



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 ahostwrite "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 across the nation.

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?

Home → Model Legislation → Commerce, Insurance, and Economic Development

Constitutional Amendment Restricting the Use of Vehicle Fees and Taxes for Highway Purposes

Did you know that global corporation Kraft Foods was the corporate cochair in 2011?

NEW SECTION: All fees collected by the State of as license fees for motor vehicles and all excise taxes collected by the State of on the sale, distribution or use of motor vehicle fuel, and any another motor vehicle related tax or fee shall be paid into the state treasury and placed in a special fund to be used exclusively for highway purposes. Such highway purposes shall be construed to include the following:

- (A) The necessary operating, engineering and legal expenses connected with the administration of public highways, county roads and city streets;
- (B) The construction, reconstruction, maintenance, repair, and betterment of public highways, county roads, bridges and city streets; including the cost and expense of
- (1) acquisition of rights-of-way,
- (2) installing, maintaining and operating traffic signs and signal lights,
- (3) operation of movable span bridges,
- (4) operation of motor vehicle carrying ferries, which are a part of any public highway, county road, or city street; and
- (C) The payment or refunding of any obligation of the State of or any political subdivision thereof, for which any of the revenues described in this section may have been legally pledged prior to the effective date of this act.

Adopted by the Tax and Fiscal Policy Task Force at the Spring Task Force Summit, May 17, 2008. Approved by the ALEC Board of Directors June 2008.

Center for Media and Democracy's quick summary:

This is a dangerous weapon against smart transportation policy in states, now adopted as suggested in 21 states (and with equivalent statutory language in another 8. As clear in its name, the proposal is to lock in by constitutional amendment a restriction of gasoline and other vehicle-related revenues to spending on highway-related purposes. Without a public interest justification, this is an artificial constraint on public choice about revenue disposition and distortion of expressed consumer demand across transportation options by subsidizing one particular mode of surface transportation — by fossilfueled powered and generally single-occupancy vehicles, on highways — over others. The particular mode benefiting from this restrictive subsidy, as compared to others — rail or bus transit, water shipping, biking, or walking — is not always the most efficient way to move people and goods, but is almost always the way most damaging to the environment, community health and stability, and equity. It's also vastly overbuilt at present, so hardly in need of such specific restrictive subsidy. Also, note that "vehicle fees and taxes" currently pay for only about half the direct costs of highways. So the effect of this restrictive subsidy to them has a multiplier in draining the funds from other, potentially more worthy, transportation projects. Essentially distorting the price calculation on highway, it encourages politicians to continue to fixate at them, counter to everything we know about what's need to local equity and wealth creation, much less our environment.

ALEC's Corporate Board --in recent past or present

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- Kraft Foods, Inc.
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- 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.

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