

2013 Annual Meeting

POLICY REPORT

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Task Force Updates and Objectives

Civil Justice Task Force **Task Force Director: Amy Kjose**

ALEC's Civil Justice Task Force has had a successful 2013 thus far. Over 60 bills based on Civil Justice Task Force model legislation have been introduced around the states, a number of which have been enacted into law. The role of legal reform as a way to foster a fair environment for product development and job creation is still very widely appreciated. The Task Force has been constructive by providing research, letters and alerts to members doing the good work in the states. In particular, ALEC's Trespasser Responsibility Act (which protects landowners from having to pay for injuries to trespassers on their land) has received phenomenal support, having been enacted in 13 states in the last 2.5 years by nearly unanimous support. This is a great example of the power of common-sense ALEC reform that legislators of all political stripes can support.

At Annual Meeting, the Task Force is releasing a new version of its Tort Reform Boot Camp Guide for State Legislators, now called Lawsuit Reform for Competitive State Economies. In addition to the new title, the publication is getting a facelift: it has been updated to address a number of new and trending lawsuit reforms, and now includes additional data and infographics to further illuminate the important lawsuit reform work being done country-wide. We are doing a roll out to ALEC membership and a smaller roll out in the media in a handful of select states. Lawsuit reform is an issue that appeals to most ALEC members, public and private, and most of the electorate according to recent polling data.

Commerce, Insurance, and Economic Development Task Force **Interim Task Force Director: Cara Sullivan**

Policy Education

Since the last report at the Spring Task Force Summit, finishing touches were put on the Task Force's new State Factor, "Lowering Costs in Water Infrastructure through Procurement Reform: A Strategy for State Governments." The publication will be distributed at Annual Meeting 2013.

The Task Force's subcommittees continue to allow members to engage more heavily on their specific issue areas while serving as areas of expansion for the Task Force. The Task Force has the following active subcommittees: Labor and Business Regulation, Financial Services, Transportation and Infrastructure, and Surety Insurance.

ALEC Principles in the States

Legislation similar to Commerce Task Force model legislation passed in numerous states during the 2013 session. Notably, Michigan passed right-to-work legislation, Indiana passed occupational licensing reform, and Georgia passed fraud detection legislation.

Legislation similar to Commerce Task Force model legislation was also introduced in a variety of states including substantial labor reform in Missouri, Pennsylvania and Kansas (among dozens of states) and public private partnerships in Florida.

Membership

The Task Force is pleased to announce that two new members have joined since the Spring Task Force Summit. The Task Force looks to continuing expanding its membership, specifically in the transportation and infrastructure and financial services areas. Legislative membership remains steady.

**Communications and Technology
Task Force Director: John Stephenson**

About the Task Force

With nearly 200 members representing all parts of the country and every segment of industry, the Communications and Technology Task Force believes that constant, dynamic innovation in communications and technology presents numerous complexities that defy traditional public policy prescriptions. To help policymakers understand the changes underway in the 21st century economy, the Task Force brings together state legislators, private industry, and policy experts to develop public policies that will promote economic growth, freedom of technology, and innovation in the states.

Areas of focus for the Task Force include: 1) broadband deployment and adoption; 2) protecting consumer choice in privacy; 3) promoting new forms of e-commerce; and 4) growing the high-tech sector of the economy. Additionally, the Task Force has established five subcommittees to thoroughly investigate topics of interest to the states. These subcommittees are: Broadband; E-Commerce; Information Technology; Innovation; and Consumer Protection, Critical Infrastructure, and Security Technologies.

What We've Accomplished

Through policy development, research and analysis, the Task Force has helped members accomplish the following:

- Twenty-nine jurisdictions have enacted laws based on our model Voice over Internet Protocol policy to promote the deployment of advanced communications technologies including Arkansas, Delaware*, Kansas, Nevada*, and Wyoming in 2013
- Eleven states have adopted laws based, at least in part, on ALEC's model Wireless Tower Siting Act to streamline local zoning and permitting requirements to speed deployment of advanced wireless broadband networks including North Carolina*, Missouri*, and Washington* in 2013
- Twenty states have heeded our advice to protect taxpayers from waste, fraud, and abuse by adopting ALEC policies to require fair competition, transparency, and voter approval for government-owned broadband systems
- In 2013, we published a report entitled, "Abuse and Misuse of Personal Information: Trends and Issues in Privacy," which examined concerns about online privacy and the use of biometric information that was well-received by members and scholars
- We published a well-received op-ed in the *Wall Street Journal* detailing state cybersecurity efforts in Michigan and Virginia to protect constituent information and critical infrastructure from hackers and an op-ed in the *Daily Caller* about growing the mobile app economy*

The Year Ahead

In the months ahead, the Task Force will host briefings on timely topics such as broadband promotion, privacy in a world of surveillance, fostering mobile health technologies, facilitating growth in online travel, and ensuring a high-quality online education, among others. The Task Force is also currently at work on an effort researching ways to promote more investment in broadband.

**Education Task Force
Task Force Director: Lindsay Russell**

August/September Issue of *Inside ALEC*

To correlate with 'Back to School' the August/September issue of Inside ALEC will be dedicated to Education. Articles in this issue will focus on a myriad of reform policies, including digital learning, teacher accountability, higher education, teacher quality, school vouchers, and state academic standards. Copies of this edition will be distributed at ALEC's State and Nation Policy Summit.

Impact in the States

During the 2012-2013 state legislative sessions, the Education Task Force followed legislation relating to several ALEC education model policies. Over 40 states introduced ALEC model legislation or model legislation closely resembling ALEC policy, most notably, *Next Generation Tax credit Act*, *Parent Trigger*, *Virtual Public Schools*, *Charter Schools*, and *Special Needs Scholarship act*.

A Continuing Resource for Education Reform and School Choice

The Task Force will continue to support education reforms through parental choice by advocating for efficiency, accountability, transparency and overall school choice. Although the Common Core debate seems to be dominating the education conversation in states, the Task Force is confident that our decision to stay neutral will give us the opportunity to focus on excellent education reforms and the best practices happening in states.

Plans and Publications

The Task Force will release the 19th edition of *The Report Card on American Education*. The edition will include the new NAEP data. The new data will reflect the outcomes of several education reform policies, making the 19th edition especially important. The Task Force has created a new STEM project. The STEM project will be implemented in phases to insure that all stakeholders are included and have a seat at the table. This project is still in its infancy but we hope to include a small publication into the roll out of this new project.

Energy, Environment and Agriculture Task Force **Task Force Director: Todd Wynn**

Legislation Highlights across the States

After the *Electricity Freedom Act* (an act that would repeal a state's renewable energy mandate) became ALEC model policy, approximately 15 states across the country introduced legislation to reform, freeze, or repeal their state's renewable mandate. This legislative year has seen the most action on renewable mandates to date.

ALEC's *Resolution in Support of the Keystone XL Pipeline* or similarly worded resolutions have been introduced in at least seven states this year which has helped highlight state support for the project. Five western states have actively explored the transfer of federal public lands to western states. This movement advocating for the transfer of western public lands began in Utah in 2012. Utah State Representative Ken Ivory introduced and Governor Gary Herbert signed into law HB148— "Transfer of Public Lands Act"—which has subsequently become ALEC model policy for other state legislators to use as an example. Since the movement began in Utah, Idaho, Montana, Wyoming, and Nevada have passed some version of the bill. In addition, South Carolina passed a resolution in support of the western states' efforts.

Publications

July/August Issue of *Inside ALEC*

The energy, environment and agriculture edition of *Inside ALEC* was recently released. The Task Force Co-chairs were highlighted as the new ALEC EEA Task Force leadership team. In addition, the edition has articles on LNG exports, hydraulic fracturing, the link between energy development and unemployment, agriculture, EPA regulatory overreach and the plastics industry.

New EPA publication

In June of 2013, the Task Force released the third in a series of publications focused on the impact of Environmental Protection Agency regulations on the energy industry. Numerous media outlets pick up on the release and featured the report and its findings in articles. In addition to mailing the publication to all ALEC state legislators, ALEC held a Capitol Hill briefing for congressman and handed out the publication to all 535 members of Congress.

Health and Human Services Task Force
Task Force Director: Sean Riley

May/June Issue of *Inside ALEC*

Several HHS-related articles were distributed at the Spring Task Force summit as part of *Inside ALEC's* May/June 2013 issue on legal issues, including articles on exchange implementation and Medicaid expansion under the *Affordable Care Act*, out-of-state charity care, and a preview of anticipated insurance premium increases.

Impact in the States

During the 2012-2013 state legislative sessions, the HHS Task Force followed legislation relating to 18 ALEC HHS model policies. Thus far, 96 ALEC model bills based on work from the HHS Task Force have been introduced, 17 enacted, and 2 were vetoed, including bills related to out-of-state charity care (as featured in *ALEC 2013: Jobs, Innovation, and Opportunity in the States*), HSAs, implementation of the federal health law, and health price disclosure.

A Continuing Resource on Exchanges and Medicaid Expansion

The Task Force continues to serve as a resource for states facing implementation of the two primary components of the federal *Patient Protection and Affordable Care Act* (PPACA): health exchanges and Medicaid expansion. ALEC's model *Resolution Against PPACA Health Insurance Exchanges* continues to resonate with policymakers. Just 17 states plan to operate an exchange for plan year 2014, placing the federal government in a position it had not anticipated. On Medicaid expansion, the Task Force passed the model *Resolution Against Medicaid Expansion* in May 2013, and anticipates serving as a continued resource for those members studying the issue—just 23 states have plans to move forward with expansion at this time.

Plans and Publications

The Task Force is continuing working towards two publications to be released this year, including a guide to prescription drug policy, and a more general guide highlighting free-market health reforms in the wake of the federal health law. The Task Force will also submit multiple grant requests supporting research and outreach as the federal law continues to be implemented. Issues that will continue to face the states throughout implementation include rising premiums, provider shortages, and the economic impact of implementation. The Task Force looks to be there at each step, engaging with critical analysis and providing alternatives.

International Relations Task Force
Task Force Director: Karla Jones

Respect for ALEC's international work continues to grow due to the seriousness of our policy and our success in advancing it. Our articles have been published with attribution by international trade related NGOs and we are being quoted in the domestic and international media and producing more articles for

ALEC outlets. The *Wall Street Journal* op-ed on cybersecurity penned by the CAT and IR Task Force Directors and placed by our new, exceedingly capable Public Affairs team demonstrates to our prospects that we are able to give issues national attention. The feedback from these articles has been positive, and IR blog posts are popular on the *American Legislator* with a high number of “Likes” and views. National entities such as the US Trade Representative Office and the US Chamber of Commerce have cited our resolutions positively on a variety of trade issues. We have been told by those involved in the negotiation process for the Trans-Pacific Partnership (TPP) that our work on ensuring that TPP remain comprehensive gave negotiators the support they needed to remain steadfast on that commitment. We have had similar success with our efforts on ensuring a high quality intellectual property provision in TPP with op-eds authored by several of our members across the nation.

Private sector prospects and members have begun to understand the tremendous influence that our legislator members have on national and international policy in spite of having no official jurisdiction on this policy.

In October 2011, we conducted our first international trip since 2008 taking a delegation of four public sector members to Manchester, UK to attend the Conservative Party Conference there. Last October we conducted an Oil Sands Academy in Alberta, Canada to explore the Keystone XL pipeline issue and Canada’s oil sands as an inexpensive and secure energy source that will result in American jobs. Nine legislators from seven states participated, and the sponsors have already expressed an interest in sponsoring a similar academy in late September 2013. The budget and proposal are currently being reviewed.

We have three subcommittees – National Security, Intellectual Property (IP) and Federalism. The National Security Subcommittee has already attracted the attention of the aerospace industry prompting Northrop Grumman to join ALEC as well as the interest of aerospace trade associations including AUVSI which provided complimentary registration to ALEC staff for their conference and seems to be on the cusp of joining ALEC and AIAA which gave ALEC a complimentary booth at one of their conferences earlier in the year and is encouraging its members to join the task force. The Federalism Subcommittee is a response to a rapidly increasing interest in federalism issues among IRTF and other members and the need to have a centralized place for federalism policy and expertise to reside. We expect the IP Subcommittee to hold its first meeting at the Annual Meeting in Chicago.

Justice Performance Project (JPP)
Project Director: Cara Sullivan

JPP Holds its First Voting Meeting

The Justice Performance Project held its first official voting meeting at the 2013 Spring Task Force Summit. Members discussed several issues including collaborative strategies to reduce recidivism, commonsense juvenile justice reform and changing the terms of the criminal justice debate.

Of note, Project members passed the Justice Safety Valve Act which provides sentencing judges with discretion to depart from mandatory minimum sentences for certain nonviolent offenders. The passage of this model policy marks the beginning of the Project’s work on sentencing issues, an area where the Project can gain allies from across the political spectrum.

Policy Education

In May, the Justice Performance Project and Ohio state chair, Representative John Adams, hosted a panel to discuss the proliferation of vague and ambiguous criminal statutes at both the state and federal level.

The panel featured Robert Alt, President of the Buckeye Institute, Marc Levin, Director of Right on Crime, and Senator Bill Seitz of Ohio.

In addition, the May/June edition of *Inside ALEC* featured pieces on how South Dakota used data to inform its comprehensive criminal justice reform, environmental overcriminalization on the Gulf Coast, and provisional occupational licenses for ex-offenders.

The Project's work has gained positive, nonpartisan attention for ALEC in the Wall Street Journal, Washington Post, and Washington Monthly.

ALEC Principles in the States

Comprehensive criminal justice reform based partly on ALEC's model policies passed in South Dakota, West Virginia, Kansas, Georgia and Oregon during the 2013 session.

Legislation similar to Justice Performance Project principles was introduced in numerous states including Hawaii, Louisiana, Maryland, North Carolina, Rhode Island and Texas.

Membership

As more members begin to learn about the Project, its legislative membership continues to increase. The Justice Performance Project is currently submitting grant proposals and working to bring on new private sector members, specifically in the corrections and reentry area, specifically crime lab and GPS tracking areas.

Tax and Fiscal Policy Task Force **Task Force Director: Jonathan Williams**

The Tax and Fiscal Policy Task Force, in cooperation with ALEC's Center for State Fiscal Reform, continues to advance pro-growth tax policy, pension reform, fiscal responsibility, and priority-based budgeting throughout the states by engaging in the following:

The Sixth Edition of Rich States, Poor States: Shaping the Debate on Economic Policy

This year, the Center for State Fiscal Reform released the sixth edition of *Rich States, Poor States* with Utah Governor Gary Herbert, Senate President Wayne Niederhauser, and Speaker Rebecca Lockhart at the Utah Taxpayers Association's conference. Media outlets across the country have used *Rich States, Poor States* to discuss how a competitive business climate helps state economic growth.

Rich States, Poor States has received more than 120 media mentions including *Investor's Business Daily*, *USA Today*, *The Wall Street Journal*, *Bloomberg Television*, *Fox News*, and *Drudge Report*. Furthermore, in the first few weeks since release, the *Rich States, Poor States* webpage received 20,000 hits. National free market leaders such as Senator Ted Cruz and Governor Scott Walker have also shared *Rich States, Poor States* with their followers on social media.

The Task Force has also received requests from ALEC members from across the states to do *Rich States, Poor States* briefings in the future.

Keeping the Promise: State Solutions for Government Pension Reform

State governments face many obstacles, such as soaring Medicaid budgets, gridlock on urban roads and stagnant school performance. Their ability to fund improvements to services is challenged by a topic that seldom sees the light of day: Pensions for state and local government employees.

The Center's latest report, *Keeping the Promise: State Solutions for Government Pension Reform* describes the variety of pension plans that governments use today and the advantages and disadvantages of each plan. Authored by former Utah State Senator Dan Liljenquist, who successfully reformed his state's pension system, this new report discusses policies that help protect taxpayers and stabilize retirement plans. ALEC members will get an exclusive preview of this this new publication during the Annual Meeting.

Legislative Briefings

Jonathan Williams and staff from the Center for State Fiscal Reform have recently spoken at *Rich States, Poor States* events in Colorado, Oklahoma, Utah, Virginia, Michigan, Pennsylvania, Indiana, and Washington, D.C. over the past three months. The Task Force will continue to partner with ALEC members, State Policy Network affiliates, grassroots groups, and the business community to educate on economic policies.