

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?**

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Legislative Budget Audit Commission Act

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

Summary

The Legislative Budget Audit Commission Act creates an independent commission charged with rooting out waste, fraud, abuse, and inefficiency in state government. The commission will make recommendations that will save taxpayers money, send more dollars into customer service and less into bureaucracy, streamline government operations, and utilize the private sector for service delivery. If successfully implemented, the commission would save government money in the short and long term and help to avert a future state fiscal crisis.

Model Legislation

{Title, enacting clause, etc.}

Section 1. {Title} This Act may be cited as the Legislative Budget Audit Commission Act.

Section 2. {Statement of Purpose} It is the intent of the LEGISLATIVE BODY to authorize the creation of an independent commission to annually examine the operations of state government, with a purpose to making recommendations to the LEGISLATIVE BODY on various manners in which state government can operate more efficiently. The commission will challenge and question the basic assumptions underlying all state agencies and the programs and services offered by the state.

Section 3. {Definitions}

- (A) "COMMISSION" means the Legislative Budget Audit Commission.
- (B) "operations of state government" means the activities of state government that are authorized by law.
- (C) "reasonable request for information" means a request for information that is readily available or could be available through a modicum of effort.
- (D) "state budget shortfall" means a rate of growth in tax revenues that will not be sufficient to allow the state to spend 100% of the funds authorized to be spent in the state's general fund.
- (E) "State agency" means:
 - (1) a board, commission, department, institution, office, or other agency in the executive branch of state government that is created by the constitution or by a statute of this state;
 - (2) the Supreme Court of [state], the Court of Criminal Appeals [or appropriate court], any court of appeals, or other agency in the judicial branch of state government; or
 - (3) an institution of higher education as defined by [cite appropriate State code Section].

Section 4. {Creation of Commission}

- (A) There is hereby created the LEGISLATIVE BUDGET AUDIT COMMISSION.
- (B) The executive director of the COMMISSION shall be initially selected by the Speaker of the House. The executive director's term shall be four years. After four years, the Senate President shall re-appoint the executive director to another four year term or appoint a new executive director. The appointment will then be made on an alternating basis, and neither the Speaker of the House nor the Senate President may make consecutive appointments. There is no limit to the number of terms a person may serve as executive director of the COMMISSION.
- (C) The executive director shall be paid an annual salary of _____, commensurate with other agency executives, and be given the standard benefits package for state employees, and shall be given a budget of _____ to hire additional staff.
- (D) At least one staff person in the COMMISSION shall be available full time to work on inquiries submitted by legislators.

Section 5. {Duties of Commission}

(A) The COMMISSION will have the general mission of examining the operations of state government, with a purpose to making recommendations to the LEGISLATIVE BODY on various manners in which state government can operate more efficiently. The commission will challenge and question the basic assumptions underlying all state agencies and the programs and services offered by the state.

(B) Specifically, the COMMISSION must:

(1) Deliver an annual report to the LEGISLATIVE BODY, no later than January 15th of each calendar year (or every other year if state uses biennial budgeting). The first report made to the LEGISLATIVE BODY will include an assessment of previous comprehensive efforts by the state to review government operations, and indicate their level of success or failure. The report shall thereafter include a review of previous recommendations made by the COMMISSION and adopted by the LEGISLATIVE BODY, and an estimate of how much money the recommendations were estimated and actually saved. The report must also indicate how the state can better allocate resources, such as:

(a) streamlining, reorganizing, consolidating, contracting out, or eliminating functions performed by each agency;

(b) reducing duplicative staffing;

(c) improving space and property use, including exploring the sale or lease of surplus or unnecessarily held property;

(d) increasing the agency's capacity to deliver services and improving its responsiveness to citizens;

(e) streamlining procurement procedures;

(f) improving the use of cost-saving information technology in service delivery and in lessening the need for paperwork;

(g) improving internal budgeting and financial administration procedures, including procedures to more efficiently collect past due accounts receivables;

(h) contracting with private sector firms to conduct activities currently performed by the agency;

(i) establishing techniques for the measurement of productivity and the evaluation of employee performance;

(j) analyzing each line of business engaged in by each agency, including recommendations for the adoption of performance measures in each agency or, if performance measures are already used, an evaluation of the state's performance using existing measures;

(k) other methods or procedures designed to improve the use of state funds.

(2) Examine the feasibility of creating a financial incentive program for state employees to provide awards for employees who devise ways of reducing or eliminating expenses or improving operations. This shall be done in the form of a report submitted to the LEGISLATIVE BODY not less than one year after the creation of the COMMISSION.

(3) Be generally available to assist legislators in developing policies to streamline government operations. The COMMISSION must promptly answer reasonable requests for information from legislators and those in executive agencies

(4) In the event of a state budget shortfall, the COMMISSION shall develop a recommendation to the LEGISLATIVE BODY on steps that can be taken to reduce or eliminate expenditures to alleviate the budget shortfall. Such steps should include, but are not limited to, those outlined in § (1)(a)-(j).

(5) The COMMISSION shall also, on an ongoing basis, endeavor to discover the state constitutional authority for each line of business engaged in by each state agency. When applicable, the constitutional authority for each line of business should be noted in the COMMISSION'S annual report. If it is unclear of debatable whether the state constitution authorizes a line of business, it should be noted.

(C) All agencies of state government are directed to assist the COMMISSION in the performance of its duties and, to the extent permitted by laws related to confidentiality, furnish such information and advice as the COMMISSION considers necessary to perform its duties.

Section 6. {Funding of Commission's Activities}

(A) For the first two years (or four years in the case of biennial budgeting states) of the COMMISSION'S activities, the COMMISSION shall be funded from the funds allocated to the legislature under the state budget.

(B) For the second two years (or second four years in the case of biennial budgeting states), the COMMISSION'S activities shall be funded as follows:

(1) 50% from funds allocated to the legislature under the state budget;

(2) 50% from savings resulted from enacted recommendations of the COMMISSION(C) For the third two years (or third four years in the case of biennial budgeting states), the COMMISSION shall be solely funded through savings resulting from enacted recommendations of the COMMISSION. If sufficient funds are not available through savings resulting from enacted recommendations of the COMMISSION, the COMMISSION'S budget shall be cut accordingly.

Section 7. {Savings}

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(A) Savings resulting from enactment of the COMMISSION'S recommendations shall be placed in a special fund called the "Legislative Audit Commission Savings Fund."

(B) Pursuant to the requirements of §6, on the first day of the budget year, an amount equal to the budget of the COMMISSION will be transferred from the "Legislative Audit Commission Savings Fund" to the COMMISSION.

(C) The remaining funds will be disbursed as follows:

(1) 20% of the funds shall be released for use in the state's general fund;

(2) 30% shall be transferred to the state's rainy day reserve;

(3) 50% shall be returned to the citizens of the state on a pro rata basis.

(D) If the release of such funds in §7(c)(1) would cause the state to exceed the constitutional or statutory authority of the state to spend such money, then such money will be returned to the taxpayers on a pro rata basis.

(E) If the release of such funds in §7(c)(2) would cause the state to exceed the constitutional or statutory authority of the state to save such money, then such money will be returned to the taxpayers on a pro rata basis.

(F) Of the funds released to the state general fund under §7(C)(1), priority for the use of such funds shall be given to the agency from which they were accumulated, provided that each agency develops a plan for the use of such funds and presents the plan to the COMMISSION.

(G) Of the funds released to the state general fund under §7(C)(1), a portion of said funds shall be dedicated to providing financial rewards for state employees after the adoption and implementation of the financial incentive program in §5(B)(2). Funds used in this regard shall take precedence over funds re-appropriated to agencies under §7(C)(1).

Section 8. {Severability Clause}

Section 9. {Repealer Clause} ← **Were your laws repealed?**

Section 10. {Effective Date}

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