ALEC's 2016 Agenda: A Snapshot

In states across the country, concerned citizens are asking state and local policymakers to raise the minimum wage, enact workplace reforms including earned sick days and the right to organize, stop the privatization of public schools, and help mitigate climate change. Opposition to these initiatives is fierce and growing and often nationally-driven and coordinated by the American Legislative Exchange Council (ALEC). Working in tandem with deep-pocketed corporations, trade associations, conservative groups and mega-donors—including operatives of the Koch brothers--ALEC is driving an agenda you should know about.

Background on ALEC

More than a quarter of all the state legislators in the country belong to ALEC, although the secretive group does not disclose its list of more than 2000 legislative members. ALEC gets 98 percent of its funding from corporations and sources like the Koch family foundations, and it acts as a conduit for special interest influence in state legislatures. ALEC convenes legislators, corporate lobbyists, and right-wing think tanks to vote as equals, behind closed doors, on "model bills" that benefit ALEC's corporate members, industry funders, and right-wing allies. These bills are then introduced, often word for word, in state legislatures around the country.

ALEC's long-term agenda is reflected in the current crop of bills now being filed in state houses. They undermine action on climate change and environmental protections; promote school privatization; defund unions and stop progressive wage and benefits policies; and, among other things, call for a convention to amend the U.S. Constitution to restrict the federal budget.

ALEC is also the force behind the increased use of "preemption" laws designed to strip local governments of their power to ban fracking, pass minimum wage hikes, and enact earned sick day laws. ALEC is pushing bills to stop cities from banning plastic bags, made from derivatives of oil refining. ALEC is funded by some of the biggest fossil fuel companies in the world, like Koch.

Over the last three years, 109 corporations—from Ford to Google—have dumped ALEC after the public learned more about this shadowy group, particularly its role pushing national model bills like the "Stand Your Ground" law cited for exonerating Trayvon Martin's killer, along with bills that make it harder for Americans to vote and peddling extreme climate change denial.

Priority Bills ALEC Is Pushing this Session

ENERGY/ENVIRONMENT:

Attacking Federal Efforts to Rein-in Carbon Pollution

Over the last three years, ALEC has penned and promoted several bills to stop the Clean Power Plan (CPP), which establishes state-by-state targets for carbon emissions reductions, and offers a flexible

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framework that allows states to meet those targets. The Clean Power Plan is also a major part of the U.S. commitment to reduce carbon pollution under the recent Paris international climate conference to try to mitigate the consequences of climate change.

In addition, since December 2013, ALEC has been organizing <u>regular conference calls</u> with its members, apparently urging them to speak with their state's Attorney General and to pushing them to prepare for and engage in litigation against the Clean Power Plan. Twenty-nine states have subsequently filed suit against the Clean Power Plan.

Now that the U.S. Supreme Court has engaged in an unprecedented act of judicial activism to put the rule on hold, some states—including Kansas and Missouri—have already seen legislation introduced that would block all work on developing the state pollution reduction plans required under the Clean Power Plan. Although this legislation is not yet adopted by ALEC, it is consistent with the central agenda in many of the model bills being promoted by ALEC.

ALEC model bills opposing the Clean Power Plan include:

- The <u>Environmental Impact Litigation Act</u>, adopted by ALEC in September 2015, would establish a "slush fund" financed by gifts from corporations and individuals to be used to pay for state litigation against the Clean Power Plan and other environmental protections. It would also create a board to control the fund including representatives from "energy trade associations."
- The <u>State Power Accountability and Reliability Charter (SPARC)</u>, would effectively block states
 from complying with the Clean Power Plan, by disallowing essential pollution reduction tools
 such as requiring energy efficiency and the use of renewable energy. The nation's largest
 privately-held coal company in the world, Peabody Energy, promoted this model bill to ALEC
 at its July 2015 Annual Meeting, where it was adopted.
- The <u>Act Requiring Approval of State Plan to Implement EPA's Carbon Guidelines</u>, adopted by ALEC in December 2015, would require state legislators to affirmatively vote to approve a state plan to reduce carbon pollution before it is sent to the EPA, causing more delay and politicization.
- The Reliable, Affordable and Safe Power (RASP) Act would block the use of state funds to comply with the requirements of the Clean Power Plan, mirroring the "just say no" approach advocated by U.S. Senate Majority Leader Mitch McConnell. The model legislation was developed and promoted by David Koch's Americans for Prosperity, and discussed at ALEC's December 2015 meeting, although not yet approved by the board.
- ALEC has also adopted and promoted numerous resolutions opposing the Clean Power Plan, including: the Resolution Concerning EPA's Proposed Guidelines for Existing Fossil Fuel-Fired

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Power Plants and the Resolution in Response to EPA's Plan to Regulate Greenhouse Gases under the Clean Air Act.

Other Elements of ALEC's Anti-Environment Agenda:

- The Electricity Freedom Act would repeal individual state requirements for utilities to generate a proportion of the energy they produce from renewable energy sources.
- The misleadingly-named "Disclosure of Hydraulic Fracturing Fluid Composition Act" would allow oil and natural gas companies to keep details about chemicals they pump into the ground during the fracking process secret. The bill was brought to ALEC by the America's lead fracking corporation, ExxonMobil, one of the largest companies in the world.
- The Environmental Literacy Improvement Act would require that educators teach students about issues such as climate change from "a range of perspectives." Although climate change is not a scientifically disputed fact (with 97% consensus), the bill would require that students be taught "countervailing scientific and economic views."
- The Disposal and Taxation of Public Lands Act is one of several ALEC model bills that would ostensibly allow states to take control of and then sell federal lands to corporations for the extraction of coal, oil, and gas—or other corporate interests.
- The Updating Net Metering Policies Resolution would increase costs for energy users who generate their own electricity through solar panels at their home or business. An ALEC staffer described home solar users to the media as "free riders on the system."
- The State Withdrawal from Regional Climate Initiatives would withdraw a state from regional efforts to lower carbon pollution.
- The Resolution to Retain State Authority Over Coal Ash as Non-Hazardous Waste asserts that states should have jurisdiction over regulating coal ash pollution, rather than the U.S. Environmental Protection Agency.

<u>Blocking local environmental laws.</u> ALEC has also sought to undermine local efforts to protect our environment.

 Dozens of towns and cities in states across the country have banned hydraulic fracturing, or fracking, citing public health concerns about water contamination and earthquakes. After voters in Denton, Texas, passed a referendum limiting fracking, ALEC legislators in the Texas statehouse pushed bills to override local control over public health. At the December 2015 meeting of ALEC's new project to solicit corporate cash, the American City County Exchange (ACCE), members were warned of an "epidemic" of "draconian" local restrictions against fracking, according to a report from the meeting.

Plastic bag preemption was a hot topic at the most recent ACCE meeting, with a bag industry
representative warning that local plastic bag regulations serve as "stepping stones to the
regulation of all packaging." ACCE's Executive Director Jon Russell has also written in favor of
states overriding local control over shopping bags—an odd position for the head of a group
purportedly committed to strengthening local government.

EDUCATION: More Privatization

ALEC's education agenda is focused on privatizing America's public schools. Its bills undermine public education and teachers' unions and also divert taxpayer dollars from accountable public schools to unaccountable for-profit education corporations. ALEC masks its true agenda in "feel-good" language, such as shifting from terms like "vouchers," which are broadly unpopular and rooted in segregation, to "opportunity scholarships" or "tuition tax credits." ALEC bills expected to crop up in 2016 include:

- "Parental Choice Scholarship Program Act" creates a voucher system for 'low- and middle-income families" for private, for-profit, or religious schools.
- Under ALEC's "Education Savings Account Act" money for public schools is put into an account
 for parents to use for private school tuition or for homeschooling. To try to short-circuit
 potential opposition from the state education officials, the bill authors recommend
 contracting "with a private nonprofit to administer the program."
- "Great Schools Tax Credit Program Act" implements a "tuition tax credit" program, which
 some have dubbed "neo-vouchers." Corporations get tax-credits for funding student
 "scholarships" to private and religious schools.
- "Next Generation Charter Schools Act" shields charters from accountability and by giving charter approval to unelected statewide authorizers.
- "Indiana Education Reform Package" creates a voucher program, using taxpayer funds to subsidize private for-profit and religious schools and limits teachers' rights to collective bargaining. One of its key components—the "Charter School Act"—automatically converts lowscoring public schools into charter schools.
- "Parent Trigger Act" would allow parents to seize control of a school and fire the teachers and principal, or privatize it entirely, for years to come.
- "Virtual Public Schools Act" recognizes online virtual education providers as public schools—and, incredibly, requires that virtual schools receive the same per-pupil funding as brick-and-mortar schools, virtually ensuring high profit margins for for-profit providers like ALEC funder and corporate board member K12 Inc.

- "Founding Philosophy and Principles Act" requires every high school student take a semesterlong course with a "conservative" focus on "the limitations on government power to tax and spend and prompt payment of public debt," even though the U.S. Constitution expressly grants Congress the power to tax, spend, and incur debt.
- "Environmental Literacy Improvement Act" mandates that states "provide a range of perspectives presented in a balanced manner" on climate change, despite the overwhelming weight of scientific evidence that it is happening.

Wages and Benefits: Weakening Worker Rights and Hurting Movements

In 2016, ALEC will be pushing several new initiatives designed to undermine worker rights, limit reduce wages and benefits, weaken job standards, and break unions, both on the state level and by undermining the power of local governments.

<u>Weakening Unions</u>. Several states have introduced ALEC's anti-union "Right-to-Work Act" in recent years, and the ALEC model has become law in Michigan, Wisconsin, and West Virginia—bringing the total number of "right to work" states to 26. ALEC's "Public Employee Freedom Act" is its right-to-work bill for public sector workers. These laws have the aim of defunding unions by encouraging workers to free-ride on union representation by allowing them to opt out of paying union dues to cover the costs of representing employees on the job.

- ALEC's city and county offshoot, the American City County Exchange (ACCE), is also pushing a legally dubious local-level Right-to-Work Ordinance in states where they have not been able to pass a state bill. A federal court in Kentucky recently found the ACCE legislation illegal but its backers plan to appeal up to the U.S. Supreme Court.
- ALEC also has a number of other models drawn up to drain unions of funding and crush the
 voice of workers in the workplace. The "Public Employee Paycheck Protection Act" prevents
 unions from arranging for automatic payroll dues deduction. The "Prohibition on Paid Union
 Activity (Release Time) by Public Employees Act" complicates worker representation by
 outlawing paid release time, and Resolutions on "Binding Arbitration" and "Reporting
 Requirements for Public Sector Unions" are similarly disruptive.

Lowering Job Standards. ALEC is also backing efforts to undermine workplace standards:

- ALEC opposes a minimum wage and state efforts to set a higher wage or cover more workers through bills like the "Starting (Minimum) Wage Repeal Act," "Resolution in Opposition to any Increase in the Starting (Minimum) Wage," and "Resolution Opposing Increases in the Minimum Wage Linked to the CPI."
- The ALEC "Living Wage Mandate Preemption Act" overrides local control by prohibiting city and county governments from enacting a minimum wage higher than the state minimum

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- ALEC's "Prevailing Wage Repeal Act" would repeal a state's prevailing wage requirements for construction projects and building services. Prevailing wage laws ensure that states do not undercut local wage standards and that public works contracts are awarded on quality rather than price.
- Public employee pensions are a particular ALEC target. ALEC's "Defined Contribution Pension Reform Act" and "Public Employees' Portable Retirement Option Plan" aim to cut pensions for public sector workers. Its "State Employee Health Savings Account Plan Act" cuts health insurance benefits. And its "Resolution to Align Pay and Benefits of Public Sector Workers with Private Sector Workers" argues, against the facts, that public employees are higher paid compared to their private sector counterparts and urges cutting public sector wages and benefits across the board.

<u>State "Preemption."</u> A key ALEC method of undermining worker rights and other progressive policies is through state "preemption" measures that override the authority of local governments to enact progressive policy initiatives.

- In addition to the "Living Wage Mandate Preemption Act," ALEC has been tied to the spread bills to block local paid sick day laws. Since Wisconsin's paid sick days preemption bill was shared at ALEC's August 2011 meeting, similar laws have been passed in 12 other states.
- In the first months of 2016 alone, bills to preempt minimum wage and/or earned sick days have already been filed in at least seven states, including Alabama, Idaho, Illinois, Kansas, Missouri, New Mexico, Washington.
- Legislation has also been filed in Indiana, Kansas, Michigan and New Mexico to stop local
 action on fair scheduling ordinances. Unions are bracing for bills in a spate of states aimed at
 limiting municipal labor standard-setting.
- 2015 saw more efforts to undermine local control on more issues than any year in history: last year, state legislatures in at least 29 states introduced bills to block local control over a range of issues according to Preemption Watch. Seventeen states considered more than one preemption bill.

In addition to an increase number of preemption bills, state lawmakers are also seeing historically broad, hardline bills being introduced across a wide range of issues.

An Oklahoma bill (SB 1289) was just introduced which would effectively end home rule by
prohibiting local governments from doing almost anything that isn't specifically authorized by
the state legislature. There is a new bill in Arizona that would deny state-shared revenue to
local governments that violate state law. It allows any lawmaker who thinks that may have
happened to order an investigation by Arizona's attorney general.

ALEC members in some states have pushed broad "Death Star" preemption bills that work in
one stroke to deny communities power to act on a range of employment and workplace issues
including minimum wage, living wage, paid leave or sick days as well as to enact local
environmental protections.

Constitutional Convention for a Balanced Budget Amendment

One of ALEC's top priorities is to amend the U.S. Constitution via a Convention under Article V of the Constitution, and it is getting closer each year. Here's the latest:

- ALEC's balanced budget amendment campaign has attracted little media attention, but the
 pieces of legislation that could trigger a constitutional convention are moving forward much
 more quickly than many might anticipate.
- Although there are many unanswered legal questions about how a convention is triggered, 27 states have enacted such measures, including three in 2015.
- The Constitution provides that 34 states (two-thirds) can trigger a convention to propose amendments, which must then be ratified by 38 states (three-fourths).
- That puts convention proponents just 7 states away from victory. (Any controversy over how states are counted would be settled by Congress and the U.S. Supreme Court.)
- The Balanced Budget Amendment Task Force, which is closely allied with ALEC, has targeted 13 states this year, many of which are deep red: WA, MT, ID, WY, AZ, OK, MN, WI, SC, KY, WV, VA and ME. The biggest threats appear to be VA, WV, OK, SC and WI.
- This is not a grassroots movement; it is a highly organized and well-funded attempt capitalize on the Republican's historic takeover of state legislatures to lock in the right-wing's discredited "supply-side" economic policies.
- The balanced budget amendment—which could force deep cuts in vital programs like Social Security or limit the ability of the government to deal with economic or natural disaster or even war—has been supported by Koch-backed groups like David Koch's Americans for Prosperity and the National Federation of Independent Business. ALEC and it's "Jeffersonian Project," a new 501(c)(4) arm, are lobbying for it.
- Throughout U.S. history, the Constitution has only been amended through a two-thirds
 majority vote in both houses of Congress on a specific amendment, which is then ratified by
 two-thirds of state legislatures. If a constitutional convention is triggered it is unclear that it
 could actually and constitutionally be confined to the balanced budget, and some groups –like
 the Convention of States—are pushing for much broader amendments to limit the power of
 federal government, including adding term limits.

ABOUT THE CENTER FOR MEDIA AND DEMOCRACY

The Center for Media and Democracy (CMD) launched ALECexposed.org in 2011, and regularly writes about ALEC/ACCE operations, players, and agenda on its website PRWatch.org. For more information, please call CMD at 608-260-9713, or email editor@prwatch.org.