

ALEC at



Turning Back the Clock on Prosperity and Progress



Center for Media and Democracy  
August 2013



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**Center for Media and Democracy**

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(This publication is available on the internet at [ALECexposed.org](http://ALECexposed.org))

Acknowledgments: Nick Surgey, Brendan Fischer, Mary Bottari, Rebekah Wilce, Alex Oberley, Lisa Graves, Harriet Rowan, Friday Thorn, Sari Williams, Patricia Barden, Nikolina Lazic, Beau Hodai, Katelin Lorenze, Laura Steigerwald, Gabe Heck, Seep Paliwal, Samantha Lasko, Madeleine Behr, and Isabel Carson.

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# Introduction

## ALEC 2013 Agenda Harkens Back to a Bygone Era

The year was 1973. Richard Nixon said he was “not a crook.” John Dean said there was “a cancer on the presidency.” Pinochet was taking over Chile; George Wallace was still in charge of Alabama. Gasoline was 40 cents a gallon and the minimum wage was \$1.60 an hour.

In Illinois, a group of legislators gathered to remake America. On their minds: “limited government,” “free markets,” “federalism,” and let’s not forget the girls.

The Gaslight Club in Chicago hosted one of ALEC’s first events. A young State Representative named Donald Totten brought friends and colleagues Henry Hyde, Wisconsin’s Jim Sensenbrenner, and Ohio’s “Buz” Lukens to meet the “Gaslight Girls.” The Playboy-like club still exists -- “echoing traditions of another era” -- a phrase that well describes ALEC itself.

Forty years later, ALEC legislators seem to be hankering for this bygone era. In this report, the Center for Media and Democracy identifies hundreds of ALEC “model” bills introduced in 2013, yet pursuing a retrograde agenda. At the top of the heap, bills to roll back wages, worker rights, access to paid sick leave, and even renewable energy standards.

ALEC’s education agenda is geared almost entirely toward starving the public education system to fund private schools and returning us to the days when rich and poor were safely segregated. ALEC’s corporate agenda would turn back the clock to the time when consumers had no recourse when they were injured or killed by dangerous products or services.

And we can’t forget guns (though ALEC would like us to). ALEC’s extreme gun laws, like Stand Your Ground, are still on the books doing untold damage to new generations of youth.

This year ALEC, the American Legislative Exchange Council, returns to the Windy City to celebrate its 40th anniversary. At this meeting -- as in all ALEC meetings -- lobbyists from U.S. and foreign corporations will vote as equals alongside state legislators to adopt ALEC “model” bills, which then will be distributed nationwide with little disclosure of their ALEC roots.

In 2013, ALEC is going to new lengths to hide its lobbying of legislators from the public eye. It has taken to stamping all its documents as exempt from state public records laws and dodging open records with a “dropbox”



*“Gaslight Girls” serenade ALEC.*



*Henry Hyde on left at Gaslight Club.*

website and other tricks. After Watergate, many states strengthened their laws regarding open meetings and open records, but real sunshine on government is anathema to ALEC.

ALEC has faced increasing scrutiny since the Center for Media and Democracy launched its ALEC Exposed project in July 2011, making the entire ALEC library of more than 800 “model” bills publicly available for the first time. Since then, groups including Color of Change, Common Cause, Progress Now, People for the American Way, the Voters Legislative Transparency Project, and others have put ALEC in the spotlight like never before.

To date, 49 major American corporations have dumped ALEC, including some of the largest firms in the world. While these firms look to the future, Big Tobacco, Big PhRMA, and the Kochs continue to be stuck in the past. These firms continue to fund and defend ALEC and an agenda that George Wallace would have loved.



*Donald “Buz” Lukens (center) at Gaslight Club, later involved in sex scandal.*

# Executive Summary

## 466 ALEC Bills in 2013 Reflect Corporate Agenda

For this report, which focuses on ALEC's 2013 legislative agenda, the Center for Media and Democracy (CMD) researched five areas: 1) Voter ID and Stand Your Ground legislation, 2) wages and worker rights, 3) public education, 4) the environment, and 5) citizen access to the courts. Research continues on other areas of ALEC's agenda.

### Key Findings:

- CMD identified 466 ALEC bills from the 2013 session. 84 of these passed and became law. ALEC bills were introduced in every state in the nation and the District of Columbia in 2013. The top ALEC states were West Virginia (25 bills) and Missouri (21 bills).
- Despite ALEC's effort to distance itself from Voter ID and Stand Your Ground by disbanding its controversial Public Safety and Elections Task Force, 62 of these laws were introduced: 10 Stand Your Ground bills and 52 bills to enact or tighten Voter ID restrictions. Five states enacted additional Voter ID restrictions, and two states passed Stand Your Ground.
- CMD identified 117 ALEC bills that affect wages and worker rights. 14 of these became law. These bills included so-called "Right to Work" legislation, part of the ALEC agenda since at least 1979, introduced in 15 states this year. Other bills would preempt local living or minimum wage ordinances, facilitate the privatization of public services, scrap defined benefit pension plans, or undermine the ability of unions to organize to protect workers.
- CMD identified 139 ALEC bills that affect public education. 31 of these became law. Just seven states did not have an ALEC education bill introduced this year. Among other things, these bills would siphon taxpayer money from the public education system to benefit for-profit private schools, including the "Great Schools Tax Credit Act," introduced in 10 states.
- CMD identified 77 ALEC bills that advance a polluter agenda. 17 of these became law. Numerous ALEC "model" bills were introduced that promote a fossil fuel and fracking agenda and undermine environmental regulations. The "Electricity Freedom Act," which would repeal state renewable portfolio standards, was introduced in six states this year.
- CMD identified 71 ALEC bills narrowing citizen access to the courts. 14 of these became law. These bills cap damages, limit corporate liability, or otherwise make it more difficult for citizens to hold corporations to account when their products or services result in injury or death.
- CMD identified nine states that have been inspired by ALEC's "Animal and Ecological Terrorism Act" to crack down on videographers documenting abuses on factory farms. These so-called "ag-gag" bills erode First Amendment rights, and threaten the ability of journalists and investigators to pursue food safety and animal welfare investigations.
- CMD identified 11 states that introduced bills to override or prevent local paid sick leave ordinances, such as the one recently enacted in New York City. At least eight of these bills were sponsored by known ALEC

members. Although ALEC has not adopted a preemption bill as an official “model,” ALEC member the National Restaurant Association brought a bill to override local paid sick leave ordinances to an ALEC meeting in 2011, along with a target map and other materials.

### **ALEC’s Agenda in Chicago**

As ALEC convenes in Chicago for its 40th Annual Meeting, CMD has discovered through open records requests that ALEC has more bad bills on the docket. The new or amended bills being considered in Chicago include:

- Renewing ALEC’s objection to efforts to link the minimum wage to the consumer price index,
- New hurdles that could prevent or delay benefits to temporary workers, one of the most vulnerable classes of workers in the economy,
- New efforts to eliminate occupational licensing for any profession, which help guarantee that people who want to call themselves doctors, long-haul truckers, accountants, or barbers meet basic standards of training and expertise to guarantee that consumers are safe and get what they pay for (under the bill, the state would have to show a compelling interest and that licensing was the least restrictive means to regulate),
- More corporate tax write-offs for ALEC’s school privatization scheme,
- New ways to thwart local democratic control by prohibiting city or county governments from regulating genetically modified plant seeds, which benefits the companies ALEC member CropLife America represents,
- More pressure to prevent any type of carbon tax that would help address global warming (but would increase taxes for the oil companies that fund ALEC),
- More efforts to undermine renewable energy initiatives and maintain reliance on coal and other fossil fuels.

In Chicago, corporate sponsors plan to “educate” lawmakers on a variety of topics. Some of these workshops carry a \$40,000 price tag for sponsors:

- Expanding virtual “schools,” which enriches ALEC’s online school corporate funders, such as K12 Inc.,
- How fracking America can lead to increased profits through exporting natural gas and the risk posed by local bans on fracking,
- Defeating efforts to regulate bee-killing chemicals like Dinotefuran, a neonicotinoid type of pesticide, courtesy of one of the corporations whose chemicals resulted in a massive killing of bumble bees in Oregon: Valent USA (a subsidiary of the Japanese mega-firm Sumitomo Chemical),
- Blocking GMO labeling that would allow consumers to know if they are buying genetically engineered food, one of the goals of agribusiness and chemical firms that bankroll ALEC.



# Stand Your Ground and Voter ID

## 62 Bills Introduced in 2013 Despite ALEC's Move to Disband Controversial Task Force

Despite ALEC's effort to distance itself from Voter ID and Stand Your Ground by disbanding its controversial Public Safety and Elections Task Force, 62 of these laws were introduced in 2013. 52 Voter ID bills were introduced in 19 states and 10 states considered Stand Your Ground bills. Five states enacted additional Voter ID restrictions and two states passed Stand Your Ground.

In April of 2012, under growing public pressure and the departure of multiple corporate members, ALEC announced that it would be disbanding the "Public Safety and Elections Task Force" that had been responsible for spreading Voter ID, Stand Your Ground, and other controversial bills. But the legislation remains on the books in most states and continues to get introduced in others.

### Stand Your Ground Laws Continue to Be Introduced

In 2005, the National Rifle Association (NRA) conceived the so-called Stand Your Ground law in Florida, [promoted its passage](#), then [brought it to ALEC](#), where the legislators and corporate lobbyists voted unanimously to [adopt it](#) as a "model bill."

Stand Your Ground laws came under new scrutiny after the February 2012 killing of 17-year-old Trayvon Martin in Florida: the law was initially cited to protect George Zimmerman from arrest, and during his trial, [it was cited in the jury instructions](#) (with one juror indicating that Stand Your Ground was key in their vote to acquit).

Since becoming an ALEC model, versions of Stand Your Ground have become law in over two dozen other states, and the number of homicides classified as "justifiable" [has dramatically increased](#) (and jumped 300 percent in Florida). ALEC has publicly tried to distance itself from these laws, but has done nothing to promote their repeal.



*Trayvon Martin*

In the first six months of 2013, nearly a year after ALEC disbanded its Public Safety and Elections Task Force, ten more Stand Your Ground laws were introduced in ten different states. Two passed.

### New Voter ID Laws Coming Into Force

In 2009, one year after the election of the country's first black president with record turnout from people of color and college students, the Public Safety & Elections Task Force [approved the model "Voter ID Act,"](#) versions of which were introduced in a majority of states in 2011. Voter ID laws are purportedly intended to prevent voter fraud, which occurs at a statistically insignificant rate; however, the laws threaten to have a statistically significant impact on elections. At least ten million eligible voters nationwide do not have the forms of state-issued ID required under the laws, primarily the poor, people of color, and the elderly -- populations that tend to vote for Democrats. The partisan motivations behind the laws were laid bare last year when Pennsylvania's House Majority Leader [told a crowd of Republicans](#) that Voter ID "is going to allow Gov. [Mitt] Romney to win the state of Pennsylvania."



State courts and the Department of Justice blocked most of the newly-enacted Voter ID restrictions before the 2012 elections. But after the U.S. Supreme Court's recent *Shelby County* decision gutting the Voting Rights Act, ALEC-inspired Voter ID laws are coming into force in many states where they were previously blocked, such as South Carolina and Texas.

And Voter ID continues to get introduced in states across the country. 52 bills to create or tighten Voter ID restrictions were introduced in 19 states in 2013; laws were enacted in five states.

Despite ALEC's public relations efforts to distance itself from bills like Stand Your Ground and Voter ID, the bills continue to be introduced or remain on the books in a majority of states, making it easier to get away with murder and making it harder for many to vote.

**ALEC Voter ID and Stand Your Ground Bills, 2013**

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Voter ID Act	Arkansas	SB 2	X
Voter ID Act	Arkansas	SJR 1	
Voter ID Act	Connecticut	HB 5153	
Voter ID Act	Connecticut	HB 5892	
Voter ID Act	Connecticut	HB 5893	
Voter ID Act	Illinois	HB 976	
Voter ID Act	Illinois	SB 1393	
Voter ID Act	Illinois	SB 1682	
Voter ID Act	Illinois	SB 1685	
Voter ID Act	Iowa	HF 485	
Voter ID Act	Iowa	SF 85	
Voter ID Act	Maryland	HB 137	
Voter ID Act	Maryland	HB 325	
Voter ID Act	Massachusetts	HB 3308	
Voter ID Act	Massachusetts	HB 572	
Voter ID Act	Massachusetts	HB 580	
Voter ID Act	Massachusetts	HB 586	
Voter ID Act	Massachusetts	HB 626	
Voter ID Act	Massachusetts	SB 335	
Voter ID Act	Massachusetts	SB 339	
Voter ID Act	Missouri	HB 216 (Joined with HB 48)	
Voter ID Act	Missouri	HB 48	
Voter ID Act	Missouri	HB 660	
Voter ID Act	Missouri	HJR 1	
Voter ID Act	Missouri	HJR 12 (Joined with HJR 5)	
Voter ID Act	Missouri	HJR 5	
Voter ID Act	Missouri	SB 27	
Voter ID Act	Missouri	SJR 6	
Voter ID Act	Montana	HB 108	
Voter ID Act	Nebraska	LB 381	
Voter ID Act	Nevada	AB 216	
Voter ID Act	New Jersey	A 674	
Voter ID Act	New Jersey	S 200	
Voter ID Act	New Mexico	HB 103	
Voter ID Act	New York	A 3788	
Voter ID Act	New York	A 3789	
Voter ID Act	New York	S 100	
Voter ID Act	North Carolina	HB 253	
Voter ID Act	North Carolina	HB 589	X

<b>ALEC Voter ID and Stand Your Ground Bills, 2013 (Continued)</b>			
<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Voter ID Act	North Carolina	SB 235	
Voter ID Act	North Carolina	SB 721	
Voter ID Act	North Dakota	HB 1332	X
Voter ID Act	Oklahoma	HB 2116	
Voter ID Act	Tennessee	SB 125	X
Voter ID Act	Virginia	HB 1337	X
Voter ID Act	Virginia	HB 1787	
Voter ID Act	Virginia	SB 1256	X
Voter ID Act	Virginia	SB 719	
Voter ID Act	West Virginia	HB 2215	
Voter ID Act	West Virginia	HB 2350	
Voter ID Act	West Virginia	HB 3107	
Voter ID Act	Wyoming	SF 134	
Castle Doctrine Act	Alabama	SB 286	X
Castle Doctrine Act	Alaska	HB 24	X
Castle Doctrine Act	Colorado	HB 13-1048	
Castle Doctrine Act	Florida	HB 1047	
Castle Doctrine Act	Iowa	HF 57	
Castle Doctrine Act	Nevada	AB 70	
Castle Doctrine Act	Ohio	HB 203	
Castle Doctrine Act	Virginia	HB 1415	
Castle Doctrine Act	Washington	HB 1371	
Castle Doctrine Act	West Virginia	HB 2951	
<b>TOTAL ALEC Voter ID and Stand Your Ground Bills:</b>		<b>62</b>	<b>8</b>

# Just How Low Can Your Salary Go?

## 117 ALEC Bills in 2013 Fuel Race to the Bottom in Wages and Worker Rights

At least 117 bills introduced in 2013 fuel a “race to the bottom” in wages, benefits, and worker rights and resemble “model” bills from the American Legislative Exchange Council (ALEC). 14 of these became law.

As working Americans speak out for higher wages, better benefits, and respect in the workplace, a coordinated, nationwide campaign to silence them is mounting -- and ALEC is at the heart of it. ALEC corporations, right-wing think tanks, and monied interests like the [Koch brothers](#) are pushing legislation throughout the country designed to drive down wages; limit health care, pensions, and other benefits; and cripple working families’ participation in the political and legislative process.

ALEC has pushed an anti-worker agenda since at least 1979, when it began striking out against “forced unionism” and for a “right to work,” says a [1998 ALEC document](#). This “right to work” agenda does not create jobs or job security, but it does tilt the playing field against workers to give corporations more profits -- and CEOs more power -- in the workplace and in the political arena.

### Emboldened ALEC Goes on the Offense

Shortly after the 2010 election in which Republicans won control of 26 state houses, ALEC welcomed hundreds of new members at its annual States and Nation Policy Summit in Washington, D.C. December 1-3. On the [agenda](#): how to crush unions -- key funders of the Democratic Party. Wisconsin Senator Majority leader and ALEC state chair Scott Fitzgerald said of the meeting, “I was surprised about how much momentum there was in and around that discussion, like nothing I have ever seen before.”

On February 11, 2011, ALEC legislators and Wisconsin Governor [Scott Walker](#) (a former state legislator and ALEC alum) sent shock waves through the state by



*A silent protester cries while wearing a sticker over her mouth signifying the loss in wages from the “Right to Work” law in Lansing, Mich., Wednesday, Dec. 12, 2012. Michigan became the 24th state with a right-to-work law after Gov. Rick Snyder signed the bill. (AP Photo/Paul Sancya)*

introducing a “Budget Repair Bill” (Act 10) that effectively eliminated collective bargaining for 380,000 school teachers, snow plow drivers, prison guards, nurses, bus drivers, and more. A key aspect of the law, which prohibits government employers from using payroll deduction of union dues, reflects ALEC’s so-called “paycheck protection” bills and the “[Public Employer Payroll Deduction Policy Act](#).”

The move generated massive protests, an 18-day occupation of the Capitol, and an attempted recall. Video of Walker talking to a billionaire campaign contributor surfaced in which he explained that the goal was to “[divide and conquer](#)” -- first going after public sector workers, then private sector. Another governor with [deep ties to ALEC](#), Governor John Kasich of Ohio, and his ALEC legislators followed Wisconsin’s lead when they attempted to strip some 350,000 workers of their collective bargaining rights, but the Ohioans succeeded





Wisconsin Capitol 2011 protests

in overturning the law by statewide referendum in November 2011.

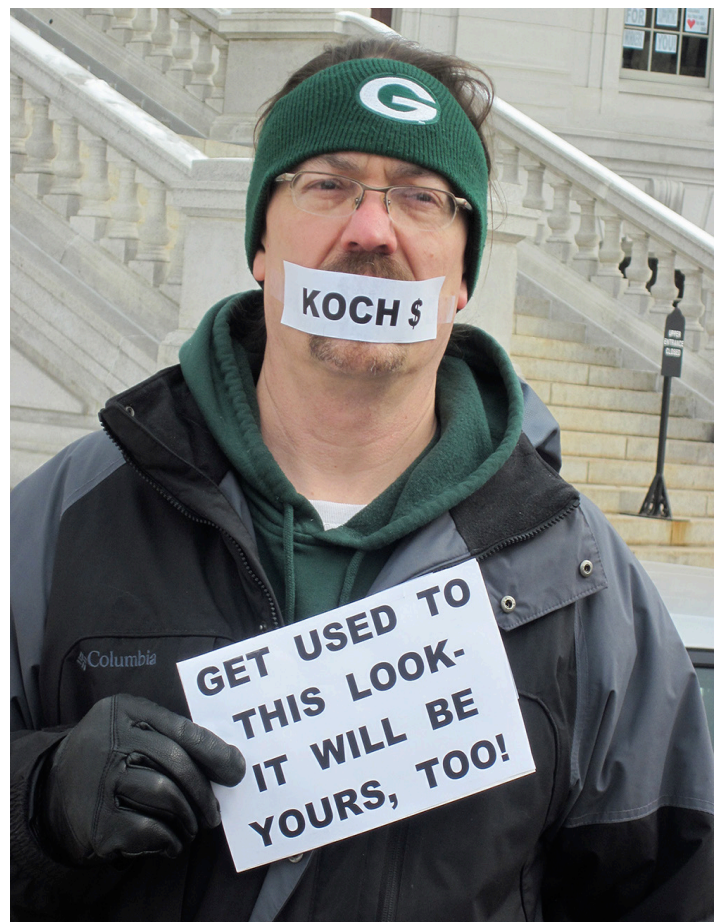
ALEC’s mallet of choice for private-sector workers is so-called “Right to Work” legislation. These laws were utilized in Southern states before and after WWII to suppress wages and keep out unions like the CIO, which supported an end to Jim Crow laws and racial segregation. In the decades that followed, they made little headway in northern states. In 2012, however, Governor Mitch Daniels of Indiana rammed a “Right to Work” bill through the legislature. Next was the battle royale in Michigan. Governor Rick Snyder pushed “Right to Work” through a lame duck session in December 2012 right before a new, more worker-friendly legislature was sworn in. As CMD reported, it contained verbatim language from the ALEC bill.

In every instance, ALEC and the Kochs were there to cheer the radical policies on. Koch Industries has long been an ALEC funder, serving on ALEC’s corporate “Private Enterprise” board, but the Kochs also exercise their power through Americans for Prosperity, a David Koch founded and funded political action group that spent millions on TV defending ALEC legislators and Scott Walker against recall and providing fake, astro-turf support for the bills in Ohio and Michigan. It’s not the first time the Koch family has come to the aid of union-busting bills. The Institute for Southern Studies points out that in 1958, Kansas passed a right-to-work law “with the support of Texas-born energy businessman Fred Koch, who viewed unions as vessels for communism and [racial] integration.”

Other high-profile ALEC fights include battles over

“paycheck protection” in Alabama, Arizona, Florida, and Missouri. In 2012, Californians battled an ALEC-style “paycheck protection” bill, disguised as campaign finance reform. Prop 32 was defeated at the polls in November 2012, but not until millions had been spent on both sides. Opponents were right to be worried. New numbers from the Milwaukee Journal Sentinel show that Wisconsin’s Act 10, which crippled unions’ ability to negotiate for better pay and benefits, cut union membership in half and forced workers to pay thousands more in benefits.

While ALEC and its supporters frame their actions as fiscally responsible and pro-worker, it is clear that this is a deeply political agenda. An analysis by the Economic Policy Institute (EPI) shows that, on the whole, these types of bills don’t create new rights for employees but “significantly tilt the political playing field by enabling unlimited corporate political spending while restricting political spending of organized workers.” Fox News reporter Shepard Smith put it even more bluntly. He noted that of the top 10 political donors in the United States, only three donated to Democrats -- all unions. “Bust the unions, and it’s over” for the Democrats, he said.



Wisconsin Capitol protestor 2011

## ALEC's Attack on Wages, Benefits, and Unions Harms All Workers

ALEC's wage suppression agenda also targets non-union workers in the low-wage sectors that are forming the core of the U.S. economy. In an issue brief called "[The Politics of Wage Suppression: Inside ALEC's Legislative Campaign Against Low-Paid Workers](#)," the National Employment Law Project counted 67 bills sponsored or co-sponsored by ALEC politicians in 2011-12 that eroded wages and labor standards.

Gordon Lafer, a political economist at the University of Oregon's Labor Education and Research Center and a research associate at the Economic Policy Institute (EPI), told CMD, "ALEC's efforts against the minimum wage, prevailing and living wage, paid sick leave, etc. are an across the board attempt both to worsen any kind of labor standard and also to undermine any institutional or legal basis through which workers exercise some control over the workplace in the labor market."

As Lafer notes, the fate of union workers and non-union workers are inextricably linked: "Unions help raise standards for non-union workers. In places with unionized workers, that increases the pressure on employers of non-unionized workers to reach and meet similar standards." To cite just one example, ALEC's "Right to Work" law alone depresses wages for both union and non-union workers by an average of **\$1,500 a year**, according to an EPI study.

The [video](#), produced by University of Iowa historian Colin Gordon for EPI, graphically illustrates how as union membership declined from 1979 to 2009, income inequality increased (a static version of the chart is [available here](#)).

But you won't see these statistics at ALEC. In an annual propagandistic ritual, ALEC "scholars" rank [states' economic outlook](#) based on how well states are following ALEC policy prescriptions. While Wisconsin under Scott Walker has consistently [ranked amongst the worst in the country](#) in job growth and economic performance even by groups like the U.S. Chamber of Commerce, in ALEC's world, Walker's state is [15th in economic outlook](#).

## ALEC Bills Attack Working Families

ALEC specializes in bill names that only a master propagandist would love:

- ALEC's so-called "[Right to Work Act](#)" bill (introduced in **15 states** in 2013) does nothing to create jobs or job security, but it does shred the fabric of unions by preventing them from requiring each employee who benefits from the terms of a contract to pay his or her share of the costs of administering it. While unions can exist in "Right to Work" states, they are in a much weaker position. When a state can't pass a proposal as radical as "Right to Work," ALEC has provided dozens of other options.

- ALEC's so-called "[Paycheck Protection](#)" bill (introduced in **six states** in 2013) requires that unions establish separate segregated funds for political activities, and prohibits the collection of union dues for those activities without the express authorization of the employee. The "[Public Employee Paycheck Protection Act](#)" (introduced in **four states** in 2013) forces employees to approve union payroll deductions each year. The "[Political Funding Reform Act](#)" (introduced in **five states** in 2013) prohibits payroll deductions for any funds that might be used for political purposes. The more extreme "[Public Employer Payroll Deduction Policy Act](#)" (introduced in **five states** in 2013) prohibits deduction of all union dues. All these bills are attempts to dismantle unions in the guise of worker freedom. For federal electoral spending, unions already have segregated funding requirements. At the state level, the U.S. Supreme Court long ago gave protections to any worker who does not want their union dues to go to politics. Unions have had opt-out systems in place for decades.

- Multiple bills [attacking prevailing wage, living wages, and minimum wages](#) have been introduced across the country (in at least **14 states**). ALEC is on record as being against these measures that not only put an upward pressure on wages in a region but also set a very low floor (a full-time worker earning minimum wage earns **\$15,080 a year**, which is not much for a family of four to live on) below which not even the Koch brothers are allowed to pay. Experts at the [National Employment Law Project](#) say that ALEC's "wage suppression agenda" serves as a significant counterforce to fights across the nation at the state and local level for better wages and workplace standards.

- ALEC advances privatization and outsourcing of public services to workers with fewer credentials, lower salaries and fewer benefits, with model bills such as the [Council On Efficient Government Act](#) (introduced in **four states**), which establishes a committee to assess how for-profit corporations can capture taxpayer dollars



by operating public services.

- Michigan's **Mackinac Center** -- an ALEC member and a member of the network of right-wing state-based think tanks the **State Policy Network** that works closely with ALEC -- brought three new bills limiting workers' rights to ALEC's Commerce, Insurance, and Economic Development Task Force in 2012: "**The Election Accountability for Municipal Employee Union Representatives Act**" (introduced in Idaho) would require public sector employees to vote on unionization every three to five years (a majority of all eligible members -- not just voting members -- would be required to maintain union representation); "**The Decertification Elections Act**" (introduced in Arizona) would make it easier for both public and private employees to decertify their union; and "**The Financial Accountability for Public Employee Unions Act**" (introduced in Montana; passed Michigan in 2012) would require public sector unions to publish audits of their financial activities.

- **Ten states** introduced proposals to dramatically alter pensions for teachers and other public employees by moving towards the elimination of defined benefit pension plans (which guarantee a certain level of benefits), to be replaced by defined contribution plans (which leave the payout to market forces). These bills reflect the principles in the ALEC "**Public Employees' Portable Retirement Option (PRO) Act**" and the ALEC "**Statement of Principles on State and Local Government Pension and Other Post Employment Benefits Plans.**" These proposals are backed by big Wall Street firms, which earn money by extracting millions of dollars in fees and administration costs from privately-managed retirement plans. It is worth noting that ALEC also supports the privatization of Social Security, with its "**Resolution Urging Congress To Modernize the Social Security System With Personal Retirement Accounts (PRA's)**" (introduced in Arizona this year).

### **ALEC Corporations Reap the Rewards**

All ALEC firms benefit from ALEC's efforts to advance a low-road for wages and working conditions in America, but some firms have special culpability for this agenda:

- Software company **SAP America**, the **American Bail Coalition**, **Pfizer Inc.** and the pharmaceutical trade association **PhRMA**, **Exxon Mobil Corporation**, **Energy Future Holdings**, and the coal company **Peabody Energy**, the alcohol giant **Diageo North America, Inc.**,

**AT&T**, **State Farm Insurance**, and **UPS** are on ALEC's corporate "Private Enterprise" board. **Anheuser-Busch**, **LoanMax**, **Cracker Barrel Old Country Store**, **Texas Roadhouse**, **FedEx**, **John Deere**, and **Visa** are on the commerce task force (more corporations and groups on this task force can be found here). Although ALEC doesn't make public the roll call for each vote, it is clear that the majority of these firms have backed this agenda with their votes and with their funding and continued support for ALEC. **At least 49 corporations** have decided to take another path, responding to consumer pressure to cut ties with the organization.

- **Koch Industries**, a representative of the lobbying arm of Koch Industries has served on ALEC's governing "Private Enterprise" board for many years, funding and approving ALEC's race-to-the-bottom agenda on worker rights. **Safety violations** at some of Koch plants have lead to fines and other penalties from the Occupational Safety and Health Administration (OSHA), and **in some cases workers have died.**

- **Cintra**, based in Spain, and **Macquarie** and **TransUrban**, both Australian corporations (together, the world's largest developers of privatized infrastructure, particularly toll roads), are members of the **ALEC Commerce, Insurance, and Economic Development Task Force**, which approves bills limiting worker rights. **Cintra** and **Macquarie** have teamed up to cut multi-billion dollar deals to take control of highways in places like Indiana and Illinois, basically granting companies a monopoly to help state government raise quick revenue in the short term, but in the long-term saddling consumers with high fees and the state with lost revenue.

- Tobacco companies **Altria** (formerly Philip Morris) and **Reynolds American** both sit on ALEC's corporate "Private Enterprise" board. According to the Farm Labor Organizing Committee of the AFL-CIO, **Reynolds American's** and **Altria's** human rights abuses of workers at the bottom of its supply chain have included sub-minimum wages, child labor, heat stroke, pesticide and nicotine poisoning, green tobacco sickness, lack of water and breaks during work, and worker fatalities.

### **Average Americans Pay the Price**

**Eleven states** have introduced bills in 2013 to override or prevent local paid sick leave ordinances. At least eight of these were sponsored by ALEC members, and this is no accident. Although ALEC has not adopted such a bill as an official "model," ALEC member the **National Restaurant Association (NRA)** brought a bill to override

local paid sick leave ordinances to ALEC in 2011, as CMD has reported.

The commerce task force's Labor and Business Regulation Subcommittee took up "paid family medical leave" as the sole topic of discussion at the ALEC 2011 Annual Meeting in Louisiana. Subcommittee meeting attendees were given complete copies of Wisconsin's [2011 Senate Bill 23](#) (now Wisconsin Act 16). They were also handed a target list and map of state and local paid sick leave policies prepared by the NRA. Since then, Louisiana enacted a similar law in 2012, and 2013 has seen the introduction of a spate of similar bills, with Mississippi, Kansas, Tennessee, and Florida signing the measures into law.

Forty percent of American workers have no access to paid sick leave. Family Values @ Work, a non-profit network of 21 state coalitions working for family-friendly workplace policies, has documented some of the impact on workers and the economy in its brochure, "[Sick and Fired](#)." Among other facts, it notes that 23 percent of workers have been fired or threatened with dismissal after taking time to care for themselves or their family members.

Wisconsin Act 16 overrode Milwaukee's popular paid sick leave ordinance that was passed in November 2008 by referendum with nearly 70 percent of the popular vote. In 2011, while the Capitol was surrounded by protesters and Democratic Senators were out of state, the Wisconsin Legislature moved to override the measure.

Ellen Bravo, head of Family Values @ Work told CMD, "People were elated when they won the right to paid sick days in Milwaukee, and outraged when that right was stolen from them by the state legislature in that incredibly underhanded way."

Flora Anaya worked at Palermo's Pizza in Milwaukee for five years. She and her co-workers decided to take action against the company because of its harsh paid sick day policy. Anaya told CMD:

*"Getting any type of day off for being sick was extremely hard. Palermo's sick day policy was absolutely inhumane. If you missed three days within six months, you would lose your job, even if you brought a doctor's excuse. And if you were one minute late to work, it was treated as an absence for the entire day."*



Flora Anaya (Source: Voces de la Frontera)

*In 2009, I was pregnant and in pain. One day it was so bad, I asked for permission to leave to go to the emergency room. I told one supervisor, but that supervisor didn't relay it to my line supervisor, and they stopped me from leaving. This happened all the time, to so many of us.*

## Conclusion

ALEC has been a historic force in suppressing wages and workers' rights and continues to exert its influence in states across the country in 2013. Where is the bottom in ALEC's race to the bottom for America's workers?

Charles Koch made the agenda of the Koch's, ALEC and their allies very clear in a [recent interview](#) with the *Wichita Eagle*. He laid out his vision of "economic freedom" for America. Key to this freedom for the Koch's is the repeal of the "avalanche of regulations" that creates a "culture of dependency" in the United States.

Top of the list of burdensome regulations needing repeal? "The minimum wage," opines Koch.

Koch's "economic freedom" and ALEC's legislative agenda may not leave much of an economy for the rest of us.

Harold Schaitberger, General President of the International Association of Fire Fighters, put it best when he told CMD, "The sole purpose of ALEC has been to develop the most anti-middle class, pro-corporation policies, legislation, and agenda in history. They've been waiting for just the right moment to reverse the progress of the American middle class and drive everyone to the bottom, to the lowest wages, the weakest benefits, no job security, and no retirement to speak of. We may not have the billions of dollars of the Koch brothers. But we have each other and we must stick together and fight ALEC's cynical and un-American agenda."



### ALEC Worker Rights Bills, 2013

ALEC Bill	State	State Bill #	Passed
Act Providing for the Detection and Prevention of Fraud, Wast, Abuse, and Improper Payments in Sate Government	Tennessee	HB 397	
Act Providing for the Detection and Prevention of Fraud, Wast, Abuse, and Improper Payments in Sate Government	Tennessee	SB 556	
Alternative Certification Act	Texas	HB 2318	X
Alternative Certification Act	West Virginia	SB 359	X
Alternative Certification Act	Maine	SP 461	
An Act Providing for the Detection and Prevention of Fraud Waste Abuse and Improper Payments in State Government	New York	S 4815	
At-will Employment Act	Georgia	HB 172	
Career Ladder Opportunity Act	Oklahoma	HB 2121	
Council on Efficient Government	Utah	HB 0094	X
Council on Efficient Government Act	Oklahoma	SB 1008	X
Council on Efficient Government Act	Massachusetts	SB 1550	
Council on Efficient Government Act	Massachusetts	SB 1539	
Council on Efficient Government Act	South Carolina	SB 226	
Defined-Contribution Pension Reform Act	Nebraska	LB 638	
Defined-Contribution Pension Reform Act	Pennsylvania	SB 2	
Employee Rights Reform Act	Missouri	SB 29	Governor veto
Employee Rights Reform Act	Maryland	SB 422	X
Employee Rights Reform Act	Missouri	SB 71	
Employee Rights Reform Act	Vermont	H 64	
Employee Rights Reform Act	West Virginia	SB 164	
Great Teachers and Leaders Act	Virginia	SB 1223	X
Living Wage Mandate Preemption Act	Florida	H 655	X
Living Wage Mandate Preemption Act	Mississippi	HB 141	X
Living Wage Mandate Preemption Act	Mississippi	SB 2473	
Living Wage Mandate Preemption Act	South Carolina	H 3941	
Paycheck Protection Act	Georgia	HB 361	X
Paycheck Protection Act	Kansas	HB 2022	X
Paycheck Protection Act	Connecticut	HB 5699	
Paycheck Protection Act	Michigan	SB 283	
Paycheck Protection Act	Montana	SB 219	
Paycheck Protection Act	North Carolina	SB 702	
Paycheck Protection Act	Oklahoma	SB 31	
Political Funding Reform Act	Connecticut	HB 5706	
Political Funding Reform Act	Illinois	HB3161	
Political Funding Reform Act	Indiana	SB 605	
Political Funding Reform Act	Kansas	SB 31	
Political Funding Reform Act	Maine	LD 110	

**ALEC Worker Rights Bills, 2013** (continued)

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Political Funding Reform Act	Tennessee	HB 502	
Political Funding Reform Act	Tennessee	SB 490	
Prevailing Wage Repeal Act	Arkansas	HB 1151	
Prevailing Wage Repeal Act	Kentucky	HB 312	
Prevailing Wage Repeal Act	Kentucky	SB 105	
Prevailing Wage Repeal Act	Kentucky	HB 257	
Prevailing Wage Repeal Act	Missouri	SB 30	
Prevailing Wage Repeal Act	Ohio	HB 190	
Prevailing Wage Repeal Act	Texas	HB 1207	
Prevailing Wage Repeal Act	West Virginia	HB 2576	
Prohibition on Paid Union Activity Release Time by Public Employees Act	Arizona	SB 1348	
Prohibition on Paid Union Activity Release Time by Public Employees Act	Arizona	HB 2343	
Prohibition on Paid Union Activity Release Time by Public Employees Act	Connecticut	HB 5705	
Public Employee Bargaining Transparency Act	Arizona	HB 2330	
Public Employee Bargaining Transparency Act	Illinois	HB 2689	
Public Employee Bargaining Transparency Act	Utah	HB 362	
Public Employee Freedom Act	Kansas	HB 2123	
Public Employee Paycheck Protection Act	Arizona	SB 1182	
Public Employee Paycheck Protection Act	Arizona	SB 1142	
Public Employee Paycheck Protection Act	Arizona	SB 1349	
Public Employee Paycheck Protection Act	Missouri	HB 64	
Public Employee Paycheck Protection Act	Oklahoma	SB31	
Public Employee Paycheck Protection Act	Tennessee	HB 913	
Public Employee Paycheck Protection Act	Tennessee	SB 725	
Public Employee Portable Retirement Option Act	Connecticut	HB 5698	
Public Employees' Portable Retirement Option	Arizona	HB 2653	
Public Employer Payroll Deduction Policy Act	Arizona	HB 2026	
Public Employer Payroll Deduction Policy Act	Indiana	SB 605	
Public Employer Payroll Deduction Policy Act	Indiana	SB 312	
Public Employer Payroll Deduction Policy Act	Louisiana	HB 552	
Public Employer Payroll Deduction Policy Act	Montana	LC 0230	
Public Employer Payroll Deduction Policy Act	South Carolina	H 3782	
Resolution in Opposition to any Increase in the Starting (Minimum) Wage	Connecticut	HB 5237	
Resolution in Opposition to any Increase in the Starting (minimum) wage	Nevada	SJR 2	
Resolution on Release Time for Union Business	Indiana	SB 102	
Resolution to align pay and benefits of public sector workers with private sector workers	Connecticut	SB 308	

**ALEC Worker Rights Bills, 2013** (continued)

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Resolution to align pay and benefits of public sector workers with private sector workers	Connecticut	HB 5563	
Resolution to align pay and benefits of public sector workers with private sector workers	Connecticut	SB 347	
Resolution Urging Congress to Modernize the Social Security System With Personal Retirement Accounts	Arkansas	HR 1047	
Right to Work Act	Colorado	HB 13-1106	
Right to Work Act	Georgia	HB 144	
Right to Work Act	Hawaii	SB 261	
Right to Work Act	Iowa	HJR 1	
Right to Work Act	Illinois	HB 3160	
Right to Work Act	Kentucky	HB 308	
Right to Work Act	Maryland	S 668	
Right to Work Act	Maryland	HB 318	
Right to Work Act	Maine	HP 582	
Right to Work Act	Missouri	HB 95	
Right to Work Act	New Hampshire	HB 323	
Right to Work Act	New Mexico	HB 351	
Right to Work Act	Ohio	HB 151	
Right to Work Act	Ohio	HB 152	
Right to Work Act	Oregon	HB 3062	
Right to Work Act	Pennsylvania	HB 50	
Right to Work Act	Pennsylvania	HB 54	
Right to Work Act	West Virginia	HB 2010	
School Collective Bargaining Agreement Sunshine Act	Idaho	S 1098	X
School Collective Bargaining Agreement Sunshine Act	Idaho	H 67	
School Collective Bargaining Agreement Sunshine Act	Illinois	HB 182	
State and Local Gov't Pension and OPEB Plans	Arkansas	SB 123	X
State and Local Gov't Pension and OPEB Plans	Indiana	SB 248	X
State and Local Gov't Pension and OPEB Plans	Connecticut	SB 153	
State and Local Gov't Pension and OPEB Plans	Connecticut	HB 5009	
State and Local Gov't Pension and OPEB Plans	Connecticut	HB 5190	
State and Local Gov't Pension and OPEB Plans	Connecticut	HB 5191	
State and Local Gov't Pension and OPEB Plans	Connecticut	HB 5559	
State and Local Gov't Pension and OPEB Plans	Connecticut	HB 5702	
State and Local Gov't Pension and OPEB Plans	Connecticut	SB 346	
State and Local Gov't Pension and OPEB Plans	Florida	H 7011	
State and Local Gov't Pension and OPEB Plans	Montana	HB 112	
State and Local Gov't Pension and OPEB Plans	Montana	SB 82	
State and Local Gov't Pension and OPEB Plans	Washington	SB 5856	
State Council on Competitive Government Act	Texas	SB 1681	X

**ALEC Worker Rights Bills, 2013** (continued)

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
The Election Accountability for Municipal Employee Union Representatives Act	Idaho	S 1039	
The Financial Accountability for Public Employee Unions Act	Montana	SB 253	
The Occupational Licensing Relief and Job Creation Act	Arkansas	SB 894	
The Occupational Licensing Relief and Job Creation Act	Michigan	HB 4641	
Voluntary Contributions (Paycheck Protection) Act	West Virginia	HB 1243	
Workplace Drug Testing Act	West Virginia	HB 597	
<b>TOTAL ALEC WORKER RIGHTS BILLS:</b>		<b>117</b>	<b>14</b>



# Cashing in on Kids

## 139 ALEC Bills in 2013 Promote a Private, For-Profit Education Model

Despite widespread public opposition to the education privatization agenda, at least 139 bills or state budget provisions reflecting American Legislative Exchange Council (ALEC) education bills have been introduced in 43 states and the District of Columbia in just the first six months of 2013. Thirty-one have become law.

### ALEC Vouchers Transfer Taxpayer Money to Private and Religious Schools

News Corp CEO Rupert Murdoch has called public education a “a \$500 billion sector in the U.S. alone that is waiting desperately to be transformed.”

But this “transformation” of public education -- from an institution that serves the public into one that serves private for-profit interests -- has been in progress for decades, thanks in large part to ALEC.

ALEC boasts on the “[history](#)” section of its website that it first started promoting “such ‘radical’ ideas as a [educational] voucher system” in 1983 -- the same year as the Reagan administration’s “Nation At Risk” report -- taking up ideas first articulated decades earlier by ALEC supporter Milton Friedman.

In 1990, Milwaukee was the first city in the nation to implement a school voucher program, under then-governor (and ALEC alum) Tommy Thompson. [ALEC quickly embraced](#) the legislation, and that same year offered model bills based on the Wisconsin plan. For-profit schools in Wisconsin now receive up to \$6,442 per voucher student, and by the end of the next school year taxpayers in the state will have transferred an estimated \$1.8 billion to for-profit, religious, and online schools. The “pricetag” for students in other states is even higher.

In the years since, programs to divert taxpayer money from public to private schools have spread across the country. In the 2012-2013 school year, [it is estimated](#) that nearly 246,000 students will participate in various iterations of so-called “choice” programs in 16 states and the District of Columbia -- draining the public



school system of critically-needed funds, and in some cases covering private school tuition for students whose parents are able and willing to pay.

But promised improvements in educational outcomes have not followed. “If vouchers are designed to create better educational outcomes, research has not borne out that result,” says Julie Mead, chair of Educational Leadership and Policy Analysis at the University of Wisconsin. “If vouchers are such a great idea,” after twenty years in effect, “they would have borne fruit by now.”

The ALEC education agenda also fits into the organization’s broader attack on unions: by lowering teacher certification standards and funneling public money to non-unionized private schools, ALEC undermines teachers unions, which guarantee fair wages and working conditions and are a major political force that have traditionally backed the Democratic Party.

### ALEC Education Bills Undermine Free, Universal Public Education

ALEC-influenced bills introduced in 2013 include legislation to:

- Create or expand taxpayer-funded voucher programs, using bills such as the “**Parental Choice Scholarship Act**” (introduced in three states). Under many state

constitutions, the use of public dollars to fund religious institutions has been rejected on separation-of-powers grounds, but the ALEC Great Schools Tax Credit Act, introduced in ten states in 2013, bypasses state constitutional provisions and offers a form of private school tuition tax credits that funnel taxpayer dollars to private schools with even less public accountability than with regular vouchers.

- Carve-out vouchers for students with special needs, regardless of family income, through the “**Special Needs Scholarship Program Act**” (introduced in twelve states), which sends vulnerable children to for-profit schools not bound by federal and state legal requirements to meet a student’s special needs, as public schools must. A proposal in Wisconsin would have allocated up to \$14,658 to a for-profit school for each special needs student.

- Send taxpayer dollars to unaccountable online school providers through the “**Virtual Schools Act**,” introduced in three states, where a single teacher remotely teaches a “class” of hundreds of isolated students working from home. The low overhead for virtual schools certainly raises company profits, but it is a model few educators think is appropriate for young children.

- Offer teaching credentials to individuals with subject-matter experience but no education background with the **Alternative Certification Act**, introduced in seven states. The bill is part of ALEC’s ongoing effort to undermine unionized workers and promote a race to the bottom in wages and benefits for American workers.

- Require that educators “teach the controversy” when it comes to topics like climate change -- where the only disagreement is political, not scientific -- through the **Environmental Literacy Improvement Act**, introduced in five states.

- Create opportunities to privatize public schools or fire teachers and principals via referendum with the controversial **Parent Trigger Act** (glorified in the flop film “Won’t Back Down”), introduced in twelve states. First passed in California, a modified Parent Trigger bill was brought to ALEC in 2010 by the Illinois-based Heartland Institute, which is perhaps best known for controversial billboards comparing people who believe in climate change to mass murderers like the Unabomber Ted Kaczynski.

- Create an appointed, state-level charter school authorizing board through the **Next Generation Charter**

**Schools Act**, introduced in seven states, which effectively shields charters from democratic accountability. The legislation “would wrest control from school boards, and likewise from the community that elects those school boards,” Mead says, since it takes away their power to authorize charters in the community.

### **ALEC Corporations Reap the Rewards**

Some of the for-profit corporations profiting from the ALEC Education privatization agenda include:

“**Amplify**,” the newly-created education division of **Rupert Murdoch’s News Corp**, parent company of Fox News. News Corp is on the ALEC Education Task Force. In 2010, News Corp hired former New York City chancellor Joel Klein to run its education division, which includes the for-profit education company formerly known as Wireless Generation. The firm has big plans for a specialized “Amplify Tablet” that would provide lesson plans, textbooks and testing to cash-in on new “Common Core” required state standards.

**K12 Inc.**, the nation’s largest provider of online charter schools, where low-paid teachers manage as many as 250 students at a time and communicate with their pupils only through email and phone. The corporation, whose CEO Ron Packard [received \\$5 million in total compensation](#) in 2011 (and [owns around \\$24 million in shares](#)), is on the ALEC Education Task Force and its lobbyist Lisa Gillis has Chaired ALEC’s Special Needs Subcommittee. [According to a report in the New York Times](#), students in K12, Inc. schools often perform very poorly, and some K12 teachers claim that they have been encouraged to pass failing students so that the company can receive more reimbursement from states. K12 receives an average of between \$5,500 and \$6,000 for every student on its rosters -- the same amount that would be spent for students attending a brick-and-mortar school, despite K12 not having to pay for cafeteria, gyms, busing, or heat and air conditioning -- and much of K12’s profits are spent on advertising targeted at increasing enrollment, rather than on investments in education. At K12’s Agora Cyber Charter School, which produces more than 10% of the company’s revenue, nearly 60% of students are behind grade level in math, nearly 50% are behind in reading, and a third do not graduate on time.

**Corinthian Colleges** is a for-profit college chain that operates campuses under names like Everest, Heald, and WyoTech, in addition to offering degrees online. It

has become notorious for aggressive recruiting practices and leaving students unprepared for the job market and saddled with massive student loan debts. In Milwaukee, for example, where a Corinthian Everest campus was financed with \$11 million in city bonds, just 25% of students found jobs and over half dropped out; the campus closed two years after it opened. Nationally, over 40 percent of Corinthian's students default on their loans, and only 60% of students complete their coursework. In June, Corinthian disclosed that it is under investigation by the Securities and Exchange Commission (SEC) and has been subpoenaed by California's Attorney General for its recruiting practices and financial responsibility.

### **Ideological Interests Lift the ALEC Agenda**

An array of right-wing nonprofits also promote the school privatization agenda in ALEC.

The 501(c)(4) **American Federation for Children** and its 501(c)(3) wing the **Alliance for Children**, for example, have brought an array of privatization bills to ALEC and promoted the legislation across the country. The groups were organized and are funded by the billionaire DeVos family (heirs to the Amway fortune); Richard DeVos has received the ALEC "Adam Smith Free Enterprise Award." AFC's top lobbyist is disgraced former Wisconsin Assembly Speaker Scott Jensen, who was convicted of three felonies for misuse of his office for political purposes and banned from the state Capitol for five years (though the charges were later reversed and dropped as part of a plea agreement). Jensen represents the organization on the ALEC Education Task Force and has brought AFC bills to ALEC for adoption as "model" legislation. AFC spent at least \$7 million electing privatization-friendly state legislators across the country in 2012, but reported far less to state election authorities.

In addition to the DeVos family foundations, the **Milwaukee-based Bradley Foundation** is one of the top school privatization funders in the country, spending over \$31 million over the past eleven years promoting "school choice" nationwide, according to One Wisconsin Now; for decades, Bradley has also been a major ALEC funder. The foundation has over \$600 million in assets and is headed by Michael Grebe, Scott Walker's campaign co-chair.

Before Milwaukee became the first city in the nation to implement a school voucher program, Bradley bankrolled the groups that laid the groundwork. When the

plan was challenged in Wisconsin courts, Bradley funded its legal defense, which included hiring Kenneth Starr -- later known for pursuing Bill Clinton over Whitewater and Monica Lewinsky -- to represent the state.

### **Average Americans Pay the Price**

Originally promoted as a program for Milwaukee's low-income students of color to have access to private education, the initial voucher program gained support from some African-American leaders and was pushed by State Representative Polly Williams, a Milwaukee Democrat. But last session, Wisconsin Governor Scott Walker broadened vouchers to families with higher incomes, and in the 2013-2015 budget further expanded the program. "They have hijacked the program," Williams says. "As soon as the doors open for the low income children, they're trampled by the high income," she said. "Now the upper crust have taken over."

The laws have been sold to poor and minority communities as a way to close achievement gaps, but there is little evidence of success: in Wisconsin, data shows that students receiving vouchers perform no better, and in some cases worse than those attending public schools. Cash-for-kids programs have shown similar results in school districts across the country.

Reports have also emerged in Milwaukee and elsewhere of for-profit schools registering students, keeping them in class until just after the date where enrollment is counted for funding purposes, and then sending them back to public schools. In many cases those students have special needs the voucher schools claimed they could not satisfy.

Six-year-old Trinity Fitzer, who has anxiety and gastrointestinal problems, was attending Milwaukee's Northwestern Catholic School in the 2011-2012 term on a voucher. After a few months, Northwestern Catholic informed Trinity's mother that she was being "withdrawn" from the school for "continuing behavioral issues." The school claimed that "withdrawal is the decision of the parent," but Trinity's mother said it was not her decision and "she didn't have an option."

Jane Audette, a social worker at Hawthorne Elementary, a public school in Milwaukee, said the school receives several "cast-off" students every year from private schools like Northwestern Catholic. "What has happened over and over with Milwaukee's Northwest Catholic is they will tell a parent, 'Your child needs more





Trinity Fitzer. (WI Center for Investigative Journalism)

than we can give your child, so we suggest you go down the street to Hawthorne.”

And vouchers, testing, and school privatization have in many cases been offered as a substitute for grappling with the persistent structural issues that perpetuate achievement gaps.

“What has been forced on our communities is not reform at all: they are mediocre interventions,” said Jitu Brown, an education organizer for the Kenwood Oakland Community Organization who [spoke at Netroots Nation in June](#). “The only reason that mediocrity is accepted is because of the race of the children being served.”

### **Privatizing Schools and Other Government Services**

Brown puts the education reforms in the context of broader community disinvestment and austerity measures: cutting social programs and closing schools, police stations, hospitals, and other institutions that serve as community anchors, while cherry picking and selling off the better institutions to private players.

And ALEC has played a key role in promoting this agenda. ALEC has sought to shrink the size of government by starving states of revenue, voucherizing critical programs like Medicare and Medicaid, and privatizing all aspects of government, from education to foster care to pensions to prisons.

When the ALEC’s cash-for-kids model is put before the voters, it is resoundingly rejected. In 27 statewide referenda on the topic, voters rejected vouchers on average 2-1. But as long as ALEC “models” continue to garner bipartisan support facilitated by corporate campaign contributions or are slipped into state budgets in

the dead of night -- ALEC will have continued success with the “transformation” of the American educational system into a profit-driven enterprise.

The ALEC Education agenda not only “converts a public good into something private,” says Mead, but private schools “don’t have the same responsibility [as public schools] to serve everybody, which diminishes public access, oversight and accountability.”

“There is that saying, ‘democracy is the worst form of government, except for all the others.’ The public school system is the same way,” Mead says. “It has problems, and can be better, but has served us pretty well for 150 years.”



### ALEC Education Bills, 2013

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
A-Plus Literacy Act	Washington	SB 5328	
Alternative Certification Act	Florida	SB 1664	X
Alternative Certification Act	Illinois	HB 513	X
Alternative Certification Act	Illinois	HB 1868	X
Alternative Certification Act	West Virginia	SB 359	X
Alternative Certification Act	Florida	SB 1238	
Alternative Certification Act	Maine	SP 461	
Alternative Certification Act	Massachusetts	H 418	
Alternative Certification Act	Oklahoma	SB 877	
Common Sense in Medicating Students Act	New York	A 2972	
District and School Freedom Act	Arizona	HB 2496	X
Education Savings Account	Florida	HB 1251	
Education Savings Account Act	Montana	HB 357	
Elements of High Quality Digital Learning	West Virginia	SB 37	
Environmental Literacy Improvement Act	Arizona	SB 1213	
Environmental Literacy Improvement Act	Colorado	HB 13-1089	
Environmental Literacy Improvement Act	Kansas	HB 2306	
Environmental Literacy Improvement Act	Kentucky	HB 269	
Environmental Literacy Improvement Act	Oklahoma	HB 1674	
Founding Principles Act	Nevada	SB 163	X
Founding Principles Act	Alabama	SB 443	
Founding Principles Act	Alaska	HB 31	
Founding Principles Act	Arizona	SB 1212	
Founding Principles Act	Arkansas	SB 1017	
Founding Principles Act	Massachusetts	H 513	
Founding Principles Act	Michigan	SB 121	
Founding Principles Act	New York	S 2134	
Founding Principles Act	Ohio	SB 96	
Founding Principles Act	Oklahoma	SB 154	
Founding Principles Act	Tennessee	HB 1129	
Founding Principles Act	West Virginia	HB 2594	
Great Teachers and Leaders Act	Nevada	SB 407	X
Local Government Transparency Act	New Mexico	SB 63	
Local Government Transparency Act	Tennessee	SB 2832	
Parent Trigger Act	Oklahoma	HB 1385	X
Parent Trigger Act	Arizona	SB 1409	
Parent Trigger Act	Florida	HB 867	
Parent Trigger Act	Florida	SB 862	
Parent Trigger Act	Iowa	SF 2	
Parent Trigger Act	Maryland	HB 875	

**ALEC Education Bills, 2013** (continued)

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Parent Trigger Act	Massachusetts	H 429	
Parent Trigger Act	Missouri	SB 311	
Parent Trigger Act	Nevada	AB 254	
Parent Trigger Act	New York	A 3826	
Parent Trigger Act	Oregon	HB 2881	
Parent Trigger Act	South Carolina	S 556	
Parent Trigger Act	Tennessee	HB 77	
Parental Choice Scholarship Program Act	Indiana	HB 1003	X
Parental Choice Scholarship Program Act	Indiana	HB 1001	X
Parental Choice Scholarship Program Act	Louisiana	HB 597	
Parental Choice Scholarship Program Act	North Carolina	HB 944	
Parental Rights Amendment	Virginia	HB 1642	X
Parental Rights Amendment	Virginia	SB 908	X
Parental Rights Amendment	Indiana	SB 332	
Parental Rights Amendment	Kansas	HR 6010	
Parental Rights Amendment	Mississippi	HC 90	
Parental Rights Amendment	Mississippi	HC 96	
Parental Rights Amendment	Mississippi	HB 496	
Parental Rights Amendment	Nebraska	LR 42	
Parental Rights Amendment	Nevada	SB 314	
Parental Rights Amendment	North Carolina	H 711	
Parental Rights Amendment	Oklahoma	HB 1384	
Parental Rights Amendment	South Carolina	S 628	
Parental Rights Amendment	Texas	HCR 38	
Public Employee Freedom Act	Kansas	HB 2123	
Quality Education and Teacher and Principal Protection Act	New York	A 3110	
Resolution Calling For Greater Productivity in American Higher Education	Montana	SJ 13	X
Resolution Supporting Private Scholarship Tax Credits	Arizona	HB 2617	X
Resolution Supporting Private Scholarship Tax Credits	Virginia	SB 1227	X
Resolution Supporting Private Scholarship Tax Credits	Virginia	HB 1996	X
Resolution Supporting Private Scholarship Tax Credits	Arkansas	SB 740	
Statewide Online Education Act	Texas	SB 1298	
Taxpayers Savings Grants Act	Texas	SB 29	
Teacher Choice Compensation Act	Missouri	SB 408	
The 140 Credit Hour Act	North Carolina	H 255	X
The Charter Schools Act	Delaware	HB 165	
The Charter Schools Act	Minnesota	SF 978	
The Charter Schools Act	Montana	SB 374	
The Charter Schools Act	Montana	HB 315	
The Charter Schools Act	Nevada	AB 205	

**ALEC Education Bills, 2013** (continued)

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
The Charter Schools Act	New Jersey	A 4177	
The Charter Schools Act	South Carolina	S 3853	
The Charter Schools Act	West Virginia	HB 2808	
The Education Enterprise Zone Act	Texas	HB 300	
The Family Education Savings Account Act	New Jersey	A 3959	
The Family Education Savings Account Act	Wisconsin	SB 111	
The Foster Child Scholarship Program Act	Arkansas	HB 1788	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Arizona	HB 2617	X
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Kentucky	HB 66	X
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Virginia	HB 1996	X
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Virginia	SB 1227	X
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Arkansas	SB 740	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Idaho	H 286	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Idaho	HB 227	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Iowa	HB 225	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Kansas	HB 2400	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Mississippi	SB 2132	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Mississippi	HB 1095	
The Great Schools Tax Credit (Scholarship Tax Credit) Act	Montana	HB 213	
The Great Schools Tax Credit Program Act (Scholarship Tax Credits)	Pennsylvania	SB 51	
The Innovation Schools and School Districts Act	Alabama	HB 84	X
The Innovation Schools and School Districts Act	Arkansas	SB 66	X
The Innovation Schools and School Districts Act	District of Columbia	B 20-0310	
The Innovation Schools and School Districts Act	Florida	S 1390	
The Innovation Schools and School Districts Act	Mississippi	HB 118	
The Innovation Schools and School Districts Act	Mississippi	SB 2716	
The Innovation Schools and School Districts Act	Mississippi	HB 787	
The Innovation Schools and School Districts Act	North Carolina	H 960	
The Lifelong Learning Accounts Act	Connecticut	SB 769	
The Next Generation Charter Schools Act	Arizona	HB 2494	X
The Next Generation Charter Schools Act	Maine	HP 967	X
The Next Generation Charter Schools Act	Missouri	HB 315	X
The Next Generation Charter Schools Act	Arkansas	HB 1040	
The Next Generation Charter Schools Act	Kansas	SB 196	
The Next Generation Charter Schools Act	Kentucky	HB 76	
The Next Generation Charter Schools Act	Mississippi	SB 2189	
The Open Enrollment Act	Arkansas	HB 1507	
The Open Enrollment Act	California	AB 1279	
The Open Enrollment Act	South Carolina	S 313	
The Smart Start Scholarship Program	Indiana	HB 1003	X

**ALEC Education Bills, 2013** (continued)

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
The Special Needs Scholarship Program Act	Indiana	HB 1003	X
The Special Needs Scholarship Program Act	Tennessee	HB 387	X
The Special Needs Scholarship Program Act	Texas	SB 17	X
The Special Needs Scholarship Program Act	Arkansas	HB 1897	
The Special Needs Scholarship Program Act	Arkansas	HB 2260	
The Special Needs Scholarship Program Act	Florida	SB 172	
The Special Needs Scholarship Program Act	Kansas	HB 2263	
The Special Needs Scholarship Program Act	Kentucky	HB 155	
The Special Needs Scholarship Program Act	Mississippi	HB 1004	
The Special Needs Scholarship Program Act	Montana	HB 390	
The Special Needs Scholarship Program Act	New York	S 788	
The Special Needs Scholarship Program Act	Rhode Island	H 6131	
The Special Needs Scholarship Program Act	Tennessee	SB 486	
The Special Needs Scholarship Program Act	Wisconsin	AB 40	
The Virtual Public Schools Act	Michigan	HB 4228	X
The Virtual Public Schools Act	Arizona	HB 2493	
The Virtual Public Schools Act	Maine	HP 331	
The Virtual Public Schools Act	Maine	SP 391	
The Virtual Public Schools Act	Michigan	SB 182	
<b>TOTAL ALEC EDUCATION BILLS:</b>		<b>139</b>	<b>31</b>

# Dirty Hands

## 77 ALEC Bills in 2013 Advance a Big Oil, Big Ag Agenda

At least 77 bills to oppose renewable energy standards, support fracking and the controversial Keystone XL pipeline, and otherwise undermine environmental laws were introduced in 34 states in 2013. In addition, nine states have been inspired by ALEC's "Animal and Ecological Terrorism Act" to crack down on videographers documenting abuses on factory farms. 17 became law.

### ALEC, Fueled by Fossil Fuel Industry, Pursues Retrograde Energy Agenda

For decades, ALEC has been a favored conduit for some of the world's largest polluters, like Koch Industries, BP, Shell, Chevron, and Exxon Mobil, and for decades has promoted less environmental regulation and more drilling and fracking.

ALEC bills in recent years have pulled states out of regional climate initiatives, opposed carbon dioxide emission standards, created hurdles for state agencies attempting to regulate pollution, and tried to stop the federal Environmental Protection Agency (EPA) from regulating greenhouse gas emissions. The legislation introduced in 2013 carries on this legacy. ALEC bills favor the fossil fuel barons and promote a retrograde energy agenda that pollutes our air and water and is slowly cooking the planet to what may soon be devastating temperatures.

"Disregarding science at every turn, ALEC is willing to simply serve as a front for the fossil fuel industry," says Bill McKibben, co-founder of 350.org. "Given the stakes--the earth's climate--that's shabby and sad."

### ALEC Tours the Tar Sands

In October of 2012, ALEC organized an "Oil Sands Academy" where nine ALEC member politicians were given an all-expenses-paid trip to Calgary and flown on a tour of the Alberta tar sands while accompanied by oil industry lobbyists. The trip was sponsored by pipeline operator TransCanada and the oil-industry funded American Fuel and Petrochemical Manufacturers, and email records obtained by CMD show that after the trip,



2012 ALEC Academy attendees (Photo via Twitter)

ALEC urged legislators to send "thank you" notes to corporate lobbyists for their generosity.

At least ten states in 2013 have introduced variations on the ALEC "Resolution in Support of the Keystone XL Pipeline," calling on the president and Congress to approve the controversial project. Environmentalists oppose the pipeline because extracting oil from Canadian tar sands would unlock huge amounts of carbon, increasing the greenhouse gas emissions that contribute to climate change. Despite being promoted as a "job creator," the pipeline would only create between 50 and 100 permanent positions in an economy of over 150 million working people.

In Nebraska, CMD [filed an ethics complaint](#) against state senator Jim Smith, the ALEC State Chair for Nebraska, who never revealed to his constituents that he had gone on the "Oil Sands Academy," and failed to disclose over a thousand dollars of travel expenses paid for by the Government of Alberta, Canada. Sen. Smith has been exceptionally vocal when it comes to his support for the Keystone XL pipeline. For example, he sponsored a 2012 Nebraska law that would -- if it survives a continuing legal challenge -- bypass the U.S. State Department and allow TransCanada to start building the Nebraska part of the pipeline right away, regardless of any future decision by the federal government.



## **ALEC Partners with Heartland Institute for Rollback of Renewables**

Even more extraordinary is ALEC's push this year to repeal Renewable Portfolio Standards (RPS), which require that utility companies provide a certain amount of their total energy from renewable sources like wind.

"ALEC's long time role in denying the science and policy solutions to climate change is shifting into an evolving roadblock on state and federal clean energy incentives, a necessary part of global warming mitigation," says Connor Gibson, a Research Associate at Greenpeace.

In Germany, where the nation has set a goal of getting 35% of its energy from renewables by 2020, public commitment to clean energy technologies is transforming markets, driving innovation and generating huge numbers of jobs. Even in the U.S., where there has been less public investment, the Bureau of Labor Statistics says [3.1 million clean energy jobs](#) have been created in recent years.

Perhaps because of RPS' job-creating qualities, ALEC's bill to repeal renewable standards, the "Electricity Freedom Act," was too much even for the most conservative legislatures. It failed to pass in every state where it was introduced -- even [in North Carolina](#), where it [had the backing of Grover Norquist](#), and whose Republican-dominated legislature has been [rolling multiple ALEC bills into law in 2013](#).

It may be little surprise that ALEC's attack on renewables was spearheaded by one of its looniest members: the bill was [brought to ALEC in May 2012](#) by the Illinois-based Heartland Institute, a group best known for billboards comparing people who believe in climate change to mass murderers like the Unabomber Ted Kaczynski.

ALEC is usually very secretive about its model legislation and its efforts in the states, but ALEC did not disguise the fact that it had made the Electricity Freedom Act a priority for the 2013 session. ALEC's Energy, Environment and Agriculture Task Force Director Todd Wynn [published blog posts](#) on the topic and [was quoted in the press](#) discussing how ALEC was working with Heartland to promote the repeal bills.

In many of the states that have proposed versions of the Electricity Freedom Act, the right-wing infrastructure has sprung into action, almost according to a script. The Beacon Hill Institute publishes a study (using [dis-](#)

[credited analysis](#)) claiming that a state's renewable standards lead to higher energy costs, as it did in states like [Maine](#) and [Ohio](#) and [Wisconsin](#) and [Arizona](#). The David Koch-founded and-led Americans for Prosperity organizes an event to "educate" its members about how renewables are "punishing" consumers, as they did in [Nebraska](#), and perhaps invite a guest from the Heartland Institute to make similar claims, as they did [in Kansas](#).

ALEC, the Heartland Institute, and the Beacon Hill Institute all have received money from [foundations associated with Charles and David Koch](#), and each are also part of the State Policy Network, an umbrella group of right-wing organizations that claim adherence to the free market. SPN has [received at least \\$10 million](#) in the past five years from the mysterious Donors Trust, which funnels money from the Kochs and other conservative funders. SPN was also a "Chairman" level sponsor of ALEC's 2011 Annual Conference and ALEC is an Associate Member of SPN.

But even though the ALEC/Heartland anti-renewable energy fight found little success in 2013, the group is not giving up.

### **New Avenue Sought to Roll Back Renewables**

"I expect that North Carolina and Kansas will probably pick up this issue again in 2014 and lead the charge across the country once again," Wynn [said](#).

ALEC now appears to be modifying its strategy to find a more palatable way to attack renewable standards.

At its August 2013 meeting, ALEC will consider a watered-down version of the Electricity Freedom Act with a bill called the "Market Power Renewables Act." That legislation would phase-out a state's Renewable Portfolio Standards and instead create a renewable "market" where consumers can choose to pay for renewable energy, and allow utilities to purchase energy credits from outside the state. This thwarts the purpose of RPS policies, which help create the baseline demand for renewables that will spur the clean energy investment necessary to continue developing the technology and infrastructure that will drive costs down.

But, it would satisfy ALEC's goal of preserving reliance on dirty energy from fossil fuels.

### **ALEC Bills Undermine Environmental Regulations, First Amendment**

ALEC energy, environment, and agriculture bills mov-

ing in the first six months of 2013 include:

- The “**Electricity Freedom Act**,” introduced in six states, repealing (or in some states weakening) Renewable Portfolio Standards. The standards have been a key component driving renewable energy growth -- which threatens the profits of ALEC’s polluter members.

- Variations on the “**Resolution in Support of the Keystone XL Pipeline**” (introduced in ten states) calling on the federal government to approve the controversial project to transport tar sands oil from Alberta, Canada across the United States. It is no coincidence that pipeline operator TransCanada is an ALEC member and funder.

- The misleadingly-named “**Disclosure of Hydraulic Fracturing Fluid Composition Act**” (introduced in five states) which would actually make it harder to find out what chemicals are being pumped underground through the fracking process. The bill, which was brought to ALEC by Exxon Mobil, carves out a giant loophole for “trade secrets” -- potentially concealing the information the public might want to know.

- The “**Environmental Literacy Improvement Act**” (introduced in five states), seeks to sow doubt in the minds of young people about man’s role in the warming planet by requiring that educators “teach the controversy” when it comes to topics like climate change, where the science is beyond dispute.

- The “**Environmental Services Public-Private Partnership Act**” (introduced in two states) would give for-profit companies control of vital public health services like treating wastewater and drinking water -- the last place where you want a company to cut corners to increase profits.

- The “**Animal and Ecological Terrorism Act**” (variations of which were introduced in nine states) have come to be known as “Ag-Gag” bills, as they criminalize investigations into abuses on factory farms and deem videographers “terrorists.”

- The “**Disposal and Taxation of Public Lands Act**” (considered in [seven states](#)) was modeled after a Utah law from 2012 and is an updated version of the ALEC “Sagebrush Rebellion Act,” where Western states assert control over federal lands that are being protected as wilderness preserves, in many cases to allow for resource extraction.



## ALEC Corporations Reap the Rewards

The corporations bankrolling ALEC and benefitting from bills advanced by the Energy, Environment, and Agriculture Task Force include:

- **Keystone XL Pipeline Operator TransCanada**, a member of the ALEC Energy, Environment, and Agriculture Task Force and which sponsored ALEC’s Spring Task Force Summit at the “Vice Chairman” level. It was one of the sponsors of the ALEC “Oil Sands Academy” where nine ALEC member legislators were given an all-expenses-paid trip to Calgary and flown around the Alberta tarsands while accompanied by oil industry lobbyists.

- **Shell Oil**, one of the largest fossil fuel conglomerates in the world, operates a tarsands extraction facility and sponsored lunch at the ALEC “Oil Sands Academy.” Shell has long been an ALEC member and funder, for example sponsoring ALEC’s 2011 Annual Meeting at the “Chairman” level (which in the past has cost \$50,000) and hosting plenary sessions. Shell is also a member of the ALEC Civil Justice Task Force, presumably to advance legislation that would protect it from liability in case of oil spills or other disasters.

**British Petroleum (BP)**, the United Kingdom’s largest corporation and the company responsible for the 2010 Deepwater Horizon disaster in the Gulf of Mexico, has long supported ALEC, including sponsoring ALEC’s 2011 meeting in New Orleans -- not far from the site of BP’s oil spill -- at the “Presidential” level (which in the past has cost \$100,000).

- **Peabody Energy** is the largest producer of coal in the U.S. and boasts that it generates 10% of the country's energy, and also has a lobbyist representative on the ALEC corporate board; it was the 2011 winner of ALEC's "Private Sector Member of the Year" award and has sponsored ALEC meetings and events. In 2007, it spun-off coal mines it owned in West Virginia and Kentucky into an independent company, which then filed for bankruptcy and sought to be released from its pension and retirement operations.

- **Duke Energy** is one of the largest electric utility companies in the United States, and has publicly expressed concern about global warming and support for clean energy, but its continued support for ALEC undermines those rhetorical positions. A coalition of environmental groups [have been urging Duke to drop ALEC for the past year](#), so far to no avail.

- **Koch Industries**, the privately-held multinational corporation owned by billionaire financiers David and Charles Koch, is involved in an array of industries including petroleum refining, fuel pipelines, coal supply and trading, oil and gas exploration, chemicals and polymers, fertilizer production, and commodity speculation. Koch Industries has long funded ALEC, sponsored its meetings, and had a lobbyist representative on the ALEC Private Enterprise Board. Charitable foundations associated with David and Charles have also been ALEC funders, with the Charles G. Koch Foundation giving ALEC a half-million-dollar loan in 1996.

### Average Americans Pay the Price

The ALEC Energy, Environment, and Agriculture Task Force has not only promoted anti-environmental bills, but also legislation to help industrial farms escape public accountability -- which would prevent a 21st Century Upton Sinclair from going undercover and creating a documentary work like *The Jungle*, which led to a new wave of food safety regulations in the early 1900s.

ALEC's "Animal and Ecological Terrorism Act" was the ideological ancestor for "ag-gag" laws, introduced in nine states in 2013 to quash the First Amendment rights of reporters, investigators and videographers by making it harder for them to document issues with food safety and animal cruelty. The bills take many forms, but generally make it a crime to shoot video of a farm or slaughterhouse, or to apply for employment at these facilities under "false pretenses."

Modern-day Upton Sinclairs have been using similar

techniques as *The Jungle's* author to document food safety issues -- Sinclair [got a job at a Chicago slaughterhouse](#) under false pretenses so he could write his book -- but are using 21st Century tools.

In 2007, for example, an undercover video investigation by the Humane Society showed sick "downer" cows -- which are banned from human consumption because they were implicated in the spread of mad cow disease -- being pushed towards slaughter with forklifts and cattle prods, leading to the largest meat recall in U.S. history.

The ALEC-influenced "ag-gag" bills seek to criminalize this type of investigation.

In March of this year, ALEC spokesman Bill Meierling defended the laws, [telling the Associated Press](#), "at the end of the day it's about personal property rights or the individual right to privacy."

Utah [passed an ag-gag law in 2012](#), which led to [charges](#) against a young woman named Amy Meyer, who did nothing else besides film the outside of a slaughterhouse from public land. Meyer regularly passed the slaughterhouse on her way to volunteer at an animal sanctuary, and began filming when she witnessed what appeared to be animal cruelty with possible public health repercussions: a sick (but still living) cow being carried away



Amy Meyer

from the building on a tractor. The slaughterhouse owner asserted that she had trespassed, despite there being no damage to the barbed wire fence surrounding his property.

"This was the first time anyone has been charged under the ag-gag law," Meyer told CMD. "But as long as these



ag-gag laws are around, this won't be the last prosecution, unfortunately."

Less than 24 hours after journalist Will Potter publicized her story -- but months after she was first charged -- the prosecution dropped its case against Meyer.

"The only purpose [of ag-gag laws] is to punish investigators who expose animal cruelty and journalists who report on the ag industry," she said. "These laws are intended to keep consumers in dark and shield factory farms from scrutiny."

As written, the ALEC model bill could also criminalize environmental civil disobedience, such as when activists "obstruct" the business operations of a logging or mining facility through tree-sits or road blockades. A bill reflecting these provisions was [introduced in Oregon this year](#) to outlaw most civil disobedience against logging operations.

### **Polluters Stand With ALEC**

Over the past year-and-a-half, at [least 49 global corporations](#) have dropped their ALEC membership -- including companies like Coca-Cola, Wal-Mart, and Amazon -- but oil and energy companies have stood by ALEC.

"Despite its terrible reputation, ALEC is still valued by polluting companies like ExxonMobil, Duke Energy and Koch Industries, which finance and help craft ALEC's state policies to smother competition from clean energy industries and offer handouts to fossil fuel companies at every turn," says Greenpeace's Gibson.

"ALEC's guise of 'free market environmentalism' is just a code word for its real mission in our states' legislatures: to allow dirty energy companies to pollute as much as they want, to attack incentives for clean energy competitors and to secure government handouts to oil, gas and coal interests," Gibson says. "That's not a free market."

### ALEC Environment Bills, 2013

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Agriculture Bio-Security Act	Indiana	HB 1562	
Climate Accountability Act	Oregon	HB 2806	
Disposal and Taxation of Public Lands Act	Idaho	HCR 21	X
Disposal and Taxation of Public Lands Act	Montana	SJR 15	X
Disposal and Taxation of Public Lands Act	Nevada	AB 227	X
Disposal and Taxation of Public Lands Act	Wyoming	HB 228	X
Disposal and Taxation of Public Lands Act	Colorado	SB 13-142	
Disposal and Taxation of Public Lands Act	New Mexico	HB 292	
Disposal and Taxation of Public Lands Act	South Carolina	H 3552	
Electricity Freedom Act	Kansas	HB 2241	
Electricity Freedom Act	Kansas	SB 82	
Electricity Freedom Act	Minnesota	HF 306	
Electricity Freedom Act	North Carolina	HB 298	
Electricity Freedom Act	Ohio	SB 34	
Electricity Freedom Act	Texas	HB 2026	
Electricity Freedom Act	West Virginia	HB 2609	
Energy Efficiency and Savings Act	Missouri	SB 26	X
Energy Efficiency and Savings Act	Alabama	HB 191	
Energy Efficiency and Savings Act	New York	S 4130	
Energy Efficiency and Savings Act	New York	A 52	
Energy Efficiency and Savings Act	New York	S 3854	
Energy Efficiency and Savings Act	New York	A 758	
Energy Efficiency and Savings Act	New York	S 2635	
Energy Efficiency and Savings Act	Texas	HB 2746	
Environmental Literacy Improvement Act	Kentucky	HB 269	X
Environmental Literacy Improvement Act	Arizona	SB 1213	
Environmental Literacy Improvement Act	Colorado	HB 13-1089	
Environmental Literacy Improvement Act	Kansas	HB 2306	
Environmental Literacy Improvement Act	Oklahoma	HB 1674	
Environmental Services Public Private Partnership Act	Maryland	HB 560	X
Environmental Services Public Private Partnership Act	Maryland	SB 538	
Environmental Services Public-Private Services Act	New Jersey	A 4082	
Performance Based Permitting Act	Texas	HB 2949	
Property Investment Protection Act	Arkansas	SB 367	
Protecting Property Rights to Facilitate Species Conservation	Texas	HB 3509	Governor veto
Protecting Property Rights to Facilitate Species Conservation	Texas	SB 468	
Regulatory Costs Fairness Act	Arizona	HB 2319	
Regulatory Costs Fairness Act	New York	A 3216	
Resolution Demanding that Congress Convey Title of Federal Public Lands to the States	Idaho	HCR 22	X



**ALEC Environment Bills, 2013** (continued)

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Resolution in Support of the Keystone XL Pipeline	Kentucky	SCR 273	X
Resolution in Support of the Keystone XL Pipeline	Kentucky	HR 122	X
Resolution in Support of the Keystone XL Pipeline	Michigan	SCR 6	X
Resolution in Support of the Keystone XL Pipeline	Mississippi	SR 3	X
Resolution in Support of the Keystone XL Pipeline	Missouri	HCR 19	X
Resolution in Support of the Keystone XL Pipeline	Ohio	SCR 7	X
Resolution in Support of the Keystone XL Pipeline	South Dakota	HCR 1006	X
Resolution in Support of the Keystone XL Pipeline	Indiana	SCR 38	
Resolution in Support of the Keystone XL Pipeline	Indiana	SR 41	
Resolution in Support of the Keystone XL Pipeline	Kansas	HCR 5014	
Resolution in Support of the Keystone XL Pipeline	Louisiana	SCR 115	
Resolution in Support of the Keystone XL Pipeline	Louisiana	SCR 125	
Resolution in Support of the Keystone XL Pipeline	Minnesota	SF 479	
Resolution in Support of the Keystone XL Pipeline	Minnesota	HF 987	
Resolution in Support of the Keystone XL Pipeline	Mississippi	SCR 543	
Resolution in Support of the Keystone XL Pipeline	Ohio	HCR 9	
Resolution Supporting the Private Ownership of Property	Wyoming	HJ 3	
Right To Farm Act	Indiana	SB 571	
State Implimentation Plan Requirements for Ozone and Particulate Matter Attainment	Illinois	SB 1704	X
The Animal and Ecological Terrorism Act	Tennessee	SB 1248	Governor veto
The Animal and Ecological Terrorism Act	Indiana	SB 373	X
The Animal and Ecological Terrorism Act	Indiana	SB 391	
The Animal and Ecological Terrorism Act	Arkansas	SB 13	
The Animal and Ecological Terrorism Act	Arkansas	SB 14	
The Animal and Ecological Terrorism Act	Nebraska	LB 204	
The Animal and Ecological Terrorism Act	New Mexico	SB 552	
The Animal and Ecological Terrorism Act	North Carolina	SB 648	
The Animal and Ecological Terrorism Act	Pennsylvania	HB 683	
The Animal and Ecological Terrorism Act	Vermont	S 162	
The Animal and Ecological Terrorism Act	Wyoming	HB 126	
The Common Sense Scientific and Tehnical Evidence Act	Illinois	HB 2221	
The Disclosure of Hydraulic Fracturing Fluid Composition Act	Illinois	HB 2615	
The Disclosure of Hydraulic Fracturing Fluid Composition Act	New Mexico	HB 136	
The Disclosure of Hydraulic Fracturing Fluid Composition Act	Wyoming	SF 157	
The Disclosure of Hyraulic Fracturing Fluid Composition Act	Florida	H 745	
The Disclosure of Hyraulic Fracturing Fluid Composition Act	Florida	S 1776	
The Disclosure of Hyraulic Fracturing Fluid Composition Act	Michigan	HB 4061	
Verifiable Science Act	West Virginia	HB 3129	
<b>TOTAL ALEC ENVIRONMENT BILLS:</b>		<b>77</b>	<b>17</b>

# Justice Denied

## 71 ALEC Bills in 2013 Make It Harder to Hold Corporations Accountable for Causing Injury or Death

At least 71 bills introduced in 2013 that make it harder for average Americans to access the civil justice system resemble “models” from the American Legislative Exchange Council. 14 of these became law.

### ALEC Agenda Tips the Scales of Justice to Help Corporations Win

For decades, ALEC has been a conduit for the oil, tobacco, and pharmaceutical industries to push legislation that changes the rules to limit accountability when a corporation’s products or actions cause injury or death -- such as when a Koch Industries pipeline [explodes and kills teenagers](#), or when the tobacco or pharmaceutical industries withhold evidence that their products are dangerous. In just the first six months of 2013, seventy-one ALEC bills that advance these “tort reform” goals have been introduced in thirty states (see chart below).

“Each of these bills would weaken the legal rights of everyday people who are wrongfully harmed by a corporation or health care provider,” says Joanne Doroshov, Executive Director of the Center for Justice & Democracy, a group that works to protect the civil justice system and fight tort reform. “[The bills] are carefully crafted to provide relief and protections for the industries who wrote them.”

A long-standing principle of American law gives a person injured (or whose family member is killed) by the fault of another the right to pursue justice and seek fair compensation in front of a judge and jury. An injury for which a person can sue is known as a “tort.” Tort lawsuits are one of the few instances where an average American can stand on equal footing with a global corporation, make their case in front of a citizen jury, and demand justice. On a level playing field, consumers often win -- which is why corporate interests want to rig this centuries-old system to their benefit.

Tort cases are relatively rare -- they make up only six percent of the entire civil court caseload, and are declin-



ing -- but they are effective. Tort liability is why U.S. companies have stopped selling dangerous cribs that strangle infants and children’s pajamas that catch fire.

The ALEC “tort reform” bills fundamentally alter the tort liability system by making it harder to bring a lawsuit or by limiting a jury’s ability to award damages. The bills provide a way for ALEC corporations to escape responsibility for wrongdoing, help ALEC insurance companies limit payouts (and increase profits), and prevent Americans wrongfully injured or killed from receiving just compensation.

### ALEC Bills Limit Corporate Accountability, Change Liability Rules

Some ALEC bills limit how much a corporation might have to pay for causing injury.

- The ALEC “**Noneconomic Damage Awards Act**” (versions of which were introduced in five states in 2013) limits the amount a jury can award to compensate a person for their diminished quality of life as the result of an injury.
- The misleadingly-named “**Full and Fair Noneconomic Damages Act**” (introduced in two states) limits the amount a corporation might have to pay to compensate a person for their pain and suffering.

- The “**Phantom Damages Elimination Act**” (introduced in two states) changes the rules so a person who paid health insurance premiums for years would recover less for their medical bills than a person who had no insurance: rather than placing the full cost of paying for medical bills on the wrongdoer, the bill would reduce the amount they must pay if a person’s insurance company negotiated a discount.

- Other ALEC bills change how liability is apportioned when more than one individual or corporation is at fault.

- Three states introduced versions of the “**Comparative Fault Act**,” which changes the rules so that “if a company is 49% responsible, they are completely off the hook,” Doroshow says.

- Two states introduced the misleadingly-named “**Joint and Several Liability Act**,” which actually eliminates the Joint and Several rule that has worked for many years and protects victims in situations where it is difficult to pinpoint which defendant is at fault -- such as when multiple companies may have manufactured lead paint -- or where one of the defendants is insolvent. The bill eliminates the rule that had established that after a jury finds a defendant substantially responsible, they can be required to fully reimburse a person for their injury.

- Other ALEC “model legislation” would provide immunity for certain forms of lawsuits.

- Five states introduced the “**Emergency Care Immunity Act**,” which provides immunity to emergency personnel who provide assistance, without compensation, at the scene of an emergency. Providing some legal protections for volunteers in emergency situations may be important, but Doroshow suspects the bill is primarily advanced “for PR purposes” to promote the notion that the tort system is broken.

- Ten states introduced the “**Trespasser Responsibility Act**,” which would largely absolve landowners from a responsibility to maintain safe premises, and tends to benefit large landowners like railroads, utility companies, and big agriculture. These large corporations would be absolved from their duty to act responsibly, and would be immune if a person accidentally wanders onto their property and are injured by poorly-maintained electrical boxes, dangerous chemicals or farm implements.

## ALEC Corporations Reap the Rewards

The Trespasser Responsibility Act was brought to ALEC by Matt Fullenbaum of the American Tort Reform Association and Mark Behrens of Shook Hardy & Bacon, a law firm that has long represented tobacco companies and other industries seeking to avoid tort liability. Behrens is an “advisor” to the ALEC Civil Justice Task Force, as are other Shook Hardy & Bacon attorneys. The head of Shook Hardy & Bacon is Victor Schwartz, the so-called “**undisputed king of tort reform**” who for many years has chaired the ALEC Civil Justice Task Force.

Others involved with the Civil Justice Task Force include a variety of corporate trade groups that have worked closely with Schwartz and his law firm, such as the U.S. Chamber of Commerce and the National Federation of Independent Business, as well as the American Insurance Industry and others.

“Industries like the tobacco, insurance, oil and chemical industries are pretty detested,” Doroshow says, “and trade groups provide a way for these corporations to hide behind a more neutral-sounding entity that will push their agenda. This makes it harder for the public to learn how these detested industries would benefit from tort reform.”

ALEC’s corporate members are a who’s-who of companies that face tort liability. Its corporate board, recently renamed by ALEC as the “**Private Enterprise Advisory Board**,” includes representatives of fossil fuel interests (Koch Industries, Peabody Energy, Exxon Mobil, Energy Future Holdings), the pharmaceutical industry (PhRMA, Pfizer), and big tobacco (Altria, formally known as Phillip Morris). It also includes insurance companies like State Farm, which profits from a rigged tort liability system by paying out less in claims (**even while raising premiums**).

## Average Americans Pay the Price

An increasingly major player in advancing the ALEC tort reform agenda is the U.S. Chamber of Commerce and its Institute for Legal Reform, both of which are members of the ALEC Civil Justice Task Force.

A big priority for the Chamber this year has been legislation narrowing access to the courts for asbestos victims. The ALEC “**Asbestos Claims Transparency Act**” was first adopted by members of the ALEC Civil Justice Task Force in 2007 and was introduced in four states in 2013, in many cases supported by **testimony**

from Shook Hardy & Bacon attorney Mark Behrens on behalf of the Chamber's Institute for Legal Reform. The effort would benefit corporations like Crown Holdings, a Fortune 500 company with over \$8 billion in annual sales that has worked with ALEC for years to legislate its way out of compensating asbestos victims, as well as ALEC member Honeywell International, which has [faced significant](#) asbestos liability in recent years.

Asbestos-related diseases kill at least 10,000 Americans every year, in many cases from mesothelioma, an incurable and painful cancer caused by exposure to asbestos. For decades, asbestos was used for insulation and industrial purposes, and the diseases particularly affect veterans, firefighters, construction workers, and individuals who worked in factories with high-heat machinery.

Asbestos company executives knew from at least the 1940s that asbestos was deadly but covered it up for half of a century. For example, an internal memo from a subsidiary of ALEC member Honeywell in 1966 [stated](#), "if you have enjoyed a good life while working with asbestos products why not die from it?" The disease can take between 20 and 50 years to manifest, so individuals exposed decades earlier are only discovering the illness now.

Like the ALEC-supported voter ID laws that spread across the country in recent years, supporters of the Asbestos Claims Transparency Act claim the law is necessary to stop fraud -- despite no persuasive evidence of significant fraud or abuse. The law is couched in terms of "transparency," but is actually designed to save corporations money by delaying justice for asbestos victims and enacting unnecessary procedural hurdles for getting their day in court.

The bill could allow corporations like Crown Holdings or Honeywell to delay a lawsuit until a victim files claims with any other asbestos or personal injury "trust funds," which are accounts set up after a company goes bankrupt to pay claims to injured parties. This requirement, advocates say, is intended to drag out a case until after a sick victim dies -- an especially pointed concern given that asbestos cancer victims usually die within a year after being diagnosed.

In December of 2012, Ohio became the first state to pass the ALEC asbestos bill, which the Chamber [publicly applauded](#): "'As Ohio goes, so goes the nation,' and we hope this will result in a domino effect," said Lisa Rickard, president of the U.S. Chamber's Institute for

Legal Reform. *The Wall Street Journal* editorial board -- which includes Stephen Moore, an ALEC "advisor" -- [published](#) an editorial in support of the legislation.

Consumer and worker advocates expect more states to introduce versions of the Asbestos Claims Transparency Act in 2014. A parallel bill has been introduced on the federal level and recently passed the House Judiciary Committee ([prompting a response](#) from the *New York Times* Editorial Board). Testimony presented to Congress from attorneys at Caplin & Drysdale [has identified the ALEC connection](#).

"Tort Reform" Bills Contradict ALEC's Alleged Free Market Principles

A robust tort liability system advances "free market" goals -- a principle ALEC claims to support -- by providing market pressures that provide a check on corporate misbehavior. The possibility of a lawsuit, and the associated financial liability, [provides an economic incentive for manufacturers, hospitals, utility companies, and other corporations to be more safe and responsible](#), and it advances these goals without government regulation and enforcement.

By pushing these "tort reform" bills, ALEC is not advocating for "free markets" and "limited government," but instead protecting corporate interests from any form of accountability to consumers or the public.

"[The ALEC tort reform bills] offer nothing for consumers and in fact, would do them great harm," Doroshov says. "And they create frameworks, easily amended by future lawmakers, that could result in even worse damage to the public."



### ALEC Tort Reform Bills, 2013

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Admissibility in Civil Actions of non-ue of a seat belt Act	Indiana	HB 1010	
Admissibility in Civil Actions of Nonuse of a Seat Belt Act	Washington	HB 1696	
Anti-Phishing Act	New York	A 1117	
Asbestos Claims Transparency Act	Illinois	HB 153	
Asbestos Claims Transparency Act	Louisiana	HB 481	
Asbestos Claims Transparency Act	Ohio	HB 380	X
Asbestos Claims Transparency Act	Wisconsin	AB 19	
Asset Forfeiture Process and Private Property Protection Act.	Utah	HB 384	X
Class Actions Improvements Act	Arizona	SB 1452	
Class Actions Improvements Act	Oklahoma	SB 949	
Commonsense Consumption Act	North Carolina	H 683	X
Comparative Fault Act	Rhode Island	H 5321	
Comparative Fault Act	West Virginia	HB 2843	
Comparative Fault Act	West Virginia	SB 450	
Elimination of Double Recoveries Act	Florida	SB 1134	
Elimination of Double Recoveries Act	West Virginia	SB 176	
Emergency Care Immunity Act	Alabama	SB 62	
Emergency Care Immunity Act	Nevada	AB 132	X
Emergency Care Immunity Act	New Jersey	A 3694	
Emergency Care Immunity Act	South Carolina	H 4145	
Emergency Care Immunity Act	South Dakota	HB 1151	X
Emergency Care Immunity Act	West Virginia	HB 2285	
Forum Non Conveniens Act	West Virginia	SB 113	
Full and Fair Noneconomic Damages Act	Kansas	SB 158	
Full and Fair Noneconomic Damages Act	New Hampshire	HB 1180	
Joint and Several Liability Act	Illinois	SB 1974	
Joint and Several Liability Act	Tennessee	HB 1099	X
Joint and Several Liability Act	Tennessee	SB 56	X
Jury Patriotism Act	Oklahoma	SB 484	X
Noneconomic Damage Awards Act	Connecticut	SB 452	
Noneconomic Damage Awards Act	Missouri	HJR 6	
Noneconomic Damage Awards Act	New York	A 321	
Noneconomic Damage Awards Act	New York	A 5336	
Noneconomic Damage Awards Act	South Carolina	S 625	
Notice and Opportunity to Repair Act	Massachusetts	S 617	
Prejudgment and post-judgment act	Oklahoma	SB 1080	X
Prejudgment and post-judgment act	Rhode Island	HB 5289	
Private Attorney Retention Sunshine Act	Oklahoma	HB 1494	
Product Liability Act	Alabama	HB 617	
Product Liability Act	Illinois	HB 5808	

**ALEC Tort Reform Bills, 2013 (Continued)**

<b>ALEC Bill</b>	<b>State</b>	<b>State Bill #</b>	<b>Passed</b>
Product Liability Act	Missouri	SB 356	
Punitive Damages Standard Act	South Carolina	S 788	
Rational Use of a Product Act	Oklahoma	SB 754	
Regulatory Compliance Congruity with Liability Act	Illinois	HB 5808	
Reliability in Expert Testimony Standards Act	Illinois	HB 2221	
Reliability in Expert Testimony Standards Act	West Virginia	SB 113	
Resolution in Support of Fair Recourse and Effective Deterrence Against Frivolous Claims	Oklahoma	SB 533	
Ten-Year Statute of Repose Act	Pennsylvania	SB 446	
The Common Sense Scientific and Technical Evidence	Florida	S 1412	
The Common Sense Scientific and Technical Evidence Act	Florida	H 7015	X
The Phantom Damages Act	Tennessee	HB 978	
The Phantom Damages Act	Tennessee	SB 1184	
The Uninsured Motorist Stipulation of Benefits Act	Missouri	HB 339	X
Trespassed Responsibility Act	Georgia	SB 125	
Trespasser Responsibility Act	Georgia	HB 270	
Trespasser Responsibility Act	Illinois	HB 3407	
Trespasser Responsibility Act	Illinois	HB 2216	
Trespasser Responsibility Act	Indiana	HB 1502	
Trespasser Responsibility Act	Kansas	HB 2315	
Trespasser Responsibility Act	Kansas	HB 2315	
Trespasser Responsibility Act	Mississippi	HB 1302	
Trespasser Responsibility Act	Mississippi	SB 2525	
Trespasser Responsibility Act	New York	A 4824	
Trespasser Responsibility Act	South Carolina	HB 788	
Trespasser Responsibility Act	Utah	HB 347	X
Trespasser Responsibility Act	Virginia	HB 2004	X
Trespasser Responsibility Act	West Virginia	HB 2582	
Trespasser Responsibility Act	West Virginia	SB 338	
Trespasser Responsibility Act	Wyoming	SF 70	
Volunteer Immunity and Charitable Organization Liability Limit Act	West Virginia	HB 2285	
Workers' Compensation Fraud Warning Act	Oklahoma	SB 1062	X
<b>TOTAL ALEC Tort Reform Bills:</b>		<b>71</b>	<b>14</b>

# Additional Information

**Follow the ALEC Exposed Project.** Check out a wealth of information about ALEC, including links to reports, resources, actions and much more at CMD's award winning ALEC Exposed project website [www.alecexposed.org](http://www.alecexposed.org).

**Read our reporting about ALEC.** Follow our work to expose ALEC, and other related stories at [www.PRWatch.org](http://www.PRWatch.org) and sign up for our weekly publication of all our articles called The SPIN.

**Find out if your state legislators are members of ALEC.** For two years, CMD has been compiling a list of known ALEC leaders state-by-state. You can find this list at [ALECexposed.org](http://ALECexposed.org) and [here](#).

**Find out which corporations fund ALEC.** CMD has been compiling a list of known ALEC corporate funders, and tracking their involvement within ALEC. At least 49 corporations and six non-profits have now quit ALEC, including big names like Amazon, General Motors, and Walmart. Find the latest list of which corporations have left ALEC and who hasn't at [ALECexposed.org](http://ALECexposed.org) and [here](#).

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