



By the Center for Media and Democracy www.prwatch.org

# ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda-underwritten by global corporationsincludes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With ALEC EXPOSED, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy **DID YOU KNOW?** Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?** 

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### PRIVATIZATION INITIATIVE PANEL ACT

Did you know that the
Evergreen Freedom
Foundation--which is
connected to the Kochs--was
the corporate co-chair in
2011?"

This bill establishes a privatization initiative panel to consider government priorities by determining what activities are inherently governmental and which could be more efficiency provided by a private source. The process should bring a decrease in the number of goods and services delivered by the government while ensuring that those goods and services are still available. If done prudently, privatization has the potential to increase efficiency, effectiveness, and reduce the tax burden. (An example of this bill is New York SB #8774, 1992)

#### **Model Legislation**

Summary

[Title, enacting clause, etc]

Section 1. (Short Title.)

This Act may be cited as the Privatization Initiative Panel Act

# **ALEC's Corporate Board**

## --in recent past or present

across the nation.

- AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.
- DIAGEO
- Peabody Energy
- Intuit, Inc.
- Koch Industries, Inc.
- ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at www.SourceWatch.org.

#### Section 2. {Privatization initiative panel.)

- (A) There is hereby established a privatization initiative panel. The members of the panel shall analyze and recommend privatization opportunities for [state].
- (B) The panel shall consist of three members appointed by the temporary president of the senate, three members appointed by the speaker of the assembly, one member appointed by the minority leader of the senate and one member appointed by the minority leader of the assembly, and a chairperson and six additional members, appointed by the governor. Of the members appointed by the governor, the temporary president of the senate and the speaker of the assembly: at least one from each designating authority shall represents the interests of private industry, at least one from each designating authority shall represent the interests of state employees, and at least one from each designating authority shall represent the interests of local governments.
- (C) The panel shall meet at the call of the chair.
- (D) Members of the panel shall serve without compensation; provided, however, that such members shall be allowed their actual and necessary expenses.
- (E) The division of the budget shall assign to the panel such employees as shall be necessary to perform the duties of the panel and shall fix the compensation of such employees within the limits of the moneys appropriated therefore.

- (F) Members of the panel shall review and recommended opportunities for privatization initiatives including, but not limited to, the following kinds:
- (1) "Competitive contracting" is the provision of a public service through a competitively awarded contract. The public agency chooses what services to competitively contract and chooses the private providers from which it purchases services. Competitive contracting involves a synthesis of public and private roles. The public sector decides what services shouldbe contracted and what specifications should apply to the service. The competitive market responds to the invitation of the public agency, and one or more producer is selected to provides specific service for a period of time. The public sector retains policy control over the service, while the competitive market produces the service under public scrutiny.
- (2) "Vouchers." which for the purpose of this act shall mean the provision of financial assistance to allow private citizens to choose whether to purchase a service from a public or commercial source;
- (3) "Volunteers," which for the purpose of this act shall mean the utilization of free services provided by individuals to public agencies;
- (4) "Deregulation," which for the purposes of this act shall mean the use of regulatory powers by government to encourage competition among commercial sources in providing services, and the relaxation of regulatory requirements which discourage such competition;
- (5) "Service Shedding," for the purposes of this act shall mean the process of finding commercial sources willing to take over specified service heretofore provided by agencies;
- (6) "Asset Sales," for the purpose of this act shall mean the selling of properties or enterprises to commercial entities by an agency;
- (7) "Public-private partnerships," for the purpose of this act shall mean cooperative ventures between agencies and commercial sources; and
- (8) "Private donations," which for the purposes of this act shall mean the loan or donation of personnel, facilities, or equipment by commercial sources or private individuals to agencies.
- (9) "Franchising", which for the purpose of this act shall mean permitting commercial sources to exclusively or non-exclusively provide a service within geographical areas;
- (10) "Competitively Awarded Grants and subsidies" which for the purpose of this act shall mean the provision of government financial assistance to commercial sources to promote the provision of specified services as an alternative to government provision of the same service;
- (G). The division of the budget shall receive members' recommendations; review them and shall make recommendations to the governor, affected agencies and public benefit corporations concerning their implementation within ninety days of receiving the members' recommendations.

Section 3. (Severability clause.)

Section 5. (Effective date.)



Adopted by ALEC's Tax and Fiscal Policy Task Force and Approved by full ALEC Board of Directors January 1995.

**About Us and ALEC EXPOSED.** The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and now www.ALECexposed.org. For more information contact: editor@prwatch.org or 608-260-9713.