

**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.

**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).

& MEETINGS

**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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**Offer of Settlement Act**

Did you know that Victor Schwartz--a lawyer who represents companies in product litigation--was the corporate co-chair in 2011?

**Summary**

The offer of settlement mechanism encourages dispute resolution by creating incentives for reasonable settlement offers advanced prior to trial. It rewards careful evaluation of settlement by requiring that the party rejecting the compromise bear the opponent's additional costs of going to trial, including reasonable attorneys' fees, unless the party obtains a judgement that exceeds the settlement offer by 10 percent for a money claim or is more favorable than the rejected offer in other claims.

While the offer of settlement provision is presented here as a model act, state practice may instead require implementation by amendment to the state rules of civil procedure. To the extent that the state rules follow the Federal Rules of Civil Procedure (FRCP), reference should be made to FRCP 68 in order to place these proposed changes in context.

**Model legislation**

{Title, enacting clause, etc.}

**Section 1. {Title.}** This Act shall be known as and may be cited as the Offer of Settlement Act.

**Section 2. {Offer of settlement procedure.}** At any time more than 20 days after the service of a summons and complaint on a party but not less than 30 days (or 20 days if it is a counter offer) before trial, either party may serve upon the other party, but shall not file with the court, a written offer denominated as an offer under this rule, to settle a claim for the money, property, or relief specified in the offer and to enter into an agreement dismissing the claim or to allow judgment to be entered accordingly. The offer shall remain open for 30 days unless sooner withdrawn by a writing served on the offeree prior to acceptance by the offeree. Acceptance or rejection of the offer by the offeree must be in writing and served upon the offeror. An offer that is neither withdrawn nor accepted within 30 days shall be deemed rejected. The fact that an offer is made but not accepted does not preclude a subsequent offer. Evidence of an offer is not admissible except in proceedings to enforce a settlement or to determine sanctions under this rule. When the complaint sets forth a claim for money, if the offeree rejects the offer and the judgment finally obtained by the offeree was not at least 10 percent more favorable than the last offer, the offeree shall pay the offeror's reasonable attorneys' fees and reasonable costs incurred after the rejection of the last offer. When the complaint sets forth a claim for property or other nonmonetary relief, if the offeree rejects the offer and the judgment finally obtained by the offeree is not more favorable than the last offer, the offeree shall pay the offeror's reasonable costs and reasonable attorneys' fees incurred after rejection of the last offer.

This rule shall not apply to class or derivative actions.

**Section 3. {Severability.}**

**Section 4. {Repealer clause.}**

**Section 5. {Effective date.}**

*ALEC's Sourcebook of American State Legislation 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](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.