

**ALEC's Corporate Board**  
—in recent past or present

- 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](http://www.SourceWatch.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 corporations—includes 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 → Tax and Fiscal Policy ←

**Federal Grant Review Act**

**Summary**

A major problem affecting state legislatures in maintaining fiscally sound government and reconciling competing needs for state revenues is the continuing participation of their states in federal programs that obligate state revenues and resources. State agencies have furthered the problem of onerous federal mandates on states by getting involved in federal programs that place burdens on the state.

This Act is designed to help solve this problem by requiring a legislative review of all state applications for federal assistance or participation in federal programs, prior to the submission of such applications to the federal government. The Act also prevents federal grant money from being used to influence legislators at any level in support or opposition to legislation.

**Model Legislation**

{Title, enacting clause, etc.}

**Section 1.** This Act shall be cited as the Federal Grant Review Act.

**Section 2. {Application for federal grant.}** Prior to the submission of any financial assistance or grants from the federal government, or agency thereof, by or on behalf of the state or any agency thereof, such application shall be submitted for legislative review to the (joint legislative budget committee). If the application is approved by the committee, the agency may submit the application to the appropriate federal agency.

**Section 3. {Report of federal grants.}** Each state agency shall submit to the [joint legislative budget committee] written reports containing an account of all financial assistance or grants from the federal government, or agency thereof, expected to be accepted and expended by such state agencies during the ensuing fiscal year and for the projects or programs for which such funds will be expended. Each report shall be presented to the (joint legislative budget committee) with such state agency's budget request.

**Section 4.** No federal grant may be used in any attempt to influence the introduction, enactment, or modification of any federal, state, or local legislation or referenda through the communication with any member or employee of the Congress, state legislature, or local government entity (including efforts to influence state or local officials to engage in similar lobbying activities), or with any government official or employee in connection with a decision to sign or veto enrolled legislation.

**Section 5.** No federal grant may be used in any attempt to influence the introduction, enactment, or modification of any of federal, state, or local legislation or referenda by preparing, distributing, or using publicity or propaganda, or by urging any member of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fund raising drive, lobbying campaign, or letter writing or letter campaigns.

**Section 6. {Severability clause.}**

**Section 7. {Repealer clause.}**

← **Were your laws repealed?**

**Section 8. {Effective date.}**

*ALEC's Sourcebook of American State Legislation 1995*

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

**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](http://www.PRWatch.org), [www.SourceWatch.org](http://www.SourceWatch.org), and now [www.ALECExposed.org](http://www.ALECExposed.org). For more information contact: [editor@prwatch.org](mailto:editor@prwatch.org) or 608-260-9713.