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2013 Spring Task Force Summit POLICY REPORT

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Task Force Updates and Objectives

Civil Justice Task Force Task Force Director: Amy Kjose

ALEC's Civil Justice Task Force has started off 2013 with a variety of model bill introductions across the country. Over 50 bills based on Civil Justice Task Force model legislation have already been introduced around the states, a number of which have been enacted into law. The role of legal reform as a way to foster a fair environment for product development and job creation is still very widely appreciated. The Task Force has been constructive by providing research, letters and policy briefs to members doing the good work in the states. In particular, ALEC's Trespasser Responsibility Act (which protects landowners from having to pay for injuries to trespassers on their land) has received phenomenal support, having been enacted in over 10 states in the last 2.5 years by nearly unanimous support. This is a great example of the power of common-sense ALEC reform that legislators of all political stripes can support.

The Task Force is planning to release a new version of its Tort Reform Boot Camp Guide for State Legislators, which will be getting a new title and facelift, will be updated to address a number of new and trending lawsuit reforms, and will include additional data and infographics to further illuminate the important lawsuit reform work being done country-wide. We expect to release the new publication in conjunction with the Annual Meeting this summer and do a positive media roll out. Lawsuit reform is an issue that appeals to most ALEC members, public and private, and most of the electorate according to recent polling data.

The Task Force is also hoping to host a Lawsuit Reform Academy in the fall to bring legislators together to provide them with training on how to improve their legal climates to encourage business investment.

Task Force membership has remained constant in 2013. The Task Force has not lost a single member and is promisingly courting a number of new prospects. Our devoted membership shows our effectiveness and our attention to developing carefully crafted, fair and defensible legislation.

Commerce, Insurance, and Economic Development Task Force Task Force Director: Cara Sullivan

New Task Force Chair

The Task Force is pleased to welcome Representative Dawn Pettengill of Iowa as the new public sector Task Force co-chair.

Policy Education

The Task Force continues to engage and educate members on policy solutions to enhance competition, limit government interference in business, and promote employment and innovation. To those ends, Task Force Director Cara Sullivan testified on Pennsylvania's regulatory review process before the House Committee on State Government in March. Policy Briefs on several topics were sent to members in Indiana, Texas, and Pennsylvania. In addition, the March/April edition of "Inside ALEC" featured articles on government streamlining commissions, transportation financing, technological solutions to prevent fraud, waste, and abuse in government spending, and worker freedom in Michigan.

The Task Force continues to update its model policies through the sunset review process. There are 28 bills to be considered in 2013.

Publication



The Task Force secured a grant to produce a State Factor on the importance of procurement reform. The goal of this publication is to educate legislators on the merits and potential cost savings of open and competitive bidding practices.

Membership

The Task Force is pleased to welcome two new members since the last report given at the 2012 States and Nation Policy Summit. The Task Force plans to expand its reach in 2013 by delving deeper in the financial services and transportation industries. Legislative membership remains steady.

Communications and Technology Task Force
Task Force Director: John Stephenson

About the ALEC Communications and Technology Task Force

The Communications and Technology Task Force believes that constant, dynamic innovation in communications and technology presents numerous complexities that defy traditional public policy prescriptions. To help policymakers understand the changes underway in the 21st century economy, the Task Force brings together state legislators, private industry, and policy experts to develop public policies that will promote economic growth, freedom of technology, and innovation in the states.

Areas of focus for the Task Force include: 1) broadband deployment and adoption; 2) protecting consumer choice in privacy; 3) promoting new forms of e-commerce; speeding recovery to natural disasters; and 3) growing the high-tech sector of the economy.

Additionally, the Task Force has established five subcommittees to thoroughly investigate topics of interest to the states. These subcommittees are: Broadband; E-Commerce; Information Technology; Innovation; and Consumer Protection, Critical Infrastructure, and Security Technologies.

What We've Accomplished

Through research and analysis, the Task Force has helped members accomplish the following:

- Twenty-six states have enacted laws based on our model Voice over Internet Protocol policy to promote the deployment of advanced communications technologies including Arkansas, Kansas, and Wyoming in 2013
- Nineteen states have heeded our advice to protect taxpayers from waste, fraud, and abuse by adopting ALEC policies to require fair competition, transparency, and voter approval for government-owned broadband systems
- In 2013, the Task Force published a report entitled, "Abuse and Misuse of Personal Information: Trends and Issues in Privacy," which examined concerns about online privacy and the use of biometric information that was well-received by members and scholars
- The Task Force published an well-received op-ed in the Wall Street Journal detailing state cybersecurity efforts in Michigan and Virginia to protect constituent information and critical infrastructure from hackers

The Year Ahead

In the months ahead, the Task Force will host presentations and briefings on timely topics such as privacy and Unmanned Aerial Vehicles, mobile health, and online education, among others. The Task Force is also currently at work on an effort to research and promote investment in broadband, including mobile broadband to benefit consumers.

Education Task Force
Task Force Director: Lindsay Russell

About the ALEC Education Task Force

The mission of ALEC's Education Task Force is to promote excellence in the nation's educational system, to advance reforms through parental choice, to support efficiency, accountability, and transparency in all educational institutions, and to ensure America's youth are given the opportunity to succeed.

Areas of focus for the Task Force include: 1) School Choice; 2) K-12 education and reform; 3) Teacher certification and quality; and 4) Higher education.

Additionally, the Task Force has established two subcommittees to thoroughly investigate topics of interest to the states. These subcommittees are: K-12 Education Reform Subcommittee and the Digital Learning Subcommittee.

Lastly, the Education Task Force will be creating a new subcommittee focusing on Science, Technology, Engineering, and Mathematics (STEM) education.

What We've Accomplished

In March, ALEC released its 18th annual *Report Card on American Education*. The *Report*

Card details individual state grades in the following policy areas:

1. *State Academic Standards*
2. *Private School Choice Programs*
3. *Charter Schools*
4. *Teacher Quality*
5. *Online Learning*
6. *Home School Regulation Burdens*

Authors Dr. Matthew Ladner and Dave Myslinski analyze student scores, looking at performance and improvement over recent years. When combined, these policy measures build the state's overall policy grade. Furthermore, the *Report Card* highlights education policies states have enacted and provides a roadmap to best practices, allowing legislators to learn from each other's education reforms.

When School Choice Wins, Charter Schools Win

School choice legislation is a natural avenue to the creation and advocacy of charter schools. Most often when school choice legislation is passed it opens up the option to create and choose charter schools. The stronger the charter school legislation the more appealing it is to the parent or guardian exercising their right to choose. However, all charter school bills are not created equal. Many existing charter school laws create just as much regulation and bureaucracy as their public counterparts and essentially remove the numerous benefits of charter schools as an education option. The ALEC Education Task Force has a library of over 25 school choice model bills all of which encourage school choice with the most amount of flexibility and autonomy.

Indiana:

In March the Indiana State Supreme Court rules that the state's two-year-old school voucher program allowing low- and middle-income families to use public funds to attend private schools was constitutional. In a 5-to-0 decision, the court said that the voucher program did not violate the state's prohibition against using state funds to benefit religious institutions because the primary beneficiaries of the vouchers were the families who used them. Currently, 9,000 families have taken vouchers.

Parent Trigger:

Currently, 25 states have considered parent trigger legislation and seven of them have enacted some version of the law. All seven states incorporate aspects from ALEC's Parent Trigger model legislation. The seven states are: California, Connecticut, Indiana, Louisiana, Mississippi, Ohio (pilot program in the Columbus School District) and Texas

The Year Ahead

In the months ahead, education reform in the United States will start to radically evolve and take shape. The Education Task Force (ETF) is creating a new identity and a fresh sense of purpose to ensure we are effectively and efficiently addressing change in education. The ETF recognizes that our partners and members are tasked with the difficult job of creating legislation and policy that responds to the evolving policy climate but also caters to their unique populations. We are here to provide the support and knowledge behind the reform and be the best possible resource available.

Energy, Environment and Agriculture Task Force
Task Force Director: Todd Wynn

Legislation Highlights across the States

After the Electricity Freedom Act (an act that would repeal a state's renewable energy mandate) became ALEC model policy, approximately 15 states across the country introduced legislation to reform, freeze, or repeal their state's renewable mandate. This legislative year has seen the most action on renewable mandates to date.

ALEC's Resolution in Support of the Keystone XL Pipeline or similarly worded resolutions have been introduced in at least seven states this year which has helped highlight state support for the project.
Publications

In December 2012, the Task Force released a report exploring the strategic and economic importance of mineral resource development to the United States. The report details rare earth and uranium mining reserves and production, reviews permitting and regulatory hurdles, estimates the economic benefit of developing reserves, and highlights the safety and environmental track record of mining.
In the first week of May 2013, the Task Force will be releasing a comprehensive report analyzing the implications of state renewable energy mandates. This report will provide state legislators with an educational resource on the myths and misconceptions of mandating renewable energy, the unintended economic consequences of such mandates, and provide tools for state legislators to push back against government intervention into electricity markets.

Lastly, the Task Force will be releasing the third in a series of publications focused on the impact of Environmental Protection Agency regulations on the energy industry. Research and writing will be finished by the beginning of May 2013 and the report will be published in June 2013.

New Task Force Co-Chairs

The Task Force welcomes two new Task Force co-chairs. Representative Thomas Lockhart from Wyoming and Paul Loeffelman from American Electric Power will be leading the Task Force for the next two years.

Health and Human Services Task Force
Task Force Director: Sean Riley

New Task Force Public-Sector Chair

Georgia State Senator Judson Hill will replace Wisconsin State Senator Leah Vukmir as the HHS Task Force public-sector chair. Senator Hill previously served on the Task Force's executive committee and joins private-sector chair Marianne Eterno of Guarantee Trust Life Insurance Company. Senator Hill currently serves as Chairman of the Senate Finance Committee in Georgia, Secretary of the Insurance and Labor Committee, and as an Ex-Officio member of the Health and Humans Services Committee, among others.

The Task Force continues to serve as a resource for states facing implementation of the two primary components of the federal Patient Protection and Affordable Care Act (PPACA): health exchanges and Medicaid expansion. ALEC's model Resolution Against PPACA Health Insurance Exchanges continues to resonate with policymakers. Just 17 states plan to operate an exchange for plan year 2014, placing the federal government in a position it had not anticipated. On Medicaid expansion, because ALEC has not adopted policy supporting or opposing the provisions, the Task Force has not proactively engaged on the issue. However, the Task Force continues to respond to research requests and inquiries from members regarding available resources.

Membership and Coalition Building

Outreach and coalition building will continue to be a focus for the Task Force. Task Force staff has attended numerous events and strategy sessions with limited government, free-market groups, and HHS Task Force Director Sean Riley accepted invitations to moderate several health policy panels with national speakers. In January, the Task Force welcomed an additional member of the provider community, further diversifying its membership.

Plans and Publications

The Task Force is currently working towards two publications to be released this year, including a guide to prescription drug policy, and a more general guide highlighting free-market health reforms in the wake of the federal health law. The Task Force also plans to submit grant requests supporting research and outreach as the federal law continues to be implemented. Issues that will continue to face the states throughout implementation include rising premiums, provider shortages, and the economic impact of implementation. The Task Force looks to be there at each step, engaging with critical analysis and providing alternatives.

International Relations Task Force Task Force Director: Karla Jones

Respect for ALEC's international work continues to grow due to the seriousness of our policy and our success in advancing it. Our articles have been published with attribution by international trade related NGOs and we are being quoted in the domestic and international media and producing more articles for ALEC outlets. The Wall Street Journal op-ed on cybersecurity penned by the CAT and IR Task Force Directors and placed by our new, exceedingly capable Public Affairs team demonstrates to our prospects that we are able to give issues national attention. The feedback from these articles has been positive, and IR blog posts are popular on the American Legislator with a high number of "Likes" and views. National associations have cited our resolutions positively on a variety of trade issues. We have been told by those involved in the negotiation process for the Trans-Pacific Partnership (TPP) that our work on ensuring that TPP remain comprehensive gave negotiators the support they needed to remain steadfast on that commitment. We have had similar success with our efforts on ensuring a high quality intellectual property provision in TPP with op-eds authored by several of our members across the nation.

This positive policy attention coupled with a sharp decrease in media attacks against ALEC has enhanced our ability to attract private sector support. Private sector prospects and members have begun to understand the tremendous influence that our legislator members have on national and international policy in spite of having no official jurisdiction on this policy. ALEC's media challenges have abated considerably, and prospects that had previously dropped off the radar are slowly coming back to us soliciting proposals. Technology companies, manufacturing companies, and several energy companies have approached us to provide proposals on ways we might engage on their issues. These entities approached in early 2012 about

interest when the attacks on

ALEC gained traction. Americans for Tax Reform (ATR) has joined the IR Task Force, and other private sector prospects have indicated plans to include IR membership in their next budget. We also continue to attract issue-related grants which contribute enormously to our policy depth and to our financial well-being.

In October 2011, we conducted our first international trip since 2008 taking a delegation of four public sector members to Manchester, UK to attend the Conservative Party Conference there. Last October we conducted an Oil Sands Academy in Alberta, Canada to explore the Keystone XL pipeline issue and Canada's oil sands as an inexpensive and secure energy source that will result in American jobs. Nine legislators from seven states participated, and the sponsors have already expressed an interest in sponsoring a similar academy in late August 2013. The budget and proposal are currently being reviewed. We have been approached by a member to discuss the possibility of an academy trip to Sweden.

We have three robust subcommittees – National Security, Intellectual Property (IP) and Federalism. The National Security Subcommittee has already attracted the attention of AIAA, an aerospace trade association that has combined forces with us on issues of mutual concern, gave ALEC a complimentary booth at one of their conferences earlier in the year and is encouraging its members to join the task force. The Federalism Subcommittee is a response to a rapidly increasing interest in federalism issues among IRTF and other members and the need to have a centralized place for federalism policy and expertise to reside. ALEC is recovering from last year's setbacks due in no small measure to having an excellent public affairs team in place allowing us not only to deflect attacks but to capitalize on our successes. We expect the IP Subcommittee to hold its first meeting at the Annual Meeting in Chicago.

Justice Performance Project
Project Director: Cara Sullivan

Project Chairs

The Justice Performance Project will meet as a voting entity for the first time at the 2013 Spring Task Force Summit and will be led by co-chairs, Senator Chris Shank of Maryland and Mrs. Stacie Rumenap.

Policy Education

The Justice Performance Project continues to provide educational resources on three areas of criminal justice policy: corrections and reentry, pretrial release, and overcriminalization.

The Project has leveraged support for its policies and built coalitions with groups across the political spectrum. In September, led by Exchange Council Resident Fellow, Michael Hough, the Justice Performance Project cohosted a roundtable discussion with the American Civil Liberties Union (ACLU). The roundtable was well attended by groups of various ideologies and our message was very well received.

In March, the Project hosted a breakfast briefing for state legislators on the importance of criminal justice reform in Oregon. The group was led by Oregon state chair, Representative Gene Whisnant, and joined by former Representative Jerry Madden and Exchange Council staff.

Policy Briefs on various aspects of criminal justice reform were sent to Exchange Council members in Oregon, West Virginia, Hawaii, New Jersey, Kansas, and South Dakota. In addition, our member communications have included various educational resources, most recently an academic study discussing the role of commercial bail in the pretrial release system.

Forthcoming Publications www.alect.org www.prwatch.org

The Project has secured a grant to publish a State Factor on Overcriminalization (to be published shortly) and supplement the education by hosting five state-specific educational briefings on the issue.

Membership

The Justice Performance Project has several pending grant proposals and is working to bring on new members from the corrections and reentry field. Legislative membership is growing as more members learn about the Project.

Tax and Fiscal Policy Task Force Task Force Director: Jonathan Williams

The Tax and Fiscal Policy Task Force, in cooperation with ALEC's Center for State Fiscal Reform, continues to advance pro-growth tax policy, pension reform, fiscal responsibility, and priority-based budgeting throughout the states by engaging in the following:

New Tax and Fiscal Policy Task Force Chairs

Following the highly successful Task Force chairmanships of Indiana Senator Jim Buck and Bob Williams from State Budget Solutions, the Task Force is pleased to welcome the new public and private sector chairs. New Hampshire Representative Ken Weyler will serve as the public sector chair. A retired American Airlines pilot, Weyler brings more than 15 years of experience serving on the New Hampshire House Finance Committee and ALEC's Tax and Fiscal Policy Task Force. Ms. Amanda Klump, Senior Manager of Government Affairs Outreach Programs for Altria Client Services Inc. will serve as the private sector chair after years of serving on the Executive Committee for the Task Force. Members of the Tax and Fiscal Policy Task Force are sure to benefit from Rep. Weyler's and Ms. Klump's experience and their commitment to the Council's limited government principles.

Leading the Way on Pro-Growth Policies: Rich States, Poor States

Co-authored by renowned economist Dr. Art Laffer, Stephen Moore from The Wall Street Journal, and Jonathan Williams, Director of ALEC's Center for State Fiscal Reform, *Rich States, Poor States* highlights which policies help states increase economic growth. We are excited to announce that Wyoming Governor Matt Mead and Texas Governor Rick Perry will write introductory remarks for this year's edition.

The sixth edition of *Rich States, Poor States* will be released this spring. Readers will find interesting trends from the last session in the states on tax, pension, and budget reform. This year's edition also features a special case study on California's fiscal woes. *Rich States, Poor States* clearly shows that the key to economic growth is in free-market, pro-growth tax and fiscal policy.

We are planning to release *Rich States, Poor States* in Utah with Utah Governor Gary Herbert, Senate President Wayne Niederhauser, and Speaker Rebecca Lockhart. Last year, ALEC's Center for State Fiscal Reform did 68 *Rich States, Poor States* events across 32 states to educate legislators, governors, taxpayers, policy experts, and business leaders about economic competitiveness. *Rich States, Poor States* has also received media mentions across 36 states, in addition to coverage in national publications such as The Wall Street Journal, Forbes, USA Today, The Examiner, US News and World Report, Detroit News, and The New York Post. We aim to increase our outreach efforts with the 2013 edition of *Rich States, Poor States*.

Setting the Record Straight on Taxes: Tax Myths Debunked

As state legislators discuss fundamental tax reform this session, misconceptions about good tax policy abound. To set the record straight on responsible tax policy, ALEC's Center for State Fiscal Reform released *Tax Myths Debunked*. Co-authored by economists Dr. Randall Pozdena, former vice president of research at the Federal Reserve Bank of San Francisco, and Dr. Eric Fruits, *Tax Myths Debunked* challenges common misconceptions about tax and fiscal policy. As state legislators continue to discuss tax policy aimed at improving their state's competitiveness, *Tax Myths Debunked* provides tax reformers with a rigorous picture of the tax policy consensus that exists among economists.

Legislative Briefings

Since the States and Nation Policy Summit in December, Jonathan Williams and staff from the Center for State Fiscal Reform has organized Rich States, Poor States events in California, Iowa, Washington, Florida, Texas, Alaska, Montana, Nevada, Michigan, Colorado, Indiana, and Oklahoma. The Task Force partners with ALEC members, the business community, grassroots groups, and State Policy Network affiliates to educate on pro-growth policies.