

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?

Home -> Model Legislation -> Commerce, Insurance, and Economic Development

Living Wage Mandate Preemption Act

Summary

The Living Wage Mandate Preemption Act repeals any local "living wage" mandates, ordinances or laws enacted by political subdivisions of the state. It also prohibits political subdivisions from enacting laws establishing "living wage" mandates on private businesses, including those businesses that have service contracts with and/or receive financial assistance from such political subdivisions of state government.

Model Legislation

Section 1. {Short Title.} This Act shall be known as the Living Wage Mandate Preemption Act.

Section 2. {Legislative Declarations.} This legislature finds and declares that:

- (A) Economic stability and growth are among the most important factors affecting the general welfare of the people of this state, and that economic stability and growth are therefore among the most important matters for which the Legislature is responsible;
(B) Mandated wage rates comprise a major cost component for private enterprises, and are among the chief factors affecting the economic stability and growth of this state;
(C) Local variations in mandated wage rates threaten many businesses with a loss of employees to areas which require higher mandated wage rates, threaten many other businesses with the loss of patrons to areas which allow lower mandated wage rates, and are therefore detrimental to the business environment of the state and to the citizens, businesses, and governments of the various political subdivisions as well as local labor markets;
(D) In order for businesses to remain competitive and yet attract and retain the highest possible caliber of employees, private enterprises in this state must be allowed to function in a uniform environment with respect to mandated wage rates; and
(E) Legislated wage disparity between political subdivisions of this state creates an anticompetitive marketplace that fosters job and business relocation.

Section 3. {Definitions.}

- (A) For purposes of this title, "political subdivision" includes, but is not limited to, a municipality, city, county, township, village, school district, special purpose district, public service district, or any local government of this state.
(B) For purposes of this title, "living wage mandate" means any requirement enacted by a political subdivision of this state that requires an employer to pay any or all of its employees a wage rate not otherwise required under this state's law or federal law.
(C) For purposes of this title, "employer" includes, but is not limited to, any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency (other than the government of the United States), as well as employers that have contracts or subcontracts with the political subdivision or that have received tax abatements, loan guarantees, or other financial assistance from the political subdivision.
(D) For purposes of this title, "employee" means any individual employed by an employer.
(E) For purposes of this title, "employ" includes to suffer or permit to work.
(F) For purposes of this title, "person" means an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.

Section 4. {Repeal and Preemption of Local Law.}

- (A) Except as provided in Section 4 (B) and Section 5, any and all living wage mandates enacted by any political subdivision of this state are repealed.
(B) Except as provided in Section 5, no political subdivision of this state may enact, maintain, or enforce by charter, ordinance, purchase agreement, contract, regulation, rule, or resolution, either directly or indirectly, a living wage mandate in an amount greater than this state's applicable state minimum wage [or, if applicable: "in the federal

Did you know that global corporation Kraft Foods served as corporate co-chair in 2011?

Fair Labor Standards Act of 1938, as amended {29 U.S.C. Sec. 201 et seq.}”].

Section 5. {Severability Clause.}

(A) The prohibitions in Section 4 of this title shall not [choose any/all of the following]:

(1) Prohibit a political subdivision of this state from enacting, maintaining, or enforcing through a collective bargaining agreement or other means a minimum wage requirement governing compensation paid by that political subdivision to employees of that political subdivision;

(2) Apply to a collective bargaining agreement negotiated between a political subdivision and the bargaining representative of the employees of the political subdivision;

(3) Limit, restrict, or expand a prevailing wage required under existing state law [cite code/statute];

(4) Apply when applicable federal law requires the payment of a prevailing or minimum wage to persons working on projects funded in whole or in part by federal funds.

Section 6. {Repealer Clause.}

Were your laws repealed?

Section 7. {Effective Date.}

Adopted by the CIED Task Force at the 2001 States and Nation Policy Summit. Approved by the ALEC Board of Directors in January, 2002.

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, www.SourceWatch.org, and now www.ALECexposed.org. For more information contact: editor@prwatch.org or 608-260-9713.

Center for Media and Democracy's quick summary

This bill would allow states to prevent its cities and counties from setting minimum wages that exceed those required under state or federal law ("living wage" laws).

This is similar to Wisconsin Governor Scott Walker's efforts to preempt a pro-worker sick-leave law passed by a majority of voters in Milwaukee.

ALEC appears to support local control when it applies to state's rights against the federal government, but opposes local control when it applies to cities' rights against the state. For example, see also "Prohibition Against Regulation of Nutritional Information Regulation," "Rent Control Preemption Act."