Women Voters of North Carolina et al. v. North Carolina*, was filed in the U.S. District Court for the Middle District of North Carolina.

Now the **League of Women Voters of North Carolina** is sponsoring political debates for the 2016 election. Sign this petition and tell candidates to refuse to appear in any debates sponsored by an organization that **opposes requiring photo ID to vote** – a common-sense idea North Carolinians overwhelmingly support.

I urge all North Carolina candidates to shun League of Women Voters debates while it opposes voter photo-ID cards.

Name (First, M.I., Last)

Street Address

City State, Zip County

Email

Phone Cell Home Business

Signature Date

Name (First, M.I., Last)

Street Address

City State, Zip County

Email

Phone Cell Home Business

Signature Date

Cut out and mail to: Civitas Institute, 100 S. Harrington St. Raleigh, NC 27603
Please make copies of this form for others to sign

If You're In College, Prepare to be Offended

BY MIKE ADAMS

A note from the author, as it appeared on townhall.com: The following column is comprised of excerpts taken from my first lectures on the first day of classes this semester at UNC-Wilmington. I reproduced these remarks with the hope that they would be useful to other professors teaching at public universities across America.

Welcome back to class, students! I am Mike Adams, your criminology professor here at UNC-Wilmington. Before we get started with the course, I need to address an issue that is causing problems here at UNCW and in higher education all across the country. I am talking about the growing minority of students who believe they have a right to be free from being offended. If we don't reverse this dangerous trend in our society there will soon be a majority of young people who will need to walk around in plastic bubble suits to protect them in the event that they come into contact with a dissenting viewpoint. That mentality is unworthy of an American. It's hardly worthy of a Frenchman.

Let's get something straight right now. You have no right to be unoffended. You have a right to be offended with regularity. It is the price you pay for living in a free society. If you don't understand that, you are confused and dangerously so. In part, I blame your high school teachers for failing to teach you basic civics before you got your diploma. Most of you went to public high schools, which are a disaster. Don't tell me that offended you. I went to a public high school.

Of course, your high school might not be the problem. It is entirely possible that the main reason why so many of you are confused about free speech is that piece of paper hanging on the wall right over there. Please turn your attention to that ridiculous document that is framed and hanging by the door. In fact, take a few minutes to read it before you leave class today. It is our campus speech code. It specifically says there is a requirement that everyone must only engage in discourse that is "respectful." That assertion is as ludicrous as it is illegal. I plan to have that

thing ripped down from every classroom on campus before I retire.

One of my grandfathers served in World War I. My step-grandfather served in World War II. My sixth great-

person could ever possibly apply to a woman. It is pure, unadulterated hypocrisy.

So, the university position can be roughly summarized as follows: Public university administrators have a First

Unbelievably, a student once complained to the department chairwoman that my mention of God and a Creator was a violation of separation of church and state. Let me be as clear as I possibly can: If

don't believe in true diversity and you want to be surrounded by people who agree with your twisted interpretation of the Constitution simply because they are the kind of people who will protect you from having your beliefs challenged or your feelings hurt.

Second, withdraw from the university. If you find that you are actually relieved because you will no longer be in a class where your beliefs might be challenged then you aren't ready for college. Go get a job building houses so you can work with some illegal aliens who will help you gain a better appreciation of what this country has to offer.

Finally, if this doesn't work, then I would simply ask you to get the hell out of the country. The ever-growing thinned-skinned minority you have joined is simply ruining life in this once-great nation. Please move to some place like Cuba where you can enjoy the company of communists and get excellent health care. Just hop on a leaky boat and start paddling your way toward utopia. You will not be missed.

Thank you for your time. I'll see most of you when classes resume on Monday.■

Mike Adams is a professor at the University of North Carolina-Wilmington. This column is adapted from an article that appeared at townhall.com. It is used with permission.



grandfather enlisted in the American Revolution when he was only 13. These great men did not fight so we could simply relinquish our rights to the enemy within our borders. That enemy is the Marxists who run our public universities. If you are a Marxist and I just offended you, well, that's tough. I guess they don't make communists like they used to.

Of course, this ban on "disrespectful" speech is really only illusory. The university that created these speech restrictions then turns around and sponsors plays like "The Vagina Monologues", which is loaded with profanity including the c-word – the most offensive and disrespectful word a

Amendment right to use disrespectful profanity, but public university students do not. This turns the First Amendment on its head. The university has its free speech analysis completely backward. And that's why they need to be sued.

Before we go, let us take a few minutes to look at the last page of your syllabus where I explain the importance of coming to class on time, turning off your cell phone, and refraining from talking during lectures. In that section, I explain that each of you has God-given talents and that your Creator endowed you with a purpose in life that is thwarted when you develop these bad habits.

any of you actually think that my decision to paraphrase the Declaration of Independence in the course syllabus is unconstitutional, then you suffer from severe intellectual hernia.

Indeed, it takes hard work to become stupid enough to think the Declaration of Independence is unconstitutional. If you agree with the student who made that complaint, then you are probably just an anti-religious zealot. Therefore, I am going to ask you to do exactly three things and do them in the exact order that I specify.

First, get out of my class. You can fill out the drop slip over at James Hall. Just tell them you

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Christians Who Oppose ‘Social Justice’ Are ‘Evangelical’

BY THE REV. MARK CREECH

In two editorials within three weeks, the Rev. William Barber II, head of the NC NAACP, has berated Christians to the right of him. In his Oct. 19 piece, “Jesus Didn’t Join the Tea Party, Either,” he argues the speakers and participants at the Oct. 17 “We Stand With God” rally are mockers and abusers of the real Christian faith.

In his latest editorial, “Evangelicals are not for Trump or Carson, but for the Gospel,” Barber claims “‘evangelical’ is a label that has been hijacked and manipulated” by those to the right of him.

True evangelicalism, says Barber, was spoken from the lips and words of Jesus placing “concern for the poor and the broken at the center of faith.” He added, “We should not allow extremists to legitimize their agenda by calling it ‘evangelical.’”

Of course, though Barber claims to be an evangelical himself, it’s impossible to come away from his writings without concluding that he believes any professing Christian to the right of him is either deceived, deviated, or even duplicitous, and, therefore, undeserving of the label. That’s hardly Christian.

The word “evangelical” is derived from the Greek “euangelion,” meaning good news or gospel. In its simplest sense, the title refers to a Christian who believes it’s important to share with others that Christ has come to save people from their sins.

In the public arena, however, the word’s meaning is more confusing. It can differentiate a Protestant from a Catholic, although not always. It can be used to describe Protestants who are more politically conservative. Other times it refers to a certain set of beliefs regarding the Bible, the nature of God, Christ, the Holy Spirit, sin, redemption, and the return of Christ.

“Evangelical” can also be further confused with terms like “fundamentalist” and “born-again.” “Fundamentalists” would consider themselves as “born-again” and “evangelical,” while many who claim to be “evangelical” would deplore the label “fundamentalist,” and still others who claim to be “evangelical” would not ascribe

to having been “born-again.”

The fact is, “evangelical” is a term bandied about by Christians on both the political left and right. Moreover, one can argue without end as to which group is the rightful heir.

But for clarification sake, the term that best explains the differences between Barber

ostensibly rooted in their faith, but in truth, they have been incrementally and insidiously insinuated into many American churches by Marxists, progressive politicians and pastors whose religion has been tainted by the aforementioned parties.

“How can this be? Well,

that’s what they espouse. And of course, government only has the right to enforce the religious doctrines of which these folks and their leaders happen to approve.”

Gary DeMar, president of American Vision, in “Do We Need Social Justice?” rightly contends that those

program does not make it a just and helpful program any more than attaching a Mercedes-Benz hood ornament to a Volkswagen will make it a luxury car.”

When Barber claims, as he does in his latest editorial, that we shouldn’t engage in the politics of “hate, harm and hurt” yet then turns around and espouses such vitriol for Christians who differ from him politically, it’s hard to take him seriously.

Moreover, there is one final concern. Barber talks about “redeeming the soul of America” and that “our nation must be born again.” Indeed, conservative Christians would agree, but would strongly disagree this country’s great national sins are linked to a certain segment of society being denied government checks.

The heart of the Gospel is that the impoverished of spirit, those blinded by sin, those imprisoned by the bonds and chains of iniquity, those oppressed by sin’s afflictions can be made free in Jesus Christ – not the flawed socialistic dogma and other courses of action pursued under the slogan “social justice.” And that’s not religious extremism or “a perverted interpretation of faith,” but totally “evangelical.” ■

The Rev. Mark Creech is executive director of the Christian Action League. This article was originally published at NCSpin.org



and believers to the right of him – the one that succinctly encapsulates his beliefs – is the tag, “social justice.” Barber uses the phrase repeatedly.

Erik Rush, a black author and contributor of social commentary, accurately explains:

“Social justice Christians’ are those who profess Christianity, but who adhere to politically entrenched concepts of equality and redistribution of wealth. These ideas are

through the misrepresentation of the Gospel messages in the areas of charity and egalitarianism, such Christians have been led to believe that:

“Government has a right to enforce religious doctrines (such as those of charity and egalitarianism), and Jesus Christ, as a threat to the existing paradigm, was the ‘first radical’ and essentially commanded this in his teachings.

“A preposterous extrapolation, to be sure, but

who oppose “social justice” policies are automatically considered to be “callous, insensitive, uncaring, and lacking in compassion.” But he adds that Christians who oppose “social justice” policies are not against treating people in a just way. It’s just that “they firmly believe that most if not all ‘social justice’ policies that involve the state are wrong and, in the long run, do more harm than good. Attaching the ‘social justice’ label to a

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Do License Plate Readers Endanger Privacy?

BY MATT CAULDER

For years North Carolina law officers have been using automatic license plate readers (ALPRs) to track vehicles – but only today has there been a state law to regulate how police use the devices and what they do with the data they scoop up.

While a new state provision regulating ALPRs went live in early December, the technology has been in use in areas of the state as far back as 2012.

The systems can be mounted on vehicles or set up alongside roadways to collect license plate data on all vehicles within view of the cameras, including the time, the date and the location of the vehicle.

On a busy street, the devices can photograph dozens of plates per minute, raising concerns among privacy advocates.

They worry that the devices will create permanent records of virtually everywhere people drive. That raises concerns about what it might mean to leave home to pursue almost any private pastime or chore. Such tracking could in theory reveal who you visit, when you go to the doctor, what stores you patronize, which places of worship you visit, which organizations you are involved with, which political events you attend – that is the specter raised by some critics.

But at least one major NC police agency disagrees that the

devices are a threat to privacy. When asked about the possible invasion of privacy of tracking movements, Jim Sughrue, director of public affairs for the Raleigh Police Department, said he believes the good outweighs the risks and that the public agrees.

The license plate info can help solve crimes and find missing persons.

“I believe the public thinks the benefits make the cameras worthwhile,” he said. “Imagine what they would say if the technology was available and we weren’t utilizing it?”

Until early December, however, there was no official regulation on the use of the technology or how the data is stored in North Carolina.

Under the new law, data can only be kept for 90 days following collection, unless there is a preservation request or unless the data was collected in response to a local or federal warrant.

The data can only be used in the course of criminal and missing person cases as well as motor carrier safety regulation violations, which include nearly all moving and non-moving violations, including expired registrations.

The Raleigh Police Department, for example, has had a policy regarding the use of ALPRs since 2012 that allows for the retention of the records for six months, but will now change the policy to

reflect the state law, Sughrue said.

“Raleigh Police will comply with the law, and, if our policy needs to be adjusted, state law takes precedence,” he said.

The new state law also requires the data only be shared with other law enforcement agencies and not with private services as some agencies across the country have.

use of the information created under ALPRs,” he said.

Sughrue said currently the city utilizes one mobile ALPR on a marked police cruiser in each of the six city districts per shift and has a few stationary units that can be set up around the city.

The technology has been used to locate stolen vehicles, vehicles connected to crimes,

gives officers a chance to investigate crimes in an area and then make a preservation request, if it is suspected that the footage will be relevant to a certain case.

ALPRs part of overall city surveillance

In addition to around 10 ALPR systems, the city also utilizes downtown cameras,



The data collected is also shielded from inspection as a public record by the statute.

Previously, policies for the preservation of the records were left in the hands of the agencies collecting the data.

The Raleigh Police policy already limited the use of the records to law enforcement agencies, as the statute also dictates. Raleigh goes so far as to limit internal access to the data as well.

“That is [already] in our policy, we tightly restricted the

and even one missing person, Sughrue said.

“They certainly are handy from time to time,” he said. “It is another tool in the toolkit.”

As far as the statute cutting the department’s timeframe to retain the records in half, Sughrue said that reduced timeframe should not be a problem.

“I think that the three months will be sufficient in almost all of our cases,” he said.

The three-month timeframe

used mostly for event surveillance, Sughrue said.

The proliferation of video surveillance has increased in recent years as cost of surveillance drops and federal grants put the acquisition of the equipment in reach of many smaller departments as well as large cities.

The locations of the fixed cameras are generally not broadcasted widely due to the danger of people disabling them, he said. ■



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Naughty & Nice

North Carolina has its fair share of both!
Here's who made the Civitas Institute's list for 2015!

NAUGHTY: Former SEANC head **Dana Cope**, convicted of stealing more than half a million dollars from the organization over 15 years.

NICE: Gov. **Pat McCrory** for trying to protect the people of North Carolina by asking the feds to stop sending Syrian refugees to NC.

NAUGHTY: **Big Solar lobbyists and legislators** who colluded to defend renewable energy mandates and tax credits that force consumers to pay more for inefficient energy while lining the pockets of big companies.

NICE: The **lawmakers** who finally took a stand and allowed the solar tax credits to expire at the end of the year.

NAUGHTY: the 115 (or more) **NC state and local government employees** whose work email addresses were released in the hack of the Ashley Madison website, as revealed by NC Capitol Connection. The website caters to married people looking to cheat on their spouses – raising questions about what public employees were doing with taxpayer-funded equipment while collecting taxpayer-funded paychecks.

NICE: Retiring Sen. **Bob Rucho** for fighting for tax reform and fiscal responsibility in the legislature.

NAUGHTY: The **Service Employees International Union** (SEIU) and other unions for funneling millions of dollars to the Moral Monday movement and its backers. Do hard-working union members really want their dues to go to radicals and leftists?

NICE: The **31 state senators** who voted in favor of SB 607 – the Taxpayer Protection Act. This bill would have put to a vote amendments to the state constitution limiting the annual growth rate of the state budget and creating a new 5% maximum on the state income tax rate.

NAUGHTY: The state **House of Representatives**, for failing to pass the Taxpayer Protection Act.

NICE: The **Dept. of Environment and Natural Resources** (recently renamed the Department of Environmental Quality, or DEQ) for standing up against the U.S. Environmental Protection Agency and its power grab via the Clean Power Plant rule.

NAUGHTY: That same **DEQ** for giving the green light to Spanish wind developer Iberdrola to build massive wind turbines free from the legislatively enacted requirements of state law. Local residents are concerned that the lack of supervision essentially cuts them out of the process and deprives them of protection from the project's ill effects.

NICE: The **North Carolina Supreme Court** for upholding the state's Opportunity Scholarship Program (OSP) as constitutional. The 4-3 decision ensured that more children across the state can enjoy access to quality educational opportunities.

NAUGHTY: The **City of Belmont** for trying to keep secret a \$100,000 investigation of its police department, which led to the firing of the police chief as well as numerous other changes. The city claims it doesn't have to release the 160-page report. The Civitas Institute Center for Law and Freedom has filed suit, alleging that the report is a public record subject to disclosure.

NICE: Attorney **Matthew Bryant** of Winston-Salem has led the charge through state courts challenging the Department of Transportation's unconstitutional use of the "Map Act." DOT has misused the law to designate "transportation corridors" within which homeowners do not enjoy the full value or use of their property.

NAUGHTY: The **Z. Smith Reynolds Foundation** for its continued nurturing of the radical Left in North Carolina with its funding and support of a statewide web of activist groups, as documented in our Mapping the Left website.

NICE: **Dale Folwell**, who recently left his post as head of the state Division of Employment Security. He helped institute reforms that cut down on fraud, while making the agency more responsive to people who have lost their jobs. Folwell also oversaw the early repayment of more than \$2.5 billion in debt to the federal government, leading to massive tax relief for employers.

NAUGHTY: the **North Carolina Association of Educators** for dragging its feet at supplying membership data to state auditors. The NCAE union must have at least 40,000 members to retain its valuable automatic dues-checkoff option on teachers' paychecks. So why has the organization moved so slowly to have its membership verified?

NICE: **North Carolina state lawmakers**, for voting to defund Planned Parenthood in our state, and Gov. **Pat McCrory** for signing the bill to defund.

EXTRA NICE: **All the people across North Carolina who support the work of the Civitas Institute**

Thank you and Merry Christmas!
From everyone at the Civitas Institute.
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