

## ALEC: Modeling Legislation for Corporate and Personal Wealth

If you've never heard of ALEC, you're not alone. The American Legislative Exchange Council – ALEC for short – has operated under the radar for over 40 years. Information contained in recently leaked documents from within the organization provides an illuminating and thorough introduction. It turns out that ALEC may well be the most politically influential organization we've never heard.

ALEC describes itself as the “nation's largest, non-partisan, individual public-private membership association of state legislators”.<sup>i</sup> The ALEC website describes its mission as bringing public and private leaders together “to conduct a policy making program that unites members of the public and private sectors in a dynamic partnership to support research, policy development, and dissemination activities.” Analysis of over 800 leaked documents previously available only to its members tells a different story.<sup>ii</sup>

ALEC was founded in 1973 by Paul Weyrich, a noted conservative activist. ALEC now has an estimated 2,000 conservative state legislators and corporate members.<sup>iii</sup> Among ALEC's 300 corporate members are some of the largest corporations in our nation – Wal-Mart, Coca-Cola, AT & T, ExxonMobile, Johnson & Johnson and Koch Industries.

Annual membership dues for legislators are \$50 while corporate memberships range from \$7,000-\$25,000. Corporate members spend thousands more to work on ALEC legislative task force teams. Money also flows to ALEC from foundations and other groups that are closely associated with organizations focused on derailing legislation that might constrain corporate behavior and profit or contrasts with the ideology of benefactors.<sup>iv</sup>

The hefty corporate dues and fees buy members the privilege of equal say regarding model legislation developed by the group. Corporate members also hold veto power over the language of the legislation.<sup>v</sup> Many of the corporate members are experienced lobbyists who draft the model legislation for consideration by legislators.

The 2,000 state legislator ALEC members represent all 50 states. This national presence combined with the deep pockets of its corporate members and donors, makes ALEC a major player on the American political scene. A thousand bills are introduced by ALEC legislators each year. Approximately 20% make it into law.

ALEC founding member, Paul Weyrich, believed that the smaller the electorate, the greater the possibility of achieving conservative goals<sup>vii</sup>. The spate of Voter ID laws sweeping the nation after the 2010 elections are a recent example of ALEC generated legislation that may move the country closer to that aim. Compliance with the stringent requirements imposed by these bills will be difficult if not impossible for a significant number of minority and younger voters – voters who are known to vote predominately for Democratic candidates.<sup>viii</sup> ALEC also targets federal and state environmental and financial regulation, health care reform, state minimum wage laws and trade and public employee unions.<sup>ix</sup>

Documents from within the organization offer evidence<sup>x</sup> that the organization is “the mechanism through which some of America's largest corporations are seeking to secure legislation designed to advance their bottom lines.”<sup>xi</sup> It is the apparent pattern of lobbying efforts by ALEC, revealed in the pages of leaked documents, that raises questions about the legitimacy of ALEC as a tax exempt organization.

Status as a charitable organization allows ALEC to bypass lobbying disclosure requirements and frees corporate members to claim payments to ALEC as ‘charitable’ thereby avoiding taxes that apply to lobbying expenditures. Tax returns, correspondence between legislators, and other material available through the Freedom of Information Act bring the true function of ALEC – “developing and promoting favored state legislation” – into clear view.<sup>xii</sup>

Backed by the massive amount of data found in the leaked ALEC documents, Common Cause has requested a thorough investigation by the IRS of what it describes as “massive underreporting of lobbying” and ALEC’s tax exempt status.

Should we be concerned with the operations of ALEC? Lisa Graves, the Executive Director of the Center for Media and Democracy, believes there is significant evidence that concern is warranted because legislative task forces in ALEC “*target legal rules that reach into almost every area of American life: worker and consumer rights, education, the rights of Americans injured or killed by corporations, taxes, health care, immigration, and the quality of the air we breathe and the water we drink.*”

Ms. Graves goes on to warn: “ALEC says it has created a “unique” partnership between corporations and politicians. And it has. *It is a worrisome marriage of corporations and politicians, which seems to normalize a kind of corruption of the legislative process — of the democratic process — in a nation of free people where the government is supposed to be of, by, and for the people, not the corporations.*”

The full sweep of the bills and their implications for America's future, the corporate voting, and the extent of the corporate subsidy of ALEC's legislation lauding all raise substantial questions. These questions should concern all Americans. They go to the heart of the health of our democracy and the direction of our country. *When politicians — no matter their party — put corporate profits above the real needs of the people who elected them, something has gone very awry.*”<sup>xiii</sup>

Find the full story of ALEC, including the leaked documents, at: [http://www.alecexposed.org/wiki/ALEC\\_Exposed](http://www.alecexposed.org/wiki/ALEC_Exposed)

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<sup>i</sup> <http://www.theroot.com/views/who-alec-and-why-are-they-so-powerful> Published: 12/22/11

<sup>ii</sup> <http://www.alec.org/about-alec/> Accessed: 2/26/12

<sup>iii</sup> [http://www.alec.org/AM/pdf/2011\\_legislative\\_brochure.pdf](http://www.alec.org/AM/pdf/2011_legislative_brochure.pdf) Accessed: 2/26/12

<sup>iv</sup> <http://www.greenpeace.org/usa/en/campaigns/global-warming-and-energy/polluterwatch/koch-industries/american-legislative-exchange/> Accessed: 2/27/12

<sup>v</sup> <http://www.prwatch.org/news/2011/07/10882/comparison-alec-and-ncsl> Accessed: 2/27/12

<sup>vi</sup> <http://www.theroot.com/views/who-alec-and-why-are-they-so-powerful> Published: 2/22/11

<sup>vii</sup> A quote from the fall

of 1980 while at a religious gathering provides insight into some of Weyrich’s political views: “I don’t want everybody to vote,” he said plainly. “Elections are not won by a majority of people; they never have been, from the beginning of our country, and they are not now. As a matter of fact, our leverage in the elections quite candidly goes up as the voting populace goes down.”: <http://www.theroot.com/views/who-alec-and-why-are-they-so-powerful> Accessed: 12/22/11

<sup>viii</sup> *Introduced in 34 states in 2010-2011 session and passed in eight as of this writing*

<sup>ix</sup> <http://www.commoncause.org/atf/cf/%7Bfb3c17e2-cdd1-4df6-92be-bd4429893665%7D/MONEYPOWERANDALEC.PDF> Accessed: 2/26/12

<sup>x</sup> <http://workersrights.twu.org/post/7774649133/coordinated-attacks-on-collective-bargaining-not-just-a> Accessed: 2/27/12

<sup>xi</sup> <http://www.commoncause.org/site/apps/nlnet/content2.aspx?c=dkLNK1MQIwG&b=810365&ct=10902603> Accessed: 2/26/12

<sup>xii</sup> <http://www.commoncause.org/site/apps/nlnet/content2.aspx?c=dkLNK1MQIwG&b=810365&ct=10902603> Accessed: 2/26/12

<sup>xiii</sup> <http://www.prwatch.org/news/2011/07/10883/about-alec-exposed> Accessed: 2/27/12