

KANSAS CORPORATIONS WITH ALEC TIES: KOCH INDUSTRIES AND KOCH INDUSTRIES PUBLIC SECTOR

Koch Industries is a multinational corporate conglomerate based in Wichita. Run by brothers Charles and David Koch, it is one of the largest privately held companies in the United States. It is a longtime ALEC member and sponsor. Koch Industries has been a state corporate co-chair in Kansas and its Director of Public and Government Affairs, Mike Morgan, sits on ALEC's corporate board, the so-called "Private Enterprise Advisory Council."

Koch Industries is a member of ALEC's Energy, Environment and Agriculture Task Force, Civil Justice Task Force, Public Safety and Elections Task Force, and Tax and Fiscal Policy Task Force.

CAMPAIGN CONTRIBUTIONS FROM ALEC MEMBER CORPORATIONS TO KANSAS LEGISLATORS AND COMMITTEES

(Just two are listed below.) (Source: National Institute of Money in Politics, Accessed 4/16/14)

House Speaker Ray Merrick (ALEC state chair), 2000-2012 Total \$75,100

From Altria, American Insurance Association, AstraZeneca, AT&T, Atmos Energy, Bayer AG, Bayer Healthcare, Boeing Co, BP North America, BNSF Railway, Burlington North & Santa Fe Railroad/BNSF, CenturyLink, Coca-Cola Enterprises, ComCast, ConocoPhillips, Distilled Spirits Council of the US, ExxonMobil, Farmers Insurance Group, General Electric, General Motors, GlaxcoSmithKline, Humana, John Deere & Co, Johnson & Johnson Services, K12 Inc, Kansas City Power & Light, Koch Chemical Technology Group, Koch Industries, Koch Mineral Services, Koch Supply & Trading, Kraft Foods, Medco Health Solutions, Merck & Co, Merck Sharpe & Dohme Corp, Monsanto, National Federation of Independent Business, National Rifle Association, Novartis Pharmaceuticals, Pepsi-Cola, Pepsi-Cola Bottling, Pepsi-Cola General Bottlers, PepsiCo, PepsiCo Beverages, Pfizer, Philip Morris, Reynolds American Inc, RJ Reynolds Tobacco, SBC Communications, Southwestern Bell, Sprint, Sprint Nextel, Union Pacific Railroad, Verizon, Wal-Mart, Walgreens, Waste Management, Wyeth Pharmaceuticals

Senate President Susan Wagle 1996-2012 (including Lt Gov. run in 2006): Total \$118,100

From Altria, American Insurance Association, AmeriGroup Corp, Anheuser-Busch, AstraZeneca, AT&T, Atmos Energy, Bayer AG, BellSouth, Blue Cross Blue Shield, Boeing Co, BP North America, BNSF Railway, Burlington Northern & Santa Fe Railroad/BNSF, Burlington Northern Railroad, Burlington Northern Santa Fe Railway, CenturyLink, Coca-Cola, ComCast, ConocoPhillips, Coors Brewing, Coors Brewing Co, Coventry First, Coventry Health Care, Cox Communications, CVS Caremark, Eli Lilly & Co, Enron, Enron Corp, Express Scripts, ExxonMobil, Farmers Insurance Group, General Electric, General Motors, Glaxo Wellcome, GlaxcoSmithKline, Humana, JC Penny Co, John Deere Co, Johnson & Johnson Services, Joseph E Seagram & Sons, K12 Inc, Kansas City Power & Light, Kansas City Power PAC, Koch Chemical Technology Group, Koch Industries, Koch Supply & Trading, Koch, Charles de Ganahl, Medco Health Solutions, Merck, Merck & Co, Merck Sharpe & Dohme Corp, Microsoft, National Federation of Independent Business, National Rifle Association, Novartis Pharmaceuticals, Pepsico, Pepsi-Cola Bottling, Pfizer, Phizer Inc, Philip Morris, Quaker Oats Co, Raytheon Aircraft, Reynolds American Inc, RJ Reynolds Tobacco, SBC Communications, Smokeless Tobacco Council, Southwestern Bell, Southwestern Bell Kansas Employee PAC, Sprint, Sprint Nextel, T-Mobile, Union Pacific Railroad, Visa, Walgreens, Wal-Mart, Waste Management, Waste Management of Kansas Inc



Adapted from "EXPOSED: ALEC'S INFLUENCE IN MISSOURI AND KANSAS:

Which elected officials are outsourcing their duties to the ALEC corporate bill mill?"

<http://standuptoalec.org/wp-content/uploads/2014/04/2014-04-30-ALECs-Influence-in-MO-and-KS-Report.pdf>

HOW EXPANSIVE IS ALEC'S REACH IN TOPEKA?

Through the American Legislative Exchange Council (ALEC), corporations hand Kansas legislators wish lists in the form of "model" legislation that often directly benefit their bottom line at the expense of Kansas families. Behind closed doors, ALEC legislators vote as equals with corporate lobbyists to adopt ALEC model bills crafted by corporations, for corporations.

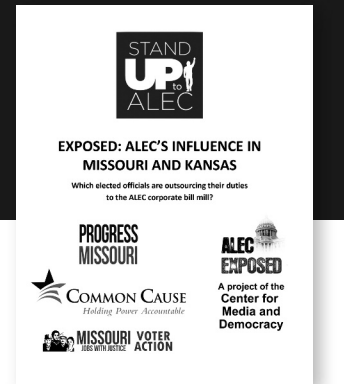
The same corporations that benefit from ALEC model legislation funnel thousands of dollars of gifts and campaign contributions to ALEC legislators, which pushes the envelope on ethics and lobbying law. Elected officials who are members of ALEC then bring their model legislation back to Kansas, where they pass off the bills as their own ideas and important public policy innovations without disclosing that corporations crafted and pre-voted on the bills at closed-door meetings with legislators who are part of ALEC.

Identifying a complete list of Kansas legislators who are part of ALEC is a difficult task, because ALEC operates largely in secret, and refuses to make their full list of members public.

WHY IS ALEC'S INFLUENCE IN TOPEKA IMPORTANT?

The *Kansas City Star* writes that ALEC "is funded and dominated by free-market and corporate interests who work with like-minded legislators to push various agendas." What are these "various agendas"? Here is a taste:

- **Taking away workers' rights while shielding corporations from accountability.** ALEC works fervently to promote laws that limit the rights of workers, and at the same time pushes bills that help shield corporations from legal accountability for injuring or killing Kansas citizens. ALEC model legislation rolls-back or blocks efforts to guarantee workers are paid a fair wage. Its bills undermine organized labor by stripping public employees' collective bargaining rights and weaken private-sector workers' voices through so-called 'right to work' laws. ALEC also promotes so-called "tort-reform" bills that shield corporations from liability for harming state residents, for example, by making it harder for injured Kansans to access the courts and capping damages that corporations might owe.
- **Taking away voters' fundamental freedoms.** ALEC is directly tied to the trend among state legislatures to limit the ability of American citizens to vote by passing restrictive 'voter ID' laws. Citing demonstrably false allegations of 'voter fraud,' right-wing politicians, many of whom are ALEC members, are pursuing policies that threaten to disenfranchise people of color, students, and other voters - including the elderly and the poor - who are statistically less likely to have the forms of identification required under the laws and who previously could vote by showing proof of residence and other identification. By suppressing the vote of such groups of likely Democratic voters, ALEC's model 'Voter ID Act' grants an electoral advantage to Republicans while undermining Americans' fundamental right to vote.
- **Privatizing public schools.** Despite constitutional problems, negative impacts on public schools, bias against disadvantaged students, and comprehensive studies demonstrating that private-school voucher programs fail to make any substantial improvements in education, ALEC pushes vouchers as a way to privatize public education and put dollars from Kansas taxpayers into the pockets of for-profit and private school operators. Under the guise of 'school choice,' ALEC pushes bills with titles like the 'Parental Choice Scholarship Act' and the 'Great Schools Tax Credit Program Act,' that establish or expand private-school voucher programs.



- **Protecting polluters.** At the behest of its major donors like Peabody Energy, Exxon Mobil and Koch Industries, ALEC puts its muscle behind state-level legislation that hinders citizens' ability to curb polluters through environmental regulation. ALEC has previously said that carbon dioxide "is beneficial to plant and human life alike," and promotes climate change denialism, even in schools. ALEC's model legislation assails EPA emissions guidelines and greenhouse gas regulations, undermines regional climate initiatives, and pushes for extreme deregulation, giving free rein to some of the biggest polluters on the planet.
- **Undermining public systems and structures.** As states face challenging budget deficits, ALEC seeks to make it harder to generate revenue in order to close budget shortfalls. Such bills include the "Super-Majority Act," which would allow a tiny minority of lawmakers to block a majority vote to raise taxes (and created such a financial disaster in California that voters overturned a similar law); the so-called "Taxpayer Bill of Rights," which drastically restricts government revenue and helped force Colorado to slash vital public programs; and measures to eliminate capital gains taxes and progressive income taxes. The main beneficiaries of ALEC's reckless fiscal policies are big corporations (like those that back ALEC) and their executives – the big losers are the rest of us.

ALEC'S CAMPAIGN FLOWS THROUGH TOPEKA

Why would a legislator be interested in advancing cookie-cutter bills that are giveaways for multinational corporations located outside of Kansas? ALEC's appeal rests largely on the fact that these legislators receive trips, food and lodging that provide many part-time legislators and their families with vacations, along with the opportunity to rub shoulders with prospective donors to their political campaigns.

The ritzy trips are paid for by "scholarships" funded by corporations and "awarded" to legislators, not on the basis of any scholarly work, but on a legislator's willingness to push the ALEC agenda. For a few hours of work on a task force and sitting through a couple of workshops by ALEC experts, part-time Kansas legislators can bring the whole family to ALEC's annual convention, vote in private meetings with corporate lobbyists, and stay in swank hotels and attend parties, all heavily subsidized by the same corporations that benefit from the introduction and passage of ALEC model legislation. The arrangement goes something like this:

1. Kansas legislators go to an ALEC conference that resembles a vacation, with expenses paid by corporations via ALEC's so-called "scholarships."
2. Legislators vote, together with these same corporations, to adopt model legislation written to boost corporate profits.
3. While on vacation at the ALEC conference, legislators mingle with lobbyists and potential donors to their political campaigns.
4. Legislators take the model bills back to their capitols and push them as their own.
5. Corporations and lobbyists make donations to favored legislators' political campaigns.

Between 2006 and 2008, Kansas legislators were awarded more than \$24,000 worth of "scholarships" to ALEC junkets. Even though Kansas has strict donations on lobbyist gifts, these lavish trips are disguised as "educational expenses."



KANSAS BILLS

The Center for Media and Democracy has identified 15 ALEC bills introduced in the Kansas Legislature in 2013. The list does not include ALEC language snuck into larger legislation or bills inspired by ALEC but rewritten to match Kansas statutes, or all of the bills that may have been introduced in 2013-14.

Bill	ALEC Model	Topic
SB31	'Political Funding Reform Act'	Labor
HB2123	'Public Employee Freedom Act'	So-called "right to work"
HB2023	'Political Funding Reform Act'	
SB48	'Fair and Legal Employment Act'	Employment, Immigration, E-Verify, Criminal law
SB140	'No Sanctuary Cities for Illegal Immigrants Act'	Immigration
SB196	'Next Generation Charter Schools Act'	Education
HB2400	'Great Schools Tax Credit Program Act (Scholarship Tax Credits)'	Education
HB2263	'Special Needs Scholarship Program Act'	Education
SB378	'Family Education Tax Credit Program Act'; 'Parental Choice Scholarship Program Act'	Education
SB359	'Successor Asbestos-Related Liability Fairness Act'	Asbestos liability
HB2605	'Successor Asbestos-Related Liability Fairness Act'	Asbestos liability
SB361	'Health Care Freedom Act'	Health care
HB2553	'Health Care Compact Act'	Health care
HB2315	'Trespasser Responsibility Act'	Property rights, torts
HB2399	'Trespasser Responsibility Act'	Property rights, torts

BEYOND COPYCAT BILLS: ALEC-INSPIRED ATTACKS

In addition to introducing ALEC model legislation directly as bills, ALEC-affiliated legislators have also pushed "ALEC-inspired" bills in our statehouses. While these bills are not verbatim copies, they closely resemble ALEC model legislation and further the aims of ALEC corporations.

Kansas House Bill 2458 seeks to end "net metering" policies that incentivize consumers to use clean, alternative energy like solar by crediting consumers who feed energy back into the grid.

ALEC has an "Updating Net Metering Policies Resolution" that urges states to replace their net metering policies with "fixed rate" policies. While Kansas HB 2458 is not an exact replica of the ALEC resolution, they are strikingly similar and both impose new fees on the use of solar energy, benefitting large power companies. This is not surprising, given that corporate special interests and the David Koch-backed Americans for Prosperity pushed the bill in the state.

KANSAS COPYCAT BILLS in 2013-14

Bill	Sponsor	ALEC Model	Topic
HB 2519	Committee on Pensions & Benefits	'Defined-Contribution Pension Reform Act'	Public Employee Pension "Reform"
SB 82	Committee on Utilities	'Electricity Freedom Act'	Postponing renewable energy portfolio standards (RPS)
HB 2241	Committee on Energy & Environment	'Electricity Freedom Act'	Postponing renewable energy portfolio standards (RPS)
SS HB	Committee on Utilities	'Electricity Freedom Act'	Postponing renewable energy portfolio standards (RPS)
SB 280	Committee on Utilities	'Updating Net Metering Policies Resolution'	Eliminating net metering
HB 2458	Committee on Energy & Environment	'Updating Net Metering Policies Resolution'	Eliminating net metering
HB 2306	Committee on Education	'Environmental Literacy Improvement Act'	Climate science education
HCR 5014	Committee on Energy & Environment	'Resolution in Support of the Keystone XL Pipeline'	Supporting the Keystone XL Pipeline
HB 2260	Committee on Elections	'Voter ID Act'	Voting rights