

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?**

Resolution to Preserve the Legislative Process

WHEREAS, the legislative process should be the principal policy-making vehicle for developing state law, especially with respect to matters that require and would substantially benefit from legislative hearings, oversight, and judgments about the effect of policy changes on the population as a whole;

WHEREAS, it is particularly important that the legislature closely consider proposals having fiscal implications to determine their impact on the state budget, taxation, and the funding of other government programs and services, such as schools and state facilities;

WHEREAS, such issues would include the determination of state minimum wage levels; said levels that would impact not only on those who receive the wage, but employment, the state budget, and competition with other states and foreign countries;

NOW THEREFORE BE IT RESOLVED, That the American Legislative Exchange Council resolves that such matters are particularly important to retain within the legislative framework, as contrasted with ballot initiatives or other means of setting public policy.

Did you know the NRA--the National Rifle Association--was the corporate co-chair in 2011?

Endnotes

From CMD: It appears that ALEC is concerned that direct democracy procedures, like ballot initiatives on the minimum wage or schools, could limit legislative power and, thus, the power of those with access to and influence over legislators....

Representative democracy is the foundation of America’s system of government. During the Progressive Era, many states adopted an initiative process that was intended to provide citizens with the ability to take an active part in governance and place a check on the legislative process. Today, about half of the states have provided voters with the initiative power. The initiative has experienced renewed interest, with their appearance on the ballot more than doubling over the past three decades. This surge in initiatives has raised concern among even the most ardent of supporters of direct democracy, particularly when such measures mandate or prohibit state spending. As former speaker of the Oregon House of Representatives Lynn Lundquist observed, “Recently many of us have grown concerned about the degree to which this system is being used to effect budget policy without any perspective on the overall impact this has on the entire budget.”

Direct democracy, in the form of initiatives, can provide a citizen with a means of voicing their opinions and enhancing citizen participation in governance. But, the initiative process lacks some of the critical elements of the legislative process. There are no hearings, markups, floor debates, or conferences to address technical issues. There is generally no deliberation or compromise. These characteristics are especially important when determining policy that will substantially impact the state’s budget or economy. Moreover, citizens voting on a single initiative do not have the context of the “big picture” of the state’s budgetary and economic situation. This is a function, and indeed a responsibility of, the legislature.

Initiatives that affect the state budget can have a wide range of adverse consequences.

- Initiatives that mandate the expenditure of large amounts of public revenue without including a dedicated funding source can make it difficult for the legislature to continue to fund existing state services and programs.
- “Ballot-box budgeting” can tie up state funds for special purposes. As a result, legislatures control smaller fractions of the state budget.
- Initiatives that increase or create new taxes to fund new or existing programs may negatively affect the legislature’s ability to raise funds for other priorities that are important to the citizens of the state.

- “Budgeting by initiative” is “oxymoronic,” wrote Oregon State University Professor William M. Lunch, because decisions through initiatives have sometimes required cuts in taxes and, soon thereafter, mandated spending for popular programs.
- States cannot establish rational fiscal policy when initiatives frequently add or subtract state revenues or require increases or reductions of expenditures
- Budgeting decisions made through the initiative process are “half-choices,” said former Oregon Governor **John Kitzhaber**, because voters are offered one of two laudable goals – to lower taxes or to fund popular public services – without making the trade offs that are at the heart of the representative budget process. Responsible elected governments face “the piecemeal destruction of state fiscal systems by initiative measures,” observed former Oregon Supreme Court Justice Hans A. Linde, for similar reasons.

Some states have recognized the special nature of initiatives that affect the state budget. Approximately ten states do not permit initiatives that would require an appropriation of state funds. A number of other states require a legislative budget committee or research staff, a state budget officer, tax commissioner, or secretary of state or treasury to prepare a fiscal impact statement for any initiative that will have a monetary effect on the state’s budget. Such information may be included in a voter information pamphlet or on the ballot itself. Some have proposed requiring a supermajority vote for measures that would dramatically affect the budgetary process.

The proposed ALEC resolution expresses the sense of the membership that the legislative process should be the principal policy-making vehicle for developing state law. It is appropriate for the legislature to closely consider proposals having fiscal implications to determine their impact on the state budget, taxation, the funding of other government programs and services, and the impact on the state’s economy, such as determining the minimum wage. Such proposals substantially benefit from legislative hearings, oversight, and judgments about their effect on the state as a whole.

Adopted by ALEC’s Civil Justice Task Force at the Annual Meeting July 20, 2006. Approved by the ALEC Board of Directors August, 2006.

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.

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

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