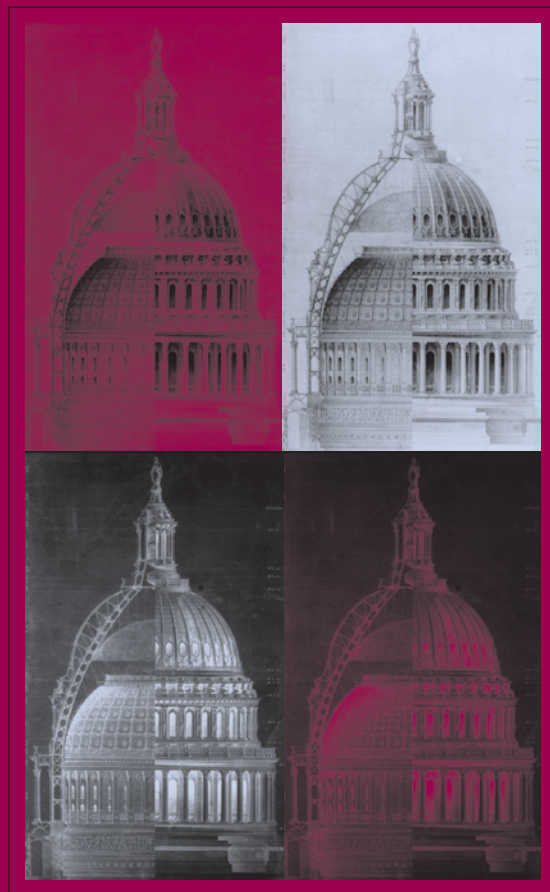


# 2001

AMERICAN LEGISLATIVE EXCHANGE COUNCIL  
ANNUAL REPORT



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★ The mission of the American Legislative Exchange Council is to advance the Jeffersonian principles of free markets, limited government, federalism and individual liberty among America's state legislators. ★

**OPERATIONAL STRATEGY: TO PROMOTE THE PRINCIPLES OF FEDERALISM BY DEVELOPING AND PROMOTING POLICIES THAT REFLECT THE JEFFERSONIAN PRINCIPLES THAT THE POWERS OF GOVERNMENT ARE DERIVED FROM, AND ASSIGNED TO, FIRST THE PEOPLE, THEN THE STATES, AND FINALLY THE NATIONAL GOVERNMENT. ★ TO ENLIST STATE LEGISLATORS FROM ALL PARTIES AND MEMBERS OF THE PRIVATE SECTOR WHO SHARE ALEC'S MISSION. ★ TO ENGAGE IN AN ONGOING EFFORT TO PROMOTE JEFFERSONIAN PRINCIPLES AMONG ELECTED OFFICIALS, THE PRIVATE SECTOR, AND THE GENERAL PUBLIC, FOR THE PURPOSE OF ENACTING SUBSTANTIVE AND GENUINE LEGISLATIVE REFORMS CONSISTENT WITH THE ALEC MISSION. ★ TO CONDUCT A POLICY MAKING PROGRAM THAT UNITES MEMBERS OF THE PUBLIC AND PRIVATE SECTOR IN A DYNAMIC PARTNERSHIP TO SUPPORT RESEARCH, POLICY DEVELOPMENT, AND DISSEMINATION ACTIVITIES. ★ TO PREPARE THE NEXT GENERATION OF POLITICAL LEADERSHIP THROUGH EDUCATIONAL PROGRAMS THAT PROMOTE THE PRINCIPLES OF JEFFERSONIAN DEMOCRACY, WHICH ARE NECESSARY FOR A FREE SOCIETY.**



“OUR WISH . . . IS, THAT THE PUBLIC EFFORTS MAY BE DIRECTED HONESTLY TO THE PUBLIC GOOD, THAT PEACE BE CULTIVATED, CIVIL AND RELIGIOUS LIBERTY UNASSAILED, LAW AND ORDER PRESERVED, EQUALITY OF RIGHTS MAINTAINED, AND THAT STATE OF PROPERTY, EQUAL OR UNEQUAL, WHICH RESULTS TO EVERY MAN FROM HIS OWN INDUSTRY, OR THAT OF HIS FATHERS.”

*Th. Jefferson*



A handwritten signature in black ink that reads "Jim Dunlap".

**Jim Dunlap**  
National Chairman  
Oklahoma Senator



A handwritten signature in black ink that reads "Michael K. Morgan".

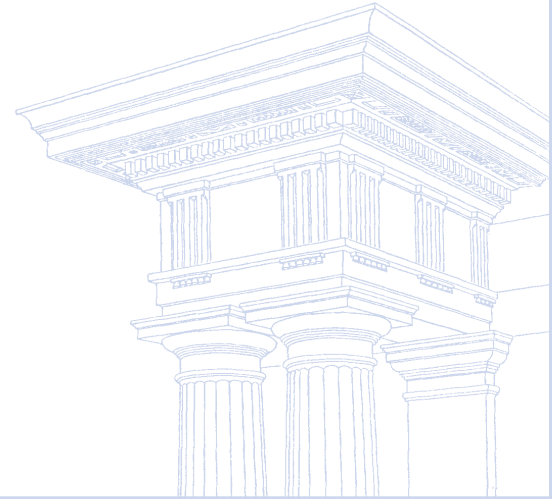
**Michael K. Morgan**  
Private Enterprise  
Board Chairman  
Koch Industries



A handwritten signature in black ink that reads "Duane Parde".

**Duane Parde**  
Executive Director

★ *A Message from the National  
Chairman, Private Enterprise Board  
Chairman and Executive Director* ★



During the past twelve months the American Legislative Exchange Council marked many great successes. In addition to releasing landmark reports on education and state spending, ALEC held dozens of issue briefings and events, testified before dozens of state legislatures and the U.S. Congress, and embarked on two major policy initiatives. ALEC continued to provide a forum for the highest-ranking political leaders of our time. At the Annual Meeting in New York, members heard from several cabinet secretaries and other state and national leaders, including Attorney General John Ashcroft, Health and Human Services Secretary Tommy Thompson, Idaho Governor Dirk Kempthorne, and Florida House Speaker Tom Feeney. In December, the States and Nation Policy Summit began with a White House Briefing from President George W. Bush and senior administration members. Yet, despite all the great successes of 2001, the year will be most remembered by the tragic events of September 11.

In the days and weeks that followed, the strength of our Union has been tested. But from the tears and great loss of life came a rekindled sense of purpose and focus on the principles that have made our nation endure—liberty and freedom. Despite thousands of

lives lost, citizens and our allies alike showed the great courage, unity and spirit that have kept us strong. That same sentiment is shared by all of us here at ALEC. For nearly three decades this organization, through our members, has been committed to protecting our founding principles, and our challenge today is to remain committed to preserving and protecting these beliefs while resisting pressure to unwisely expand government. As President Bush said in mid-October, “We need to affirm a few important principles: that government should be limited, but effective; should do a few things and do them well.” We want our communities to remain safe, but we must also preserve that delicate balance.

The foundation of this organization is the more than 2,400 legislative members that span the country, who provide the service and innovative ideas that make ALEC great. Our members are committed to this organization and the principles for which it stands. Indeed, we are indebted to our members and to our Board of Directors and staff headquartered in Washington, DC. Together our core Jeffersonian values will continue to be preserved, nurtured, and expressed in all aspects of political and policy debate at the local, state and federal levels of government.

**Jim Dunlap**  
National Chairman  
Oklahoma Senator

**Michael K. Morgan**  
Private Enterprise Board Chairman  
Koch Industries

**Duane Parde**  
Executive Director

**WHO WE ARE: THE AMERICAN LEGISLATIVE EXCHANGE COUNCIL WAS FOUNDED IN 1973 BY A SMALL GROUP OF DEMOCRATIC AND REPUBLICAN STATE LEGISLATORS WHO SHARED A COMMON COMMITMENT TO THE JEFFERSONIAN PRINCIPLES OF INDIVIDUAL LIBERTY, LIMITED GOVERNMENT, FEDERALISM, AND FREE MARKETS. ★ TODAY, ALEC HAS GROWN TO BECOME THE NATION'S LARGEST BIPARTISAN, INDIVIDUAL MEMBERSHIP ORGANIZATION OF STATE LEGISLATORS, WITH MORE THAN 2,400 MEMBERS IN 50 STATES. THROUGH ALEC, LEGISLATORS AND THE PRIVATE SECTOR WORK IN A DYNAMIC PARTNERSHIP TO DEVELOP PUBLIC POLICIES THAT HARNESS THE IMMENSE POWER OF FREE MARKETS AND FREE ENTERPRISE TO ENCOURAGE ECONOMIC GROWTH AND OPPORTUNITIES FOR ALL AMERICANS.**

## 2001 YEAR IN REVIEW



### **FORMULA FOR SUCCESS, OUR MEMBERS**

For nearly 30 years, ALEC has enjoyed a reputation for formulating and achieving effective public policy in the states. ALEC members have worked together to create, develop, introduce and guide enactment of many of the cutting edge, free market policies that have now become law in the states. As Washington appears to be moving back to “business as usual” with its past political rancor, state lawmakers, and principally the members of ALEC, could expect to reclaim their role as reformers.

As The Wall Street Journal duly noted in a 2001 column, “The slow pace of change inside the beltway is one reason that ALEC members are moving ahead with their own reforms at the state level.” But this is not a new phenomenon. Since its founding in 1973, members of ALEC have been actively engaged in developing groundbreaking ideas and developing key model legislation that frame the debates of the day and those of the future.

Very few other organizations can claim the amount of influence ALEC has in shaping the debate of ideas. This strength comes from our members. More than 100 ALEC members hold senior leadership positions in their state legislatures, while hundreds more hold

important committee leadership positions. One-third of all state legislators belong to ALEC, including 32 Speakers and Speakers Pro Tem, 22 Senate Presidents and Senate President Pro Tems, and more than 50 Senate and House Majority and Minority Leaders.

### **2001 LEGISLATIVE HIGHLIGHTS**

One of the most important resources ALEC provides to its members is model legislation. Through the combined effort and unique partnership of public and private sector members, model legislation is drafted, deliberated and approved by one of ALEC’s nine individual Task Forces. These bills provide a valuable framework for developing effective policy ideas aimed at protecting and expanding our free society. While ALEC provides the resources, ALEC members, long known for their legislative activism, introduced more than 1,000 bills based on ALEC model legislation during the 2001 legislative sessions. Over 100 of these were enacted into law.

### Other Highlights

In 2001, eight legislatures including Arizona, Colorado, Oklahoma, Florida, South Carolina, Pennsylvania, Missouri, and Wisconsin considered ALEC's Private Attorney Retention Sunshine Act. This Act, part of ALEC's Disorder in the Court Project, requires that Attorneys General receive prior legislative approval for contingency contracts with private attorneys. Another Disorder in the Court model bill, the Appeal Bond Waiver Act, was introduced in eight states and enacted in Nevada, Oklahoma, and Louisiana.

ALEC's Environmental Good Samaritan Act was introduced in New York, California, and Mississippi, and enacted in Pennsylvania. This bill encourages the voluntary reclamation of land and water adversely affected by mining or oil or gas extraction, and for which no person has a continuing reclamation or water pollution abatement obligation. It limits the potential legal liability of both landowners and participants who, voluntarily and under no legal

obligation, engage in such cleanup projects.

ALEC's Portable Retirement Option Act, which creates optional defined contribution plans for public employees, was introduced in 15 states in 2001: Arizona, Colorado, Georgia, Hawaii, Illinois, Louisiana, Maine, New Hampshire, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Carolina, Texas and Vermont. It was enacted in three—Arizona, Louisiana and South Carolina. This model legislation is the centerpiece of ALEC's Public Pension Modernization Project.

ALEC's Mandated Health Benefits Review Act requires a cost-benefit analysis of existing and future mandates on health insurers in order to help control health care costs and insurance premiums. It was adopted in North Carolina and North Dakota during the 2001 legislative sessions.

Establishing tougher criminal laws in the areas of drunk driving and identity theft was also a key priority for many members. Last year, members in over 20

### STAFF TESTIMONY HIGHLIGHTS IN 2001

DATE	STATE	COMMITTEE/EVENT	SUBJECT	WITNESS(ES)
2/06	Colorado	Senate Judiciary	Tort Reform	Karen Czarnecki Miller
2/13	Kansas	House Judiciary	Class Action and Appeal Bond	Karen Czarnecki Miller, Mark Behrens
2/21	Maryland	House Economic Matters	Internet Privacy	Matt Lathrop
3/21	Vermont	House Government Operations	Pension Modernization	Matt Lathrop
3/26	Texas	House Pension and Investments	Pension Modernization	Matt Lathrop
3/29	North Dakota	House Veterans' Affairs and Government Operations	Pension Modernization	Matt Lathrop
5/02	California	Senate Judiciary	Class Action	Karen Czarnecki Miller
5/07	New Mexico	NM Chamber of Commerce	Tax Reform	Michael Flynn
5/07	New Mexico	NM Chamber of Commerce	Education Reform	Andrew LeFevre
5/12	Florida	Telecommunications Industry Association	Tax Reform	Michael Flynn
5/16	Nevada	Senate Human Resources & Facilities	Drug Price Controls	Doug Bandow
6/20	Washington, DC	U.S. House Budget	Energy Deregulation	Sandy Liddy Bourne
7/18	Virginia	Virginia Legislative Study	Pharmaceutical Programs	Jennifer King
8/22	Washington, DC	Citizens for a Sound Economy, Heritage Foundation, and Americans for Tax Reform	Social Security Reform	Matt Lathrop
8/29	Colorado	The Independence Institute	Health Care Reform	Jennifer King
9/05	Colorado	Colorado Joint Health Care Task Force	Long-Term Care	Jennifer King
9/10	Kentucky	Medicaid Managed Care Oversight Committee	Medicaid Budget Crises and Cost Control	Jennifer King
10/01	Nebraska	Four State Legislative Conference	Education Reform and Teacher Pay	Andrew LeFevre
10/03	Ohio	Senate Judiciary Committee on Civil Justice	The Right to Appeal in Civil Cases	Mark Behrens
10/04	Iowa	The Electronic Commerce Task Force	Internet Taxation	Chris Atkins
10/04	Colorado	The State Policy Network's Conference	Market-Driven Health Care Policy in the States	Jennifer King
10/04	Colorado	The State Policy Network's 9th Annual Meeting	Strategic Partnerships with Grassroots Activists	Michael Flynn Jennifer King
10/16	Oklahoma	The Retirement Laws Committee	Pension Plans	Matt Lathrop
11/10	Washington, DC	The National Education Association's Retirement & Benefits Forum & Trustee Workshop	Pension Plans	Matt Lathrop



states introduced legislation based on ALEC's Drunk Driving Prevention Act. This act enhances penalties for repeat drunk driving offenders or those who drive with high blood alcohol concentration levels. Legislation was enacted in Arkansas, Montana, Utah and Virginia. ALEC members in 11 states also introduced legislation based on ALEC's Personal Information Security Act, which defines and enhances penalties for individuals who commit identity theft and fraud. Legislation was enacted in New Mexico and Virginia.

Finally, the movement to improve the quality of education and encourage civic literacy in our nation's public schools continues to gain significant ground. In 2001, more than a dozen states introduced legislation to create charter schools or strengthen existing charter school laws. The law passed in Mississippi, Utah and Virginia. And, over 10 states introduced legislation to encourage the teaching of civics and patriotism in K-12 schools. Legislation was enacted in Alabama and Texas.

#### **ALEC ALUMNI FORUM**

In an on-going effort to preserve and promote the Jeffersonian principles, ALEC recently began a new program for former members who serve in public office: ALEC Alumni Forum.

Launched in 2001, the program is charged with developing a national forum to encourage improved communications among current and former ALEC members. Alumni Forum activities will include special invitations and speaking engagements at major ALEC events, and joint policy meetings with state and national leaders. For nearly 30 years, ALEC has been at the forefront of creating and delivering cutting-edge public policy ideas at the state level. Through the Alumni Forum program, ALEC will seek the support of its former members in the development of reforms that reflect the principles of the organization at all levels of government.

In addition, nine sitting governors, including Frank Keating (Okla.), John Engler (Mich.) and Bill Owens (Colo.) as well as more than 80 Members of the U.S. House of Representatives and U.S. Senate are former ALEC members, and these numbers are steadily growing. In the last year alone, three ALEC members were elected to the U.S. Congress, and many more are campaigning in the 2002 election year. Distinguished alumni include Assistant

Minority Leader Don Nickles (R-Okla.), Speaker of the House Dennis Hastert (Ill.), Majority Whip Tom DeLay (Tex.), Deputy Majority Whip Mark Foley (Fl.), and Education and the Workforce Committee Chairman John Boehner (Oh.).

Health and Human Services Secretary Tommy Thompson and White House Chief of Staff Andrew Card are ALEC alumni who were active members when they were state legislators.

#### **2001 ANNUAL MEETING**

The ALEC Annual Meeting has grown to become one of the nation's most important state-level conferences, and has been described as the "largest gathering of conservatives held each year." Annually, more than 3,000 state legislators, business executives and public policy experts gather for a few days to discuss issues and develop groundbreaking policy. Each meeting features dozens of key issue workshops, plenary sessions and Task Force meetings, as well as numerous networking opportunities at social events.

Attendees at the ALEC 28th Annual Meeting in New York City fondly remember it as one of the most energetic and event-packed conferences in recent memory. Several senior cabinet secretaries headlined ALEC's Annual Meeting, including U.S. Attorney General John Ashcroft, Health and Human Services Secretary Tommy Thompson, Housing and Urban Development Secretary Mel Martinez, and Energy Secretary Spencer Abraham. Other headliners included Professor Jonathan Turley of the George Washington School of Law, Sean Hannity of the FOX News Channel, and Sam Beard, Commissioner of the President's Social Security Commission.

Secretary Thompson, a former governor and state legislator from Wisconsin, an ALEC alumnus, and the 1991 recipient of the Thomas Jefferson Freedom Award, began his remarks by reminiscing about the early days of ALEC. "I can remember way back 27 years ago when I first started attending ALEC, we could end up at four or five tables . . . now to see 3,000 individuals across America, coming to the forefront," said Thompson. "I always loved coming to these meetings because I always found new ideas, and then I'd take them back to Wisconsin."



At the conference, ALEC's nine Task Forces adopted 16 new model bills, and ALEC's National Leadership Network on Public Employee Pension Modernization and its National Working Group on Privacy met to map out educational activities for the new legislative sessions.

To cap off the meeting, Idaho Governor Dirk Kempthorne was honored for his outstanding contributions to public service with ALEC's highest honor, the Thomas Jefferson Freedom Award.

### 2001 STATES AND NATION POLICY SUMMIT

Every December, hundreds of state legislators gather in the nation's capital to attend the annual States and Nation Policy Summit. Participants can expect three days of intensive discussions of issues that will be at the top of the states' agendas for their upcoming sessions. One of the greatest values of these meetings is that ALEC members can hear from one another about what's happening in other states, share ideas and develop policy that works best for them.

### White House Briefing

The 2001 Summit began with a White House



briefing from President George Bush and some of his top aides, including Homeland Security Director Tom Ridge (a former Pennsylvania governor), White House Chief of Staff Andrew Card and White House

Intergovernmental Affairs Director Ruben Barrales. President Bush briefed ALEC members on the need for more coordination between federal, state and local governments in the fight against terrorism.

During the Summit, ALEC released a new report critical of past state spending, entitled *Crisis in State Spending: A Guide for State Legislators*. This timely handbook offers a comprehensive and candid look at state spending over the past decade and provides solutions to the current fiscal crisis now being addressed by most states. ALEC also launched a new project to promote civic literacy in our children's schools with nearly 100 state legislators signing the pledge to promote civic literacy.

Secretary of Commerce Don Evans, who most recently led the fight for Trade Promotion Authority for President Bush, offered remarks at the opening luncheon. At the Annual Leadership Banquet, Kentucky Senate President David Williams delivered an illuminating speech about the upcoming budget crisis in several state capitals, including his own. And at the closing lunch, Lieutenant General Russell Davis, chief of the National Guard Bureau, told state legislators about the need for securing critical support in their respective states for our National Guard. He also praised ALEC members for their diligence and commitment to "the same people that [the] Guard has stood up to protect and defend."

### MEMBERSHIP ACTIVITIES

Each year ALEC holds membership events in individual states to give public and private sector members the opportunity to interact in an event in their home state; recruit new members; set state-level priorities; and heighten ALEC's profile and awareness in that state. In 2001, ALEC held events in a record 32 states.

### TASK FORCE SUMMIT

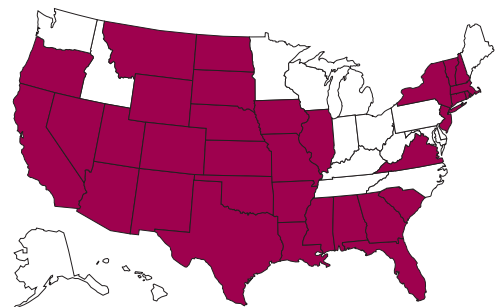
The Task Force Summit is an annual event in which ALEC's national Task Forces come together to set the agenda for the year as well as debate current issues and model legislation.

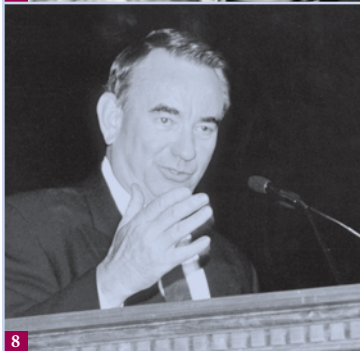
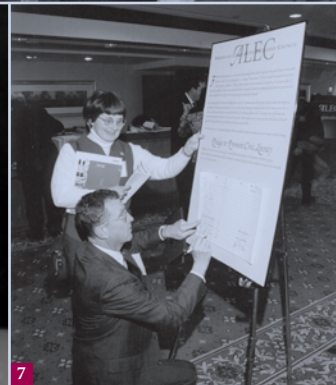
In April over 300 state legislators, private sector members and guests met in Chicago, Illinois for the Spring Task Force Summit. During one of the plenary sessions, Jerry Taylor of the Cato Institute gave a revealing presentation of the "perfect storm" that debilitated California's electricity supply. Taylor

### ALEC ON THE ROAD

#### Membership Activity for 2001

■ ALEC held events in 32 states





**HIGHLIGHTS:** 1 Annual Meeting Radiothon, Florida Speaker **Tom Feeney** (left) and **Sean Hannity**, WABC Radio (right) 2 Florida Representative **Bill Anderson** at SNPS 2001 3 **Jonathan Turley**, George Washington University 4 Washington Senator **Val Stevens** (center) at a workshop 5 Tennessee Representative **Steve McDaniel** (right) passes the gavel to Oklahoma Senator **Jim Dunlap** (left) 6 Assistant Secretary of the Interior, **Lynn Scarlett** 7 Legislators sign the ALEC Civic Literacy Pledge at SNPS 2001 8 Health and Human Services Secretary **Tommy Thompson** 9 U.S. Attorney General **John Ashcroft** at the 2001 Annual Meeting 10 ALEC Adjunct Scholar, **John Armor** (left) and **Jonathan Turley** (right) 11 **George Will**, 2001 Warren Brookes Award Recipient 12 Lt. General **Russell Davis**, National Guard Bureau Chief (left) and Washington Senator **Val Stevens** at SNPS 2001 13 Kentucky Senate President **David Williams** at the Annual Leadership Banquet 14 U.S. Secretary of Commerce **Donald Evans** 15 ALEC Private Enterprise Board Chairman **Michael Morgan**, Koch Industries 16 Oklahoma Senator **Jim Dunlap**, 2002 National Chairman (photos: Reflections Photography)







17 U.S. Secretary of Housing and Urban Development, **Mel Martinez** (left) and **Dennis Nolan**, Nevada Assemblyman (right) at the Annual Meeting 18 Idaho Governor **Dirk Kempthorne**, 2001 Thomas Jefferson Freedom Award Recipient 19 (left to right) **David Weinstein**, Fidelity Investments, U.S. Secretary of Commerce **Donald Evans** and Oklahoma Senator **Jim Dunlap**, 2002 National Chairman 20 FL Speaker **Tom Feeney** at the Annual Meeting 21 **Mike Flynn**, ALEC Director of Legislation & Policy speaks at SNPS 2001 22 **Gary Barrett**, ALEC Director of Membership 23 **Ruben Barrales**, White House Director of Intergovernmental Affairs 24 (left to right) **Walt Buckholtz**, ExxonMobil, Mississippi Representative **Jim Ellington** and Assistant Secretary of the Interior **Lynn Scarlett** 25 **Sean Hannity**, WABC News Radio 26 **Jerry Taylor**, 2001 Annual Meeting Workshop Speaker 27 2001 Annual Meeting Health and Human Services Workshop 28 U.S. Attorney General **John Ashcroft** and **Duane Parde** at Annual Meeting 29 Color Guard at SNPS 2001 30 Tennessee Representative **Steve McDaniel**, 2001 National Chairman 31 Oklahoma Senator **Jim Dunlap**, 2002 National Chairman 32 Lt. General **Russell Davis**, National Guard Bureau Chief 33 U.S. Secretary of Energy **Spencer Abraham** (photos: Reflections Photography)



brought to light how basic economic principles were ignored in the deregulation of California's electricity industry, creating a crippled market from the start, where time only compounded the problems of excess demand and limited supply. Gisele Huff, Executive Director of the Jaquelin Hume Foundation, shared her personal story of surviving the Holocaust during World War II, pointing out that the gift of liberty is not free-but rather a fragile privilege that demands constant vigilance. She poignantly delivered the message that state legislators and all Americans have a duty to reform our nation's educational system as a cornerstone to preserving liberty for the future.

#### **ALEC ACADEMY**

*“For legislators on a mission to restore constitutional government and roll back judicial activism, ALEC’s Disorder in the Court Academy is a gold mine. The expertise and information ALEC brings together for its Academies help legislators save countless hours of research and avoid mistakes in content and strategy.”*

—Colorado Senator Mark Hillman

Founded in 1999, the ALEC Academy is designed to provide enhanced educational and legislative training opportunities for state legislators. With state legislators facing increasing challenges of devolution and term limits, the ALEC Academy gives legislators a unique opportunity to sharpen their intellectual insights and develop policy strategies for the future by participating in leadership training programs. The goal of the Academy program is to equip ALEC members with the knowledge, policy solutions, and skills they need to be effective advocates of Jeffersonian principles.

Through the Academy, ALEC bridges the gap between political theory and real world practice. Seminars offer legislators a unique two-way learning experience as top policy analysts and experienced legislative leaders conduct workshops on the most critical issues of the day.

Academy seminars take the form of two-day mini conferences, with classes meeting for up to four hours each day, and meal session lectures. Throughout each seminar, participants are provided with ample time to meet and talk informally with faculty, guest lecturers, staff and each other. Faculty for Academy programs are comprised of leading policy experts from universities,

policy think tanks, the business community and government. The depth and diversity of the faculty is essential to providing the best educational experience possible for the legislator participant.

#### **Environmental Health Initiative Academy I**

In March, legislators from New England attended the Environmental Health Initiative Academy in Boston, Massachusetts. The Environmental Health Initiative is a project based upon a legislative survey conducted by the Joint Subcommittee of the Energy, Environment, Natural Resources & Agriculture and Health & Human Services Task Forces of ALEC in the spring of 2000.

At the Academy, attendees gathered for a seminar on environmental policy and evaluation of scientific testimony. Guest speakers from the Heartland Institute, Heritage Foundation, and American Plastics Council addressed the nation's environmental policies that have replaced scientific inquiry with raw fear. Panelists emphasized the need for policymakers to use scientific data and research methodology as it applies to public testimony in the decision-making process of regulation rather than falling victim to emotionally charged, advocacy-based testimony urging over-regulation.

Members discussed a variety of issues, including scientifically sound environmental health policy, risk management, and the implications of the precautionary principle.

#### **The Environmental Health Initiative Academy II**

With escalating reports of anthrax exposures in November and threats of far more deadly germ warfare, many Americans were wondering how to protect themselves from bio-terrorism. In response to these new threats, ALEC legislators convened a meeting in Austin, Texas to address these concerns. Guest speakers from the U.S. Defense Department, Memorial Institute for the Prevention of Terrorism and other groups addressed the present risks of bio-terrorism and provided effective contingency planning for a biochemical attack.

The Academy also provided attendees with training sessions on risk management and scientifically sound environmental health policy with a focus on research methodology as it applies to public testimony. Other panels included air quality and children's asthma, scientific methodology and dioxin emissions.

### **ALEC Academy: Disorder in The Court**

In June, ALEC members from ten mid-western and western states, met at California's Pepperdine University School of Law for the third Regional Disorder in the Court Academy for a series of seminars addressing the threats to the American civil justice system and the rule of law. The Disorder in the Court Project is a multi-year project headed by ALEC's Civil Justice Task Force with the goal of educating legislators on various abuses in the American civil justice system. The project specifically targets the growing trend of regulation through litigation wherein the separation of powers doctrine is intruded upon as the power of policymaking is hijacked from the legislative branch by activist judges and trial attorneys.

Legislative leaders, legal scholars, and experts from several institutes and organizations presented attendees with solid strategies to combat lawsuit abuse and regulation through litigation in their states. Legislative leaders with previous experience introducing Disorder model legislation trained attendees in the fundamental elements of the Disorder in the Court model legislation. In addition, members enjoyed presentations from a variety of experts who provided further insight and analysis on issues ranging from the current class action crisis to the dilemma of activist courts. Justice Harold See of the Alabama Supreme Court keynoted the Academy luncheon, addressing the issue of judicial selection. Justice See shared his tumultuous personal experience with the judicial election process. The Academy concluded with a media training seminar that focused on how to effectively fight the legislative battle not only in the committee room, but also in the court of public opinion.

### **MEDIA EXPOSURE**

In 2001 ALEC launched several media campaigns in the states. One of the highlights of the year included a major media campaign for ALEC's annual Report Card on American Education. In addition, ALEC lent support to the Bush Administration with a nationwide media blitz backing senior cabinet nominations. Media campaigns were also launched in support of several administration initiatives affecting the states, including the President's historic \$1.3 trillion dollar tax cut, Trade Promotion Authority, and Social Security reform. ALEC staff members participated in several national press conferences and interviews.

### **Other Highlights**

#### ***Report Card on American Education***

ALEC's Report Card on American Education, released in mid-April, generated a deluge of print, radio and television citations and stories nationwide, earning top-story media coverage in 49 states, including dozens of front-page news stories, several individual Associated Press stories, and over 65 local television news stories on NBC, ABC, CBS, FOX, and independent news stations. ALEC's Public Affairs office also launched a media tour of Southern California for the Report Card, which included editorial board meetings with Investor's Business Daily, The Orange County Register and The San Diego Union-Tribune. Tennessee Representative Steve McDaniel, ALEC's 2001 National Chairman, wrote and published a commentary piece on the Report Card for The Washington Times. In addition, syndicated writers Cal Thomas and David Limbaugh cited the Report Card in their columns.

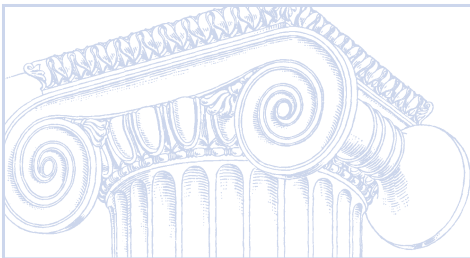
#### ***Rebate Taxable in Nine States***

ALEC Public Affairs made news in 2001, breaking the story of how the president's tax rebate was considered taxable by several state revenue departments. With a nationwide Associated Press news story and radio coverage on the Rush Limbaugh Show, ALEC informed the states and nation of the unfortunate taxability of the Bush tax rebate. As a result of intensive media coverage, several state governments affected by the quirk in the tax code promised legislative action to ensure taxpayers received their full and fair refunds without having to pay additional state taxes.

#### ***2001 Radiothon at ALEC Annual Meeting***

ALEC Public Affairs again coordinated "talk radio row" for the Annual Meeting. Featured radio personalities at this year's big event included: Sean Hannity of WABC in New York City, Bob Grant of WOR in New York City, Blanquita Cullum of Radio America, Armstrong Williams of Talk America, Kevin Miller of WERC in Alabama, Tom Marr of WCBM in Baltimore, Les Kinsolving (syndicated), Nancy Wolf of WTMA in South Carolina, and Nick Kasoff of WGNU in St. Louis.





# AWARDS

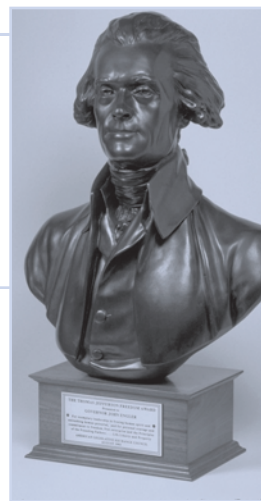
## THE THOMAS JEFFERSON FREEDOM AWARD

The Thomas Jefferson Freedom Award is presented each year to a nationally-recognized public sector leader who has an extraordinary record of successfully advancing the Jeffersonian principles of limited government, free markets, individual liberty, and federalism. The award is presented at the Annual Meeting.

In 2001, the Thomas Jefferson Freedom Award was presented to Idaho Governor **Dirk Kempthorne**. Throughout his distinguished career, Governor Kempthorne has proved himself a true proponent of Jeffersonian principles. He began his career in public service as the highly successful mayor of Boise. He then served for six years in the United States Senate. In the 104th Congress, he wrote, negotiated, and won passage of two major pieces of legislation: A bill to end unfunded federal mandates on state and local governments, and a substantial revision of the federal Safe Drinking Water Act. While serving as governor, Kempthorne was instrumental in supporting new education initiatives, and launched initiatives to foster rural economic development, more overseas marketing of Idaho products, and greater integration of the state's scientific, educational and business communities.

Past recipients of the Thomas Jefferson Freedom Award include:

- 1990 President Ronald Reagan
- 1991 Wisconsin Governor Tommy Thompson
- 1992 Honorable Jack Kemp
- 1993 President George H. Bush  
Michigan Governor John Engler
- 1994 Honorable William J. Bennett
- 1995 Speaker Newt Gingrich
- 1996 Senator George Allen
- 1997 Utah Governor Michael Leavitt
- 1998 Nebraska Governor Ben Nelson
- 1999 Senator Paul Coverdell
- 2000 Oklahoma Governor Frank Keating



THE THOMAS JEFFERSON FREEDOM AWARD (LEFT) AND THE WARREN BROOKES AWARD FOR EXCELLENCE IN JOURNALISM (RIGHT)

## THE WARREN BROOKES AWARD FOR EXCELLENCE IN JOURNALISM

Few journalists are as well respected for their intellectual rigor, common sense and eloquence as was the late Detroit News columnist Warren Brookes. Shortly after he passed away, ALEC dedicated an award in his name to be given to a journalist whose work best exemplifies the high standards established by Warren Brookes throughout his career. The award is presented at the States and Nation Policy Summit.

The 2001 Warren Brookes Award for Excellence in Journalism was presented to **George F. Will**. Mr. Will is one of the most widely recognized—and widely read—journalists in the world. More than 450 newspapers publish his bi-weekly Newsweek column. These achievements, combined with his position as a political commentator on ABC certainly qualify Mr. Will as one of the most influential writers in America. In 1977, George Will won the Pulitzer Prize for commentary for his newspaper columns, and he has garnered awards for his Newsweek columns.

Past recipients of the Warren Brookes Award for Excellence in Journalism include:

- ★ Paul Craig Roberts, syndicated columnist
- ★ John Fund, editorial writer, *The Wall Street Journal*
- ★ Dr. Walter Williams, syndicated columnist
- ★ Don Lambro, chief political correspondent, *The Washington Times*
- ★ James K. Glassman, syndicated columnist
- ★ John Stossel, *ABC News*
- ★ Tony Snow, Host, *FOX News Sunday*



# POLICY

While the development of model legislation is an important part of ALEC's work, in many ways it is just the beginning. Each year, ALEC develops and executes a number of major educational programs to build on the work of its Task Forces. The goal of these projects is to promote the ideals embodied in ALEC's model legislation. Through research papers, state issue briefings, witness testimony and conference workshops, ALEC's policy projects build national networks of informed, committed legislators who advocate change in their legislatures.

## MAJOR POLICY INITIATIVES

### CRISIS IN STATE SPENDING:

#### A GUIDE FOR STATE LEGISLATORS

The decade of the 1990's witnessed unprecedented growth in state revenues. Unfortunately, the majority of these resources were converted into permanent spending increases, rather than fundamental tax reform. As a result, state governments are likely to face budget shortfalls in the coming legislative sessions. There are already proposals in a number of states to increase taxes to meet these shortfalls. However, these increases will jeopardize an already weakened economy.

The mission of the Crisis in State Spending project is twofold: to develop new resources and to use resources already available to conduct a coordinated campaign aimed at preventing state tax increases, and to create conditions that will prevent tax increases in the future.

ALEC recently released a major publication resulting from this project. The comprehensive report, released in December 2001, outlines in detail the crisis currently facing states, and includes important model legislation ALEC has developed to stem bloated government spending.

### DISORDER IN THE COURT:

#### LITIGATING PUBLIC POLICY

The widespread use of litigation by lifestyle activists and the plaintiff's bar to target specific companies is well documented. The costs these suits impose on our economy are also well known and have led to a vigorous debate on ways to reform the civil justice system. Almost a decade ago, many legislatures, after careful deliberations, began to enact measures to reign in lawsuit abuse and runaway litigation. These efforts have been stymied in state after state, however, by judicial rulings that have thrown out even the most modest reforms. In the last decade, state courts issued almost 90 rulings nullifying tort reform laws. This has been nothing less than a systematic stripping of the powers of the legislatures and the citizens' elected representatives.

Against this backdrop of judicial nullification, activists and the trial bar developed a new, broader tactic, using mass litigation to target not just companies, but entire industries. Increasingly, they are acting not on behalf of allegedly wronged individuals, but on behalf of government.

The Disorder in the Court project is building a national network of state legislators to address this issue. Through conference workshops, research papers, ALEC Academy seminars, and state Issue Briefings, the project will educate members on the threat posed by this litigation trend and devise legislative solutions.

### ENERGY SUSTAINABILITY:

#### THE CASE FOR OPTIMISM

America entered the 21st century with the nation gripped by a growing energy crisis. How could this happen at a time when abundant energy is a staple of our modern day civilization and free economy? Ten years ago, an ill-founded international agreement to reduce hydrocarbon fuel consumption was conceived, named the Kyoto Protocol, and its issue has resulted in the consideration of carbon dioxide emission standards



in the states. Although it is still unclear whether global warming is occurring or, even if it is occurring, whether it would have a major impact on our climate, environmental activists are pushing the states and our economy towards an energy starvation diet.

Are we truly in an energy crisis? Is America's tank about to run dry? Does the impact of a hydrocarbon-based economy on the environment impose too high a price to pay for affordable energy? Is America's dependency upon foreign fossil fuels a threat to our national security? The answer to all of these questions is an emphatic NO. Energy security requires fuel diversity, not regulation.

A critical issue in the free market approach to production and transmission of energy is that of fuel diversity. The greatest threat to national independence is the regulatory burden placed upon the marketplace from fuel supplies to emission standards. The focus of the energy project is to assist state legislators with a cost benefit evaluation of fuel supply costs for energy production in their states and the economic impact of multi-pollutant standards that may have little measurable effect on the improvement of air quality.

#### **ENVIRONMENTAL HEALTH INITIATIVE**

How risk averse should we be? Activists in Europe and, increasingly, in the United States argue that no new product should be sold unless we can first prove that it causes no harm. While this paradigm, the "Precautionary Principle" may sound reasonable, its effect would cripple development and economic growth.

Under the auspices of protecting the public good from potential harm, advocacy organizations have attempted to link public health concerns to environmental issues for the purpose of driving their political agendas. Environmental issues should be taken seriously. Responsible management of natural resources is a foundation of a healthy free market economy. Consumers in a free market should be able to make informed decisions; decisions that are based on sound science. Policy for the collective good of a democratic nation should follow the science and be written with minimal impact on the freedom of the individual citizens.

Public policy that is not based on science does not serve the public interest. Elected officials and other public policymakers need to ensure that our nation's

★ *Policy for the collective good of a democratic nation should follow the science and be written with minimal impact on the freedom of the individual citizens.* ★

efforts and limited resources are focused on the highest priorities and that there are tangible and beneficial results for the use of these resources. To this end, the Energy, Environment, Natural Resources, and Agriculture Task Force and the Health and Human Services Task Force have appointed a joint subcommittee to investigate the scope of the problem of public advocacy research at the state level.

The goal of the Environmental Health Initiative is to ensure that state legislators have the tools they need to properly evaluate the reliability and credibility of scientific testimony presented during legislative sessions. The project will create a national network of legislators who can take the lead in their states in determining whether a proposed policy initiative is based on sound scientific concerns or is fueled by advocacy-based junk science.

#### **FREE MARKET HEALTH CARE REFORM**

Americans enjoy the highest quality health care in the world. Yet, we are often told that we face a health care crisis: growth in state Medicaid budgets has again spiked, millions of Americans lack health insurance, and the aging baby boomer generation will put unprecedented demands on our health care system. These challenges will dominate the public policy debate in the coming years.

ALEC's Free Market Health Care Reform project will educate legislators about market-based solutions to America's pressing health care needs. The project will work to provide free-market solutions to problems such as prescription drug benefits, the uninsured, long-term care, and insurance reform. Further, the project will utilize a number of proven tools and resources to

facilitate its goals. Specifically, ALEC will identify market-based solutions, provide in-depth issue and media training for state legislators, arm legislators with a body of research supporting free-market health care solutions, and build a network of members committed to reform.

## TASK FORCES

### CIVIL JUSTICE TASK FORCE

Members of the Civil Justice Task Force have been at the forefront of the efforts to restore fairness and predictability to the civil justice system. The Task Force's work has resulted in a number of policy publications, state-level Issue Briefings, committee testimony and focused workshops during ALEC conferences. Through these forums, ALEC members have become well versed in the importance of curbing runaway litigation. In the 2001 legislative session, ALEC members introduced approximately 100 bills to reform the civil justice system.

The Task Force has worked diligently to promote systematic fairness in the courts through bills to discourage frivolous lawsuits, to fairly balance judicial and legislative authority, to safeguard the use of protective orders in confidential settlements, and to treat defendants in a consistent manner.

#### Major Issues

- ★ Class-Action Lawsuit Reform
- ★ Joint and Several Liability
- ★ Judicial Taxation
- ★ Product Liability
- ★ Protecting Privacy in Confidentiality Agreements
- ★ Punitive Damages Reform
- ★ Separation of Powers
- ★ Taxation and Regulation Through Litigation
- ★ Teacher and Principal Liability Protection

#### Key Model Bills

- ★ Appeal Bond Waiver Act
- ★ Class Action Improvements Act
- ★ Legal Consumer's Bill of Rights Act
- ★ Model Education and Quality and Teacher Protection Act
- ★ Private Attorney Retention Sunshine Act

### COMMERCE AND ECONOMIC DEVELOPMENT TASK FORCE

Members of the Commerce and Economic Development Task Force believe that economic freedom is the cornerstone of our prosperity—and even our political freedom. The Task Force develops policies that enhance competitiveness, promote employment and economic prosperity, encourage innovation and increased efficiency, and limit the regulations that government imposes on businesses.

These policies include workers' compensation reform, labor deregulation, union reforms, and insurance and financial services policy. The Task Force develops model legislation to facilitate the implementation of these policies in the states, and educates ALEC members through Task Force meetings, issue papers, state-based issue briefings, and special workshops.

Recently, the Task Force has taken a leading role in reforming public employee pensions in the states. By promoting the switch from defined benefit plans to defined contribution plans, ALEC members are spearheading reforms to provide greater flexibility and individual choice in retirement savings plans. These reforms can serve as a blueprint for reform of the federal Social Security system. In addition, the Task Force is engaged in promoting free market competition in the property/casualty insurance market. ALEC's Property/Casualty Insurance Modernization Act has won national praise from legislators and industry professionals who support a more robust and competitive insurance market.

#### Major Issues

- ★ Banking and Financial Services
- ★ Employer Mandate Reduction
- ★ Insurance Modernization
- ★ Job Training
- ★ Labor Market Reform
- ★ Occupational Health and Safety
- ★ Public Pension Reform
- ★ Social Security Reform
- ★ Wage Laws
- ★ Workers' Compensation

### Key Model Bills

- ★ Labor Peace Agreement Preemption Act
- ★ Minimum Wage Repeal Act
- ★ Property/Casualty Insurance Modernization Act
- ★ Public Employee's Portable Retirement Option Act

### CRIMINAL JUSTICE TASK FORCE

The Criminal Justice Task Force is dedicated to developing model policies that reduce both violent and property crimes in our cities and neighborhoods. The Task Force is accomplishing this by approving model bills that hold criminals accountable for their actions and provide swift and certain punishment for their crimes—without adding more governmental intrusions into law-abiding citizens' lives. In recent years, the Task Force has dealt with issues such as prison privatization, child firearm safety, asset forfeiture reform, drunk driving prevention and increased penalties for repeat hard-core offenders, standards for bail enforcement agents, and preventing violent youths from committing crimes in school. The Task Force will be focusing on the following issues in the 2002 legislative sessions: Identity theft and the use of personal information to commit crimes; increasing use of automated photo enforcement devices by cities; retail theft; and increasing emergency response training for state and local law enforcement, fire and EMT personnel by utilizing high tech delivery mediums.

### Major Issues

- ★ Asset Forfeiture Reform
- ★ Bail Reform
- ★ Court Reform
- ★ Drunk Driving Prevention
- ★ Federalization of Crime
- ★ Identity Theft
- ★ Juvenile Crime
- ★ Victims' Rights
- ★ Prison Privatization
- ★ Retail Theft
- ★ The Right to Bear Arms
- ★ Truth in Sentencing
- ★ Violence in Schools
- ★ White Collar Crime and Theft

### Key Model Bills

- ★ Anti-Automated Enforcement Act
- ★ Comprehensive Asset Forfeiture Act
- ★ Consistency in Firearms Regulation Act
- ★ Drunk Driving Prevention Act
- ★ Personal Information Security Act

### EDUCATION TASK FORCE

The mission of the Education Task Force is to help promote excellence in our country's educational system. The Task Force is helping to reach that level of excellence by advocating strong accountability in public schools and advancing education reform policies, such as charter schools, vouchers and tax credits that grant parents and students the means to choose the schools that best meet their educational needs. Each year the Task Force releases ALEC's annual Report Card on American Education, which takes a comprehensive look at the state of public education across our nation. It consistently shows that there is no statistically evident correlation between educational performance and teacher salaries or expenditures per pupil—clearly refuting the claims that more money equals better education. The Task Force will continue to focus on those policies that hold teachers accountable for the education they are providing as well as developing new ideas on how businesses can become partners in educating the next generations of our children. Additionally, in the aftermath of the September 11th tragedy, the Task Force has launched a new campaign to promote civic literacy in our nation's schools as a means of better preparing future generations of good citizens.

### Major Issues

- ★ Accountability
- ★ Alternative Teacher Certification
- ★ Bilingual Education Reform
- ★ Charter Schools
- ★ Civic Education
- ★ Competitive Contracting of Management and Services
- ★ Curriculum Reform
- ★ Early Childhood Development
- ★ Education Finance
- ★ Higher Education
- ★ Merit Pay

- ★ National Teacher Certification
- ★ School Choice
- ★ Teachers Unions

#### Key Model Bills

- ★ Alternative Teacher Certification Act
- ★ Civic Literacy Act
- ★ College Funding Accountability Act
- ★ College Savings Account Act
- ★ Education Certification Act
- ★ School Board Freedom to Contract Act
- ★ Students' Right to Learn Act

#### ENERGY, ENVIRONMENT, NATURAL RESOURCES, AND AGRICULTURE TASK FORCE

Free market environmentalism recognizes that a healthy economy and a healthy environment are mutually dependent; this is the underlying principle of the Energy, Environment, Natural Resources, and Agriculture Task Force. The Task Force pursues policies that take advantage of the positive forces of consumers and producers in a free marketplace, maximize positive choices, and utilize the advantages afforded through evolving technologies. Model legislation developed by the Task Force has been enacted in many states to promote good environmental stewardship.

Task Force members have joined forces with members of the Health and Human Services Task Force to develop the Environmental Health Initiative for the purpose of examining science-based solutions to those environmental problems that represent a genuine, measurable risk to human health and to the environment. Members of this joint subcommittee seek to ensure that measures designed to protect the environment and to promote citizens health are based upon sound science and balance alleged benefits with economic and individual cost.

A second policy initiative formulated by the Task Force is focused on Energy Sustainability for the 21st Century. This undertaking examines the role of fuel diversity for energy security, global warming regulatory actions at the state level, and energy production and transmission infrastructures throughout the nation. The goal of the project is to determine the best free market approach for energy development, production and transmission to enhance the nation's economy and independence.

The Task Force adopts official positions as reflected through model resolutions, model bills and statements of principle. In addition, the educational activities of the Task Force encompass seminars and presentations from academic and industry experts as well as exchanges of information on legislative debates.

#### Major Issues

- ★ Agriculture
- ★ Air Quality
- ★ Biotechnology
- ★ Energy Sustainability
- ★ Environmental Education
- ★ Environmental Health
- ★ Property Rights
- ★ Urban Growth
- ★ Water Quality

#### Key Model Bills

- ★ Common Sense Scientific and Technical Evidence Act
- ★ Environmental Audit Privilege Act
- ★ Environmental Rule Oversight Act
- ★ State Protection of Air Quality Related Values Act
- ★ State Regulatory Responsibility Act

★ *The Health and Human Services Task Force has emerged as a leader in efforts to promote free-market health care solutions and welfare reform in the states.* ★

#### HEALTH & HUMAN SERVICES TASK FORCE

There is probably no part of our society where the hand of government is more evident than in health care. Although the effort several years ago to nationalize the health care market failed, each year Congress and state legislatures consider proposals to further regulate health care, expand failed public sector programs, impose price controls, or mandate health insurance coverage. Against this backdrop, the Health and Human Services Task Force has emerged as a

leader in efforts to promote free-market health care solutions and welfare reform in the states. As one of ALEC's largest Task Forces, with over 180 public and private sector members, the Health and Human Services Task Force has successfully worked to promote market-oriented reform.

For example, several states enacted the Task Force's model KidCare proposal, a response to the federal children's health insurance block grant, which expanded the private insurance market for uninsured children as an alternative to expanded government programs. Several states have also recently adopted ALEC's Mandated Benefits Review Act and ALEC's Long Term Care Tax Credit Act.

Commitment to free-market reforms has also led the Task Force to develop privatization policies in the areas of adoption and foster care services, newborn screening and welfare-to-work programs, and to begin examining ways to privatize the Medicaid system. Encouraging private financing of long-term care and ensuring the vibrancy of our prescription drug market will be priority issues facing the Task Force in the coming year. In the most recent legislative session, ALEC members introduced nearly 100 bills supporting the policies promoted by the Task Force.

#### Major Issues

- ★ Child Welfare Reform
- ★ Children's Health Insurance
- ★ Defined Contribution Health Plans
- ★ Free-Market Health Care Reform
- ★ Health Care Providers
- ★ Long Term Care
- ★ Pharmaceutical Issues
- ★ Prescription Drug Coverage
- ★ Privatization of Medicaid
- ★ The Uninsured
- ★ Welfare Privatization
- ★ Welfare Reform

#### Key Model Bills

- ★ Comprehensive Health Insurance Pool Act
- ★ Long Term Care Insurance Act
- ★ Long Term Care Tax Credit Act
- ★ Mandated Benefits Review Act
- ★ Medical Savings Account Act

#### TAX & FISCAL POLICY TASK FORCE

The Tax and Fiscal Policy Task Force develops policy to reduce excessive government spending and lower the overall tax burden. Its legislative members have been at the forefront of developing sound, free-market tax and fiscal policy. The Task Force has developed budget reform policies, tax and expenditure limitations, supermajority requirements for tax increases, dynamic revenue forecasting, and legislation opposing Internet taxes.

Recently, the Task Force published a landmark study called *Crisis in State Spending: A Guide for State Legislators*. The Crisis report details how excessive government spending over the past decade directly led to the current fiscal crisis in the states. The study found that states spent two out of every three surplus dollars on new government spending programs. The Task Force devoted much of 2001 on the Crisis in State

★ In the most recent legislative session, scores of bills to lower the tax burden and curb excessive government spending were introduced by ALEC members.★

Spending project, developed to promote low-tax, pro-growth fiscal policies in the states to avoid deficits in the short and long term. The Task Force is also increasingly active in keeping the Internet free from burdensome taxation.

A recent survey of members indicated that tax policy was their top concern. In the most recent legislative session, scores of bills to lower the tax burden and curb excessive government spending were introduced by ALEC members.

#### Major Issues

- ★ Budget Process Reform
- ★ Government Spending Reform
- ★ Internet Taxation
- ★ Interstate Commerce Clause
- ★ Multistate Taxation

- ★ Tax and Spending Limitations
- ★ Tax Reduction and Reform

#### **Key Model Bills**

- ★ Electronic Commerce and New Economy Data Collection Act
- ★ Internet Taxation Resolution
- ★ Interstate Compact Sunshine Act
- ★ Personal and Business Flat Tax Act
- ★ Tax and Expenditure Limitation Act
- ★ Truth in Forecasting Act

#### **TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY TASK FORCE**

The fast pace and constant innovation in both telecommunications and information technology presents a complex set of policy problems that defy uniform policy prescriptions. States must be careful not to stunt the growth of communications and technological advancement through excessive regulation and taxation. Economic and political assumptions that once guided policymakers in the past are not wholly applicable in this evolving economy. To guide policymakers through these uncharted waters, the Telecommunications and Information Technology Task Force brings together state legislators, industry representatives and public policy experts to develop state public policy that will preserve free-market principles, uphold deregulation efforts, and keep the communications and technology industries free from burdensome regulations.

Currently, the Task Force is examining a variety of issues, including telecommunications tax reform, competition in both technology and telecommunications, and electronic governance.

#### **Major Issues**

- ★ Broadband Technologies
- ★ Competition
- ★ Electronic Government
- ★ Electronic Procurement
- ★ Encryption Technologies
- ★ Telecommunications Tax Reform
- ★ Uniform Computer Information Transaction Act

#### **Key Model Bills**

- ★ Electronic Government Services Act
- ★ Enabling Legislation for On-line Bidding Act
- ★ Enabling Legislation for Public-Private Electronic Information Network Partnerships
- ★ Personal and Commercial Computer Protection Act
- ★ Remote Video Court Appearance Act
- ★ Resolution on United States Encryption Export Restrictions

#### **TRADE AND TRANSPORTATION TASK FORCE**

The Trade and Transportation Task Force seeks to improve America's competitiveness through innovative free market trade and transportation policies. The Task Force studies ways to better use the private sector to more efficiently generate the necessary funds and flexibility to meet our transportation and infrastructure needs. The Task Force is currently studying market-based highway maintenance, small airport transportation systems, rural transportation issues and fuel tax fraud. The Task Force promotes free trade by encouraging regional and international trade agreements that reduce or eliminate tariffs and quotas. It also supports granting the president Trade Promotion Authority.

#### **Major Issues**

- ★ Highway Safety
- ★ Procurement Standardization Code
- ★ Transportation Funding and Federal Mandates
- ★ Rural Air Transportation Services
- ★ Public Safety Issues
- ★ Driving Records Access
- ★ Truck Driver's Hours of Service
- ★ Free Trade
- ★ Unilateral Trade Sanctions
- ★ Public/Private Infrastructure Partnerships
- ★ Fuel Taxes

#### **Key Model Bills**

- ★ Common Port of Entry Act
- ★ Competitive Contracting of Public Services Act
- ★ Urban Transit Administrative Act
- ★ Water/Waste Utility Public-Private Partnership Act



# RESOURCES

Through ALEC's Resource Center, the policy staff provides research, policy analysis, scholarly articles, reference materials, legislative bill tracking, and expert testimony on a wide spectrum of issues.

## **POLICY PUBLICATIONS**

ALEC publishes a wide array of books, reports, and white papers on the issues and policies being debated in the states. Policy publications include:

### **The State Factor**

In-depth white papers on the issues facing state legislatures.

### **Issue Analysis**

Short analyses of topical issues that provide perfect preparation for talking points and media briefings.

### **Special Reports and State Report Cards**

State-by-state analyses of critical issues, such as education and tax and fiscal policy.

### **Policy Digest**

Short, easy-to-read white papers that present a single issue in a debate format, providing a context for the most efficient and effective free market, limited-government solutions.

### **ALEC Lecture Series**

Reprints of important speeches from ALEC conferences and seminars.

### **Periodicals**

In addition to policy publications, ALEC produces several periodicals to keep members informed on ALEC events and to provide in-depth policy information. These periodicals include:

### **ALEC Policy Forum**

A journal for state and national policymakers containing in-depth articles on key issues.

### **Inside ALEC**

The monthly newsletter for ALEC members, announcing ALEC activities, events, new publications, and model legislation.

### **Leadership Briefing**

A newsletter giving "inside information" on activities and projects for the ALEC public and private leadership.

### **ALEC WEBSITE ([WWW.ALEC.ORG](http://www.alec.org))**

Designed to provide members easy access to ALEC's extensive policy resources, the website contains complete copies of more than 400 pieces of model legislation and nearly 100 publications. Each Task Force has an individual home page, providing calendars, news items, and reports on activities. A link to every state capital's website, as well as state profiles, are just some of the many features of the website.

### **ALEC LISTSERVS**

Each of ALEC's nine policy Task Forces and the Office of Public Affairs has a listserv, which allows for moderated discussions via an email network of selected ALEC members, providing instantaneous dissemination and exchange of policy information and updates on activities.



# 2001 PUBLICATIONS

## CIVIL JUSTICE

- \* *Clients Beware: Fee Abuse in the Legal System*
- \* *Disorder in the Court Handbook*

## COMMERCE

- \* *At What Price Labor-Peace?*
- \* *Can America Survive On Living Wages?*
- \* *The Displaced Worker Dilemma: Extending Coverage Without Expanding Entitlements*
- \* *2001 EGTRRA and the Public Employee Retirement System*
- \* *Left With Nothing: The True Predator Behind Subprime Lending*

## CRIMINAL JUSTICE

- \* *A Revolutionary Ruling in Support of the Individual Right to Bear Arms*
- \* *Red-Flagging Red Light Cameras*
- \* *The Non-existent Gun Show Loophole*

## EDUCATION

- \* *A Choice to Succeed*
- \* *Civic Literacy: Preparing Our Children for Citizenship*
- \* *Holding Teachers Hostage*
- \* *Report Card on American Education: A State-by-State Analysis 1976–2000*
- \* *States Explore Linking Teacher Pay to Results, Not Seniority*
- \* *The Great Underpaid Teacher Myth*
- \* *The Merits of Paying Teachers for Performance*
- \* *Voucher Ideas Flourish Nationwide*

## ENVIRONMENT

- \* *California's Electricity Crisis: What's Going On, Who's to Blame, and What to Do*
- \* *Dioxin in the Environment: New Numbers May Hide a Good News Story*

## HEALTH

- \* *Demonizing Drugmakers*
- \* *High-Risk Pools: Market-Based Tools for Assisting the Uninsured*
- \* *Medical Monitoring: Are Some States Walking into a Legal Thicket?*

- \* *Medicaid Waivers: Unintended Consequences*
- \* *Tax Credits for the Uninsured: Is it a Healthy Alternative?*
- \* *The Final Medical Privacy Rule: Myths & Facts*
- \* *Who's Afraid of Pharmaceutical Advertising? A Response to a Changing Health Care System*

## TAX & FISCAL POLICY

- \* *A Change in Tax Policy or Name: North Dakota Needs a Solution for Neighboring Competition*
- \* *A Policy Analysis of the Florida Communications Services Tax Simplification Act of 2000*
- \* *Crisis in State Spending: A Guide for State Legislators*
- \* *One Step Forward, Two Steps Back: The Internet Tax Dance*

## TELECOMMUNICATIONS

- \* *Privacy in a Digital Work: Industry Must Lead or the Government Will Follow*
- \* *The Digital Revolution: Opportunities to Lead in State Capitals*
- \* *The Dust-up Over the Digital Divide*
- \* *The Digital Advance of Government*

## OTHER

- \* *ALEC Policy Experts 2001 Handbook*
- \* *Can You Defend Capitalism?*
- \* *Electoral College Reform: What Can/Cannot Be Done?*
- \* *Laboratories of Democracy: Anatomy of a Metaphor*
- \* *Patriotic Scoundrels*
- \* *Term Limits: An Idea Built on Sand*

## ALEC LECTURE SERIES

- \* *The Gift of Liberty*, Gisele Huff, The Jaquelin Hume Foundation
- \* *The Ten Commandments*, Professor Richard Vedder, Ohio University
- \* *The Untold Truth About Global Warming*, Jay Lehr, Heartland Institute

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The Executive Director serves as the chief administrator and staff executive of ALEC, and directs all activities of the organization according to policies established by the Board of Directors. In addition, a management team, comprised of department directors, oversees the individual program functions of the organization.

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#### **Kaiser Siyit**

Director of Information Systems

### **MEETINGS AND CONFERENCES**

#### **Patrick Dougherty**

Manager of Conferences and Meetings

#### **Sebastian Filgueira**

Assistant to Manager of Conferences and Meetings

### **PUBLIC AFFAIRS**

#### **David Wargin**

Director of Public Affairs

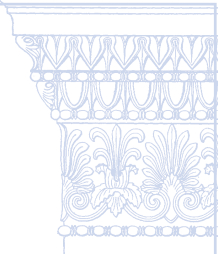
#### **Joseph Rinzel**

Assistant Director of Public Affairs

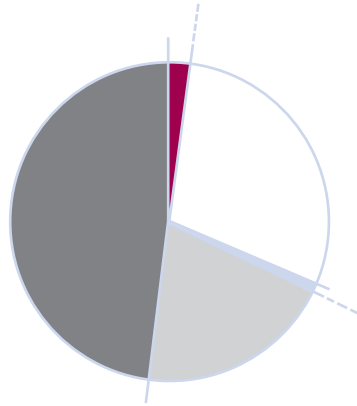
#### **Bob Adams**

Director of Media Relations

# 2001 FINANCIAL SUMMARY

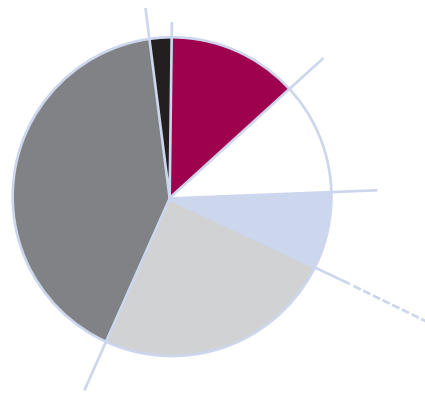


**2001 REVENUE BREAKDOWN**



General & Administrative	■	\$ 98,351.00
Membership	□	1,759,237.00
Public Affairs	■	2,307.00
Task Forces	■	1,174,500.00
Conferences	■	2,831,439.00
Board Meetings	■	—
<b>Total</b>		<b>\$5,865,834.00</b>

**2001 EXPENSES**



General & Administrative	■	\$ 770,837.00
Membership	□	678,155.00
Public Affairs	■	474,408.00
Task Forces	■	1,516,531.00
Conferences	■	2,497,773.00
Board Meetings	■	101,881.00
<b>Total</b>		<b>\$6,039,585.00</b>



