

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

Resolution Opposing "Pay at the Pump" Automobile Insurance

Summary

"Pay at the pump" plans would replace the present personal choice automobile insurance market with a government program. Each car would be covered by basic auto insurance upon registration and issuance of license tags through higher registration and tag fees, and the state would use the proceeds of a gasoline surtax of up to 50 cents per gallon to pay for future claims. States would contract with insurance companies to handle claims, and insurance companies would compete in bidding to insure blocks of motorists. Individuals could exercise choice of package provided and, because of duplication in coverage and lower volumes, the cost of extra coverage would increase.

The "Pay at the pump" plan rejects consumer choice and the relationship between risk and price would result in careful drivers subsidizing accident prone drivers and rural drivers subsidizing urban drivers.

Model Resolution

WHEREAS "pay at the pump" would impose increased automobile registration and license tag fees and a gasoline surtax to provide basic automobile insurance coverage for all registered cars; and

WHEREAS "pay at the pump" would replace the present personal choice automobile insurance market with a government program; and

WHEREAS the price of auto insurance varies by car, driver experience, and area based on differences in risk; and

WHEREAS "pay at the pump" would increase the price of auto insurance for those who consume the most gasoline, regardless of risk; and

WHEREAS the present insurance system rewards careful drivers through lower premiums by providing a financial incentive for all drivers to adhere to the rules and regulations of traffic safety to avoid higher premiums; and

WHEREAS "pay at the pump" would create a situation in which safe drivers would subsidize insurance costs for poor drivers; and

WHEREAS rural and suburban drivers travel further distances and use more gasoline per capita than other drivers; and

WHEREAS "pay at the pump" would force rural and suburban drivers to subsidize insurance costs for other drivers; and

WHEREAS "pay at the pump" is unnecessary because many current automobile insurance policies already take account to an appropriate extent the relation between miles driven and risks; and

WHEREAS generally larger cars, which consume large amounts of fuel, are safer than smaller more fuel efficient cars; and

WHEREAS "pay at the pump" would cause drivers of safer cars to subsidize drivers of smaller cars; and

WHEREAS motorists could avoid the cost of insurance but still maintain coverage by buying gasoline from a state that did not have a "pay at the pump" system; and

WHEREAS "pay at the pump" applied to all motor fuels would force a "one size fits all" insurance financing program on cars, trucks, boats, busses, and users of non-petroleum fuels;

NOW THEREFORE, BE IT RESOLVED that the American Legislative Exchange Council opposes "pay at the pump" programs as a means to provide automobile insurance; and

BE IT FURTHER RESOLVED that the American Legislative Exchange Council

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

supports competition and the operation of free markets in the insurance industry as the most effective means of guaranteeing quality service for the lowest price.

1995 Sourcebook of American State Legislation

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.