See Center for Media and Democracy' quick summary at bottom

AMERICAN LEGISLATIVE EXCHANGE COUNCIL

# ALEC Exposed

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 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.*

**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?**



Did you know the trade group for the gas industry was a corporate co-chair in 2011?

# Conditioning Regulation of Non-Pollutant Emissions on Science Act

***Summary***

The following language may be used as a freestanding bill or amendment to a bill, (*e.g.,* a bill to regulate carbon dioxide). It requires [State EPA] Administrator to perform an assessment that considers certain criteria prior to formally proposing or implementing regulation of any emission not listed as a "pollutant" under the Clean Air Act.

Under this approach, to propose regulation of carbon dioxide emissions, or to implement a statutory emissions cap, whether or not it is required by other state authorities, the Administrator must first report whether the proposal:

- reasonably demonstrates that the authority is necessary to protect the environment or public health or welfare;
- is likely to have a substantial and significant adverse effect on fuel or energy availability or price, its impact to be balanced against any benefits reasonably identified as deriving from the proposal (asserting both benefits and costs); and
- possesses feasibility and benefits comparatively superior to alternative means toward achieving the same end, potentially yielding the same or better result but with a stimulative impact in lieu of a putative negative economic impact.

This initiative does not require a cost-benefit analysis that must yield particular results in order for a proposal to advance. A proposal with no benefit or tremendous cost can still advance. It is instead a "regulatory right to know" requirement of disclosure, to accompany any such proposal, assessing any detectable benefits, and their relationship to costs.

An alternative approach to this bill is to create a process similar to the Clean Air Act requirement for listing criteria pollutants, for any state effort to regulate an air emission not already listed as a pollutant under the Clean Air Act.

***Model Legislation***

**Section 1. {Short Title}** This Act may be cited as the "Conditioning Regulation of Non-Pollutant Emissions on Science."

**Section 2. {Required Assessment For Regulating Non-Pollutant Emissions}** Notwithstanding any other authority, prior to proposing regulation or

implementing statutory limitation of an air emission not listed as a pollutant under the Federal Clean Air Act (42 U.S.C. Sections 7408 or 7412), the [State EPA] Administrator shall ensure and consider a specific, independent regulatory Assessment.

**Section 3. {Required Elements Of Assessment}** An assessment pursuant to Section (2) of this Act shall –

- include a detailed analysis of:
    - improvements in environmental quality or public health or welfare expected to result from the proposed emission control or prohibition, employing specific environmental and other indicators as applicable; and
    - the likely direct and indirect effects of the proposed control or prohibition on the availability and price of fuel and electricity in the State;
    - a comparison of such likely market impacts to potential benefits reasonably identified as deriving from the proposal; and
    - the comparative feasibility and benefits of achieving similar results through alternative means with a more positive economic impact.
- demonstrate whether the proposed emission control or prohibition is necessary to protect the environment or public health or welfare.

**Section 4. {Criteria For Regulatory Proposal}** The Administrator shall fully detail in his regulatory proposal as described in Section (2) of this Act whether:

- the assessment pursuant to Section (3) of this Act reasonably demonstrates that the authority is necessary to protect the environment or public health or welfare;
- the control or prohibition is likely to have a substantial and significant adverse effect on fuel or electricity availability or price that clearly outweighs any benefits reasonably identified as deriving from the control or prohibition;
- the State has sufficiently assessed the comparative benefits of achieving the same end through flexible, incentive-based means, for example by expediting capital turnover through providing accelerated asset depreciation or otherwise modifying capital gains or other tax schedules, including a detailed assessment of those alternatives considered and their benefits; and
- the proposal is a comparatively superior approach to alternative approaches analyzed.

**Section 5. {Assessment Procedural Requirements}**

- SCIENTIFIC COMPONENT – Prior to formally proposing regulation as described in Section (2) of this Act, the Administrator shall empanel no less than five (5) qualified experts in related fields but independent of any regulatory agency, to assess and report on the specific potential environmental benefits to be derived from the proposal and from alternatives pursuant to Section 3(A)(4) of this Act, employing discrete environmental indicators;
    - the Administrator shall to the extent possible ensure balance among the panel in terms of appointees' documented positions on related matters,

and shall minimize potential appearances of conflict of interest;

- the panel's report shall be included in the Assessment pursuant to Section (2) of this Act and published as part of any regulatory proposal covered by this Act, and its written deliberations made available to the public at the same time; and

- the panel's analysis and considerations shall resemble to the extent applicable that required under 42 U.S.C. 7408 for determining criteria pollutants.

- ECONOMIC COMPONENT – Prior to formally proposing regulation, the Administrator shall empanel no less than five (5) qualified experts in related fields but independent of any regulatory agency, to assess and report on the potential economic impacts associated with the proposal and potential alternatives;

  - the Administrator shall to the extent possible ensure balance among the panel in terms of appointees' documented positions on related matters, and shall minimize and avoid where possible potential appearances of conflict of interest; and

  - the panel's report shall be included in the Assessment pursuant to Section (2) of this Act and published as part of any regulatory proposal covered by this Act, and its written deliberations made available to the public at the same time.

- PUBLIC NOTICE AND OPPORTUNITY FOR COMMENT - The Administrator shall provide public notice and reasonable opportunity for comment with respect to the panels' reports in addition to or as part of the regulatory notice and comment procedure, and shall grant such comments due consideration in finalizing any such proposal.

**Section 6. {Severability}**

Were *your laws repealed?*

**Section 7. {Repealer Clause}**

**Section 8. {Effective Date}**

*Adopted by the Natural Resources Task Force at the States and Nation Policy Summit, December 2002. Approved by the ALEC Board of Directors January 2003*

From CMD: This "model" legislation would impose new burdens on state regulatory efforts. It requires several layers of process that the state must pass before an environmental regulation can be passed, including detailing with specificity the impacts of the regulation. It also requires the creation of two panels of "experts" to assess the economic and environmental impacts. The Act would keep a state from responding quickly to public health issues. Conversely, it does not require any such rigorous assessments for businesses.